Mphasis
The Next Applied

23 June 2022

The Manager, Listing BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001	The Manager, Listing National Stock Exchange of India Ltd Exchange Plaza, Plot No. c/1, G-Block, Bandra-Kurla Complex, MUMBAI – 400 051

Dear Sir,

Sub:- Circulation of the Notice of the 31st Annual General Meeting and the Annual Report for the year ended 31 March 2022 to the Shareholders of the Company

We wish to inform you that the Notice of the 31st Annual General Meeting (AGM) scheduled to be held on Thursday, 21 July 2022, at 9:00 am (IST) through Video Conferencing (VC) together with the Annual Report for FY22, through electronic mode is being despatched today to all the members whose name appear in the Register of members/List of Beneficial owner as on 17 June 2022. The Notice and Annual Report 2022 have been uploaded on the website of the Company, as per the following details:

1. Notice (e-book) - https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/annual-reports/2022-Notice.ebook
2. Annual Report (e-book) - https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/annual-reports/2022-Annual-Report.ebook
3. Notice (PDF) - https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/annual-reports/mphasis-agm-notice-2022.pdf
4. Annual Report (PDF) - https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/annual-reports/mphasis-annual-report-2022.pdf

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Notice of AGM and the Annual Report 2022 being dispatched to the equity shareholders of the Company.

The following are the events in connection with the AGM and e-voting:

Particulars	Details
Date and time of AGM	Thursday, 21 July 2022, at 9:00 am (IST)
Mode of AGM	Video Conferencing
Link for participation through VC	https://www.evoting.nsdl.com/
Webcast and transcripts link	https://www.mphasis.com
Dividend record date	Tuesday, 5 July 2022
Information for tax on dividend 2021-22	https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/annual-reports/categorywisetaxdeclaration2022.ebook
Cut-off date for e-voting	Thursday, 14 July 2022
E-voting start date and time	Saturday, 16 July 2022, 9:00 am (IST)
E-voting end date and time	Wednesday, 20 July 2022, 5:00 pm (IST)
Link for e-voting website of NSDL	https://www.evoting.nsdl.com/

We also enclose a copy of the newspaper advertisement published today in the Business Standard and Samyuktha Karnataka (Kannada language newspaper) regarding the dispatch of the subject Notice and the Annual Report to the shareholders.

We request you to kindly take the above on record as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,

For Mphasis Limited

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Mphasis Limited ★ BANGALORE ★

Subramanian Narayan
Senior Vice President and Company Secretary

Encl: As above

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the thirty first Annual General Meeting of the members of Mphasis Limited will be held on Thursday, the 21 July 2022 at 9:00 am (IST) through Video Conferencing ("VC") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the consolidated and standalone financial statements of the Company comprising of audited balance sheet as at 31 March 2022, the statement of profit and loss and cash flow statement for the year ended on that date and the reports of the Board and Auditors' thereon.

2. To declare a final dividend on equity shares.

3. To appoint a director in place of Mr. Amit Dalmia (DIN: 05313886) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mr. David Lawrence Johnson (DIN: 07593637) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   RESOLVED THAT pursuant to Sections 152,160 and other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kabir Mathur (DIN: 08635072), in respect of whom the Company has received a notice in writing from a member proposing his candidature to the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retirement by rotation.

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   RESOLVED THAT pursuant to Sections 152,160 and other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pankaj Sood (DIN: 05185378), in respect of whom the Company has received a notice in writing from a member proposing his candidature to the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retirement by rotation.

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   RESOLVED THAT pursuant to Sections 152,160 and other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Courtney della Cava (DIN: 09380419), in respect of whom the Company has received a notice in writing from a member proposing her candidature to the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retirement by rotation.

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

   RESOLVED THAT pursuant to the provisions of Sections 149, 152,160 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Maureen Anne Erasmus (DIN : 09419036), who was appointed as an additional director pursuant to the provisions of Section 161 of the Companies Act, 2013 in capacity of an Independent Director effective 20 December 2021, holding office up to the date of this Annual General Meeting, in respect of whom the Company has received a notice in writing from a member proposing her candidature to the office of Director, be and is hereby appointed as an Independent Director of the Company, not subject to retirement by rotation, to hold office for a period of five consecutive years with effect from 20 December 2021.

By order of the Board
For **Mphasis Limited**

Bengaluru
28 April 2022

SUBRAMANIAN NARAYAN
SVP and Company Secretary

Registered Office:

Bagmane World Technology Center, Marathahalli Outer Ring Road,
Doddanakhundi Village, Mahadevapura, Bengaluru 560048;
CIN: L30007KA1992PLC025294; Telephone: 080 - 6750 1000;
Website: www.mphasis.com; e-mail: investor.relations@mphasis.com

NOTICE OF THE ANNUAL GENERAL MEETING

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY ICSI:

Name	Mr. Amit Dalmia	Mr. David Lawrence Johnson	Mr. Kabir Mathur	Mr. Pankaj Sood	Ms. Courtney della Cava	Ms. Maureen Anne Erasmus
DIN	05313886	07593637	08635072	05185378	09380419	09419036
Date of first appointment at the Board	1 Sep 2016	1 Sep 2016	20 Dec 2021	20 Dec 2021	20 Dec 2021	20 Dec 2021
Date of Birth	30 Oct 1975	27 Nov 1953	16 Feb 1979	11 July 1975	31 Dec 1969	05 June 1960
Qualification	B. Com, CA, CS and CWA	B.A. and MBA	Bsc (Hons), Graduate in Economics and a degree in Political Science	BE and MBA	B.A. and MBA	Graduate in Commerce
Nature of expertise in specific functional areas	Technology, Global Experience / Domain Experience, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance, Leadership.	Technology, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance, Leadership.	Global Experience / Domain Experience, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance, Leadership.	Global Experience / Domain Experience, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance, Leadership.	Global Experience / Domain Experience, Strategy, Functional and managerial experience, Governance, Risk and Compliance, Leadership.	Global Experience / Domain Experience, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance, Leadership.
Directorship in the Boards of other Indian listed entities	Refer below	Nil	Nil	Nil	Nil	Nil
Membership/ Chairmanship in Committees of other Indian listed entities	Refer below	Nil	Nil	Nil	Nil	Nil

Name of the Director	Other Directorship in Indian Public Companies	Membership/ Chairmanship
Mr. Amit Dalmia	SH Kelkar and Company Limited	Member of Audit Committee Member of Nomination and Remuneration Committee

Notes:

1. *Directorships in unlisted entities, foreign companies and membership in governing councils, chambers and other bodies are not included.*
2. *Membership/Chairmanship in Audit Committee and Stakeholder Grievance Committees of other listed public entities is considered.*
3. *The above directors have not resigned from Indian listed companies in the last 3 years.*
4. *There is no inter-se relationship amongst the Directors and Key Managerial Personnel.*
5. *The above stated Directors do not hold any shares of the Company.*
6. *The details of the number of Board and Committee meetings attended during the year are given in the Annual Report 2022.*
7. *The skills and capabilities of the Ms. Maureen Anne Erasmus has been disclosed in the explanatory statement.*
8. *The detailed profile of Directors are disclosed in the Annual Report 2022 and are also hosted on the website of the Company at www.mphasis.com.*

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circulars dated 5 May 2022 read with circulars dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021 and 8 December 2021 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM") through VC. Accordingly, in compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 31st AGM of the Company is being held through Video Conferencing (VC).

2. 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. PURSUANT TO THE MCA CIRCULARS, PROVISION FOR APPOINTMENT OF PROXIES BY THE MEMBERS ARE NOT AVAILABLE FOR THE AGM HELD THROUGH VC. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXY FOR THIS AGM HAS NOT BEEN PROVIDED TO THE MEMBERS AND THE PROXY FORM IS NOT ANNEXED TO THIS NOTICE.

3. Members attending the AGM through VC shall only be counted for the purpose of quorum under Section 103 of the Act and the attendance of the members shall be reckoned accordingly. No separate attendance form is being enclosed with the notice.

4. The place of the AGM for the statutory purposes shall be the registered office of the Company.

5. In compliance with the aforesaid MCA Circulars and the SEBI Circular dated 13 May 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail address are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's Website www.mphasis.com, websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com respectively and on the website of NSDL https://www.evoting.nsdl.com.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the certificate from the secretarial auditor under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection by members during the AGM.

7. The Institutional and Corporate Investors (i.e. other than individuals, HUF, NRI, etc.,) are encouraged to attend the AGM through VC by sending a scanned copy (PDF / JPG Format) of its Board / Governing body resolution / Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said resolution / authorization may be sent to the Scrutinizer by email to cs@nagarajsp818.com with a copy marked to evoting@nsdl.co.in and 31.agm@mphasis.com

8. Members proposing to seek information/clarification with regard to the financial accounts or any matter being placed at the AGM, are requested to write in advance to the Company on or before Friday, 15 July 2022 through email at 31.agm@mphasis.com. The same will be replied by the Company suitably at the Annual General Meeting.

9. The members present at the AGM who have not cast their votes by availing the remote e-voting facility may cast their votes through e-voting during the AGM.

10. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, who shall countersign the same and declare the results of the voting forthwith.

11. The results declared along with the report of the Scrutinizer will be placed on the website of the Company, https://www.mphasis.com/home/corporate/investors.html and on the website of NSDL (www.evoting.nsdl.com) after the declaration of the results by the Chairman or a person authorized by him. The results will also be immediately forwarded to the stock exchanges where the shares of the Company are listed. In addition, the results will also be displayed on the Notice Board of the Company at the registered office and the corporate office at "Bagmane Laurel", Bagmane Technology Park, Byrasandra Village, C V Raman Nagar, Bengaluru 560093.

12. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 7 July 2022 to Thursday, 21 July 2022 (both days inclusive).

13. The final dividend on equity shares as recommended by the Board of Directors for the year ended 31 March 2022, if approved at the Annual General Meeting, be payable, electronically:

    a. to those members holding shares in physical form, whose names appear on the Register of Members at the close of business hours on Tuesday, 5 July 2022, after giving effect to all valid transmission and other requests in physical form lodged with the Company and/or its Registrar and Share Transfer Agent on or before Tuesday, 5 July 2022; and

NOTICE OF THE ANNUAL GENERAL MEETING

b. in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose at the close of business hours on Tuesday, 5 July 2022.

14 Members who have not registered their bank mandate details for receipt of dividend electronically or wish to change their bank mandates may update the said details at https://www.integratedindia.in/mph.aspx. In addition, members holding shares in the demat form are also requested to contact their Depository Participant and register the bank mandate details for electronic payment of dividend.

15. Members are requested to note that the payment of dividend to the shareholders who have not opted for electronic mode or to whom the said dividend is required to be paid through issuance of Dividend Warrants/Demand Drafts (DDs) including the NEFT/RTGS/NACH/NECS return cases, could be delayed if the postal services/courier services in the Country are affected due to resurge, if any, of the pandemic. In such an event, in terms of MCA Circulars, the Company shall dispatch the dividend warrants/demand drafts through post or other permitted dispatch means, upon normalization of postal or other permitted dispatch services. Members may also note that the Company is fully committed to make its best efforts to dispatch the Dividend Warrants/DDs to the aforesaid shareholders promptly once normalcy returns and the dispatch services in the Country are resumed.

16. As per the Income Tax Act, 1961 ("Income Tax Act"), as amended by the Finance Act, 2020, dividend distribution tax has been abolished with effect from 1 April 2020. Accordingly, dividend income is taxable in the hands of the members. The Company shall therefore deduct tax at source at the time of making the payment of dividend at the prescribed rates. The members are requested to note that the Tax Deducted at Source ("TDS") rate varies for each person, based on their residential status and entity type:

The applicable TDS and the relevant documents required by the Company to determine the same are as follows.

A. Resident shareholders

For Resident Shareholders, taxes shall be deducted at source under Section 194 of the Income Tax Act, as follows–

Shareholders having valid Permanent Account Number (PAN)	10% or as notified by the Government of India.
Shareholders not having PAN / valid PAN	20% or as notified by the Government of India as per section 206AA of the Income Tax Act.
Shareholders who have not furnished Income Tax Returns for the financial year ("FY") 2020-21 (AY 2021-22) within the timelines prescribed under section 139(1) of the Income Tax Act and aggregate of tax deducted at source is ₹ 50,000 or more in FY 2020-21.	Higher rate of tax as notified by the Government of India as per section 206AB of the Income Tax Act.

However, no tax shall be deducted on the dividend payable to a resident individual shareholder, if the total dividend to be received by them during Financial Year ("FY") 2022-23 does not exceed ₹ 5,000 in aggregate across all holdings in the Company.

If the shareholders wish to avail a lower TDS rate / Nil TDS rate on the dividend, the following documents may be uploaded on https://www.integratedindia.in/ExemptionFormSubmission.aspx on or before 10 July 2022 before 5:00 pm (IST).

- Lower/Nil withholding certificate issued under section 197 of the Income Tax Act covering FY 2022-23;
- Form 15G, which is applicable to resident individual shareholders who are below 60 years of age or a person (other than company or firm) and whose tax on total income during FY 2022-23 is estimated to be Nil.
- Form 15H, which is applicable to resident individual shareholders who are 60 years of age and above during the FY 2022-23 and whose tax on total income during FY 2022-23 is estimated to be Nil.

No communication/documents on the tax determination/ deduction shall be considered by the Company after 10 July 2022 and the TDS basis the information / documents available with the Company, would be considered.

B. Non-resident shareholders

For Non-resident Shareholders (excluding FPIs / FIIs), taxes are required to be withheld in accordance with the provisions of Section 195 of the Act at the rates in force i.e., 20% (plus applicable surcharge and cess). Further, for FPIs / FIIs, taxes are required to be withheld in accordance with the provisions of section 196D of the Income Tax Act at the rate of 20% (plus applicable surcharge and cess).

If the non-resident shareholders wish to avail a lower TDS rate/Nil TDS rate on the dividend, lower/Nil withholding certificate issued under Section 197 of the Income Tax Act covering FY 2022-23 may be uploaded on https://www.integratedindia.in/ExemptionFormSubmission.aspx on or before 10 July 2022 before 5:00 pm (IST).

NOTICE OF THE ANNUAL GENERAL MEETING

Non-resident shareholders (including FPIs / FIIs) have the option of being governed by the provisions of the Double Taxation Avoidance Agreement (DTAA) between India and their country of tax residence, if the provisions of the DTAA are more beneficial to them. For this purpose, i.e., in order to avail the benefits under the DTAA, non-resident shareholders (including FPIs / FIIs) will have to provide the following:

- Copy of the PAN Card allotted by the Indian Income Tax Authorities duly attested by the shareholder.
- Copy of Tax Residency Certificate (TRC) for FY 2022-23, obtained from the revenue authorities of the country of tax residence, duly attested by shareholder.
- Self-declaration in Form 10F for FY 2022-23.
- Declaration to establish the genuineness of applicability of treaty provisions including provisions of General Anti-Avoidance Rules and Multilateral Instruments.
- In case of foreign company / entity, self-declaration that you do not have a permanent establishment in India, nor do you have a place of effective management in India for FY 2022-23.

The above referred non-resident shareholders may upload the aforementioned documents on https://www.integratedindia.in/ExemptionFormSubmission.aspx on or before 10 July 2022, 5:00 pm (IST). Thereafter, no communication/documents on the tax determination/ deduction shall be considered by the Company and the withholding tax as appropriate, basis information / documents available with the Company, would be considered.

The non-resident shareholders (including FPIs / FIIs) may note that:

a) The above documents would be considered only if they are found to be in order in accordance with the provisions of the Income Tax Act.

b) In case of shares held in the Company in multiple accounts with different status and/or category under a single PAN, the higher rate of tax, as applicable, would be considered on the entire holding in different accounts.

c) Members are advised to verify the correctness of the PAN and update the same with your Depository Participant (if you hold shares in dematerialized mode) or the Registrar and Share Transfer Agent (if you hold shares in physical mode), at the earliest.

The members may note that no claim shall lie against the Company for TDS/withholding taxes deducted from the dividend paid.

The shareholders are advised to refer www.mphasis.com to note the detailed requirements, based on the category of each shareholder, including the prescribed format of declaration and documents, to be furnished to avail nil TDS/withholding tax.

The Company will arrange to email a soft copy of the TDS certificate to your registered email ID post payment of the dividend. The members may also view the credit of TDS/withholding tax in Form 26AS, which can be downloaded from your e-filing account at https://www.incometaxindiaefiling.gov.in/.

17. Shareholders who hold securities either in Pool, Collateral or Securities Unpaid Account on behalf of beneficial holders are advised to furnish a declaration regarding the beneficial ownership to the Company or to the Registrar and Share Transfer Agent, viz., Integrated Registry Management Services Private Ltd, Unit-Mphasis Limited on or before closing hours of 10 July 2022 to avoid deduction of TDS in their name instead of the beneficial owners. Declaration made after 10 July 2022 will strictly not be accepted. TDS once deducted by the Company will not be revised by the Company subsequently.

18. In case of joint holders, Members whose name appear 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.

19. Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividends remaining unclaimed/unpaid for seven years is required to be transferred to Investor Education and Protection Fund. Accordingly, the unclaimed and unpaid final dividend for the year 2014-15, is liable to be transferred to the Investor Education and Protection Fund in October 2022. Shareholders who are yet to claim the said unclaimed dividend, are requested to submit their claims to the Registrar and Share Transfer Agent, viz., Integrated Registry Management Services Private Ltd, Unit-Mphasis Limited. The details of shareholders in respect of whom the dividend has remained unclaimed have been uploaded on the website of the Company at www.mphasis.com under the Investor Section.

    In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which the dividend remains unclaimed for seven consecutive years is required to be transferred to Investor Education and Protection Fund (IEPF). Accordingly, as at the date of the notice there are 10,898 shares held by 61 shareholders, which are liable to be transferred to IEPF Authority in October 2022.

NOTICE OF THE ANNUAL GENERAL MEETING

The Company has uploaded the details of shareholders whose shares are required to be transferred to IEPF Authority on the website of the Company at https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/governance/new-folder/shareholders-whose-dividend-remains-unpaid-for-seven-consecutive-years-as-at-25-may-2022.pdf

20. The following are the details of transactions in the unclaimed suspense account, maintained by the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Unclaimed shares outstanding as at 1 April 2021	Unclaimed shares debited from the account during the period	Closing balance of shares as at 31 March 2022
3,000	Nil	3,000

21. Members are requested to notify any change in their address to the Company / Depository Participant as the case may be.

22. The shareholders are requested to communicate all their correspondence to:

    Senior Vice President and Company Secretary, Mphasis Limited, Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048. e-mail: subramanian.narayan@mphasis.com Ph: +91 (080) 67504613.

    OR

    Integrated Registry Management Services Private Ltd. Unit: Mphasis Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003. e-mail: giri@integratedindia.in Ph: +91 (080) 23460815 - 818.

23. Since the AGM will be held through VC in accordance with the MCA Circulars, the route map is not attached to this Notice.

VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members an electronic voting (e-voting) facility to exercise their right to vote on resolutions proposed to be considered at the thirty first Annual General Meeting (AGM). The instructions for e-voting are given hereinbelow.

2. The remote e-voting period commences on Saturday, 16 July 2022 at 9:00 AM and ends on Wednesday, 20 July 2022 at 5.00 PM. During this period, members of the Company, holding shares in physical form or in dematerialized form, as on Thursday, 14 July 2022, being the cut-off date, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL after 5:00 PM on 20 July 2022. Vote once cast by a member shall not be allowed to be changed subsequently. Members, who will be present in the AGM through VC facility and have not cast their vote on the resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

3. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC but shall not be entitled to cast their vote again during the AGM.

4. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on that cut-off date i.e., Thursday, 14 July 2022.

5. Any person who acquires shares and becomes a member of the Company after dispatch 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@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing User ID and password for casting the vote.

Any queries or grievances in relation to the electronic voting may be addressed to Mr. Subramanian Narayan, Senior Vice President and Company Secretary, at the registered office of the Company or may be e-mailed to subramanian.narayan@mphasis.com.

The process and manner for remote e-voting are as under:

☞ Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

☞ Step 2: Cast your vote electronically on NSDL e-Voting system

Step 1 – Log-in to NSDL e-voting system by following the given below process:

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered for NSDL IDeAS facility,** 1. Please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. **If you are not registered, for NSDL IDeAS facility, follow the below steps:** 1. Option to register is available at https://eservices.nsdl.com. 2. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 4. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 5. 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. 6. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 7. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. 2. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or https://web.cdslindia.com/easieasiest/EasiEasiestSL.aspx 3. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e., NSDL.** Click on **NSDL** to cast your vote. 4. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 5. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once login, 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.

3. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting or click on **"VC or OAVM" link placed under "Join General Meeting"** to join the meeting.

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 website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL is given below.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
5. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

6. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you earlier. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) In case you have not registered your e-mail ID, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

NOTICE OF THE ANNUAL GENERAL MEETING

7. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com.**
   c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
8. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
9. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
10. Now, you will have to click on "Login" button.
11. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system by following the given below process.

1. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
2. Now you are ready for e-Voting as the voting page opens.
3. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@nagarajsp818.com with a copy marked to evoting@nsdl.co.in and 31.agm@mphasis.com
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Asst. Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user ID and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to 31.agm@mphasis.com for obtaining the user ID and Password for the e-voting.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to 31.agm@mphasis.com for obtaining the user ID and Password for the e-voting.
3. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
4. Upon receipt and validation of the above documents, NSDL will send the user ID and password to the member.
5. Mr. S P Nagarajan (PCS No.4738) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

NOTICE OF THE ANNUAL GENERAL MEETING

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC ARE AS UNDER

Members will be able to attend the AGM through VC by using their remote e-voting login credentials and selecting the EVEN for Company's AGM (https://www.evoting.nsdl.com/). 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 in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

Facility of joining the AGM through VC shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come and first served basis. Members are requested to join the meeting in advance of time of commencement of meeting.

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending their request to 31.agm@mphasis.com from their registered e-mail ID by 16 July 2022, 5:00 pm (IST). The speaker shareholders are requested to quote their DP-ID and Client-ID (in case of shares held in dematerialised form) or folio number (in case of shares held in physical form), PAN and mobile number in the request being sent through e-mail.

Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Members are encouraged to join the Meeting through laptops for better experience.

Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting. Ensure that the camera is properly positioned and focused at your eye level.

Members may note that Participants Connecting from mobile devices or tablets or through laptop connecting via Mobile Hotspots 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.

Even though there are no formal dress code for the shareholders, to the extent that shareholders will appear on VC, it is recommended that they be dressed in an attire appropriate for an in-person shareholders meeting or business casual attire as a minimum standard.

System requirements for better VC experience

Internet connection – broadband, wired or wireless (3G or 4G/LTE), with a speed of 5 Mbps or more

Minimum Supported Browser Versions:

Desktop:

- CPU: Quad-Core Processor or Better
- RAM: 4 Gigabytes
- Chrome 65 or later on PC or Mac
- Firefox 52 or later on PC or Mac
- Safari 11 or later for Web Only Conferences
- Safari 12.2 or later for Mixed Conferences at VP8 CIF
- Internet Explorer – Not Supported
- Chrome 65 on Android
- Firefox 52 on Android
- Safari 11 or later for Web Only Conferences
- Safari 12.0 and 12.1 for mixed Conferences at H.264
- Safari 12.2 for mixed Conferences at VP8 CIF
- Internet Explorer – Not Supported

Mobile:

- Chrome 65 on Android
- Firefox 52 on Android
- Safari 11 or later for Web Only Conferences
- Safari 12.0 and 12.1 for mixed Conferences at H.264
- Safari 12.2 for mixed Conferences at VP8 CIF
- Internet Explorer – Not Supported

Helpline numbers: 1800-222-990 and 1800 22 44 30
Contact details of the NSDL official:

Ms. Sarita Mote, Assistant Manager,
National Securities Depository Limited,
4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, India.
Email Id: saritam@nsdl.co.in; NSDL Contact Number: +91-22- 24994890

NOTICE OF THE ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item Nos.5 to 7:

Mr. Kabir Mathur (DIN: 08635072), Mr. Pankaj Sood (DIN: 05185378) and Ms. Courtney della Cava (DIN: 09380419) were appointed as additional directors on the Board of the Company on 20 December 2021. In terms of Section 161 of the Companies Act, 2013, the additional directors hold office till the ensuing Annual General Meeting. The Company has received Notices from members under Section 160 of the Companies Act, 2013, proposing the candidatures of the aforesaid persons to the office of directorship. Necessary resolutions seeking approval of the members for their appointment are placed by means of ordinary resolutions.

Mr. Kabir Mathur is Head of Asia Pacific within the Private Equities Department of the Abu Dhabi Investment Authority (ADIA). He is responsible for leading all aspects of ADIAs private equity activities in the Asia Pacific region and is a member of the Private Equity Executive Committee. Prior to joining ADIA in 2018, Mr. Kabir Mathur worked at Kohlberg Kravis Roberts & Co (KKR) where he was responsible for sourcing, executing and managing private equity investments in Asia. Mr. Kabir Mathur joined KKR in 2008, having previously worked at TPG Capital, also in their Asian private equity business. Mr. Kabir Mathur began his career in the Investment Banking division of Citigroup/Salomon Smith Barney. Mr. Kabir Mathur graduated from the London School of Economics and Political Science with a BSc (Hons.) in Economics.

Mr. Pankaj Sood heads the Private Equity (Direct Investments) business of GIC Singapore (“GIC”) in India and Africa. He joined GIC in 2010 and is based out of Mumbai office. He currently serves as Non-executive Director of Bandhan Financial Holdings Limited and Bandhan Financial Services Limited. He has over 23 years of experience in private equity and M&A transactions in India. Prior to GIC, Mr. Pankaj Sood was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets. Mr. Pankaj Sood is a post-graduate from Indian Institute of Management Calcutta (1999) and has a bachelor’s degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996).

Ms. Courtney della Cava is a Senior Managing Director and Global Head of Portfolio Talent & Leadership. Before joining Blackstone in 2021, she served as a Partner at Bain & Company in its Leadership and Talent/Organization practice. With 20 years of global management consulting experience at Bain & Company across multiple sectors and geographies, Ms. Courtney della Cava most recently advised corporate and private equity clients on CEO succession, CEO and board effectiveness and broader organizational talent strategies and solutions, and she also built and led several of the firm’s global human capital teams and capabilities. She also served as a Partner and Managing Director for Russell Reynolds Associates, a global executive search and talent assessment firm, and European Marketing Director for M&M Mars. Earlier, she held product and marketing roles with Toyota/Lexus and began her career at WPP/Hill and Knowlton. Ms. Courtney della Cava earned an MBA from The Wharton School of the University of Pennsylvania and graduated from The University of California, Los Angeles, with a B.A. in Economics.

The qualification, areas of expertise and other details of the above directors are detailed in the Notice of the meeting besides brief profiles being available in the Annual Report 2022 and on the website of the Company at www.mphasis.com. The details of attendance of the above directors at the board meetings are detailed in the Annual Report 2022. No remuneration is paid to the aforesaid directors. The above directors do not hold any shares in the Company.

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board of Directors, after considering their skills and expertise, recommends the appointment of Mr. Kabir Mathur, Mr. Pankaj Sood and Ms. Courtney della Cava for approval of the members by means of ordinary resolutions. As the approval of members is required to be obtained following the appointment, the Board has considered these items as unavoidable in terms of general circular issued by Ministry of Corporate Affairs (MCA) dated 5 May 2020.

Mr. Kabir Mathur, Mr. Pankaj Sood and Ms. Courtney della Cava are interested in the above resolution to the extent of their appointment. None of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolutions.

Item No.8:

The Board of Directors of the Company, on 20 December 2021, subject to approval of the members of the Company, appointed Ms. Maureen Anne Erasmus as an additional director of the Company, in the capacity of Independent Director, in terms of Sections 161 and 149 of the Companies Act, 2013, for a period of five consecutive years effective 20 December 2021, who shall not be liable to retire by rotation.

Pursuant to the Section 161 of the Companies Act, 2013, the Independent Director shall hold office up to the date of the ensuing Annual General Meeting. However, the Company has received a notice in writing from a member under Section 160 of the Act, proposing the candidature of Ms. Maureen Anne Erasmus for the office of Independent Director of the Company, to be appointed as such under Sections 149 and 152 of the Companies Act, 2013.

NOTICE OF THE ANNUAL GENERAL MEETING

Ms. Maureen Anne Erasmus has extensive experience in financial services including capital markets and banking having worked across developed and emerging markets for more than 35 years. Until 2017, she was a partner at Bain and Company Inc. (London), where she led major assignments across Europe, Middle East and Africa on corporate and investment banking turnaround strategies. Prior to this, she held senior executive roles at Merrill Lynch in London and New York. Ms. Maureen Anne Erasmus was also a non- executive Director of Standard Bank Group and Standard Bank South Africa boards. Currently, Ms. Maureen Anne Erasmus is a non-executive director on three other corporate boards, namely Credit Suisse, UK (Chair), Mizuho International (Senior Independent Director) and Vanguard, UK, (Chair of Risk & Compliance and Remuneration). She also serves on two not-for-profit boards, specifically as a non-executive director on the board of PSI Global Healthcare, USA and she is also member of Global Advisory Board of African Leadership Institute. Ms. Maureen Anne Erasmus is a graduate of the University of Cape Town. The qualification, areas of expertise and other details of Ms. Erasmus is detailed in the Notice of the meeting besides brief profile being available in the Annual Report 2022 and the website of the Company at www.mphasis.com.

Ms. Maureen Anne Erasmus is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. The Company has also received declaration that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act 2013. In the opinion of the Board, Ms. Maureen Anne Erasmus fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director. The details of remuneration paid to Ms. Maureen Anne Erasmus for the year ended 31 March 2022 are detailed in the Corporate Governance Report forming part of Annual Report 2022.

Considering Ms. Maureen Anne Erasmus experience of over 35 years as a reputed and internationally experienced leader from the financial services industry coupled with her track record of implementing turnaround strategies, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint Ms. Maureen Anne Erasmus as an Independent Director for a period of five years with effect from 20 December 2021 to 19 December 2026.

As per the Board diversity policy of the Company, a director including an independent director shall be required to possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, supply chain, administration, research, corporate governance, operations or other disciplines related to the company's business. An Independent Director shall also be considered against the guidelines, duties, roles and functions set out in the Independent Directors Charter as per Schedule IV to the Companies Act, 2013. The Board skill matrix encompasses, Technology, Global Experience / Domain Expertise, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance and Leadership. As against the defined matrix, Ms. Erasmus possess skills in Global experience / Domain expertise, Strategy, Functional and managerial experience, Financial, Governance, Risk and Compliance and Leadership. As the approval of members is required to be obtained following the appointment, the Board has considered this item as unavoidable in terms of general circular issued by Ministry of Corporate Affairs (MCA) dated 5 May 2020.

Copy of the letter for appointment of Ms. Maureen Anne Erasmus setting out the terms and conditions will be available for inspection by the members electronically through "share screen" mode on all working days during business hours till the date of this Annual General Meeting and the same shall also be available for inspection of the members electronically during the Annual General Meeting. Members intending to inspect the document may write to 31.agm@mphasis.com. The Nomination and Remuneration Committee and the Board recommends the appointment by means of a special resolution.

Interest of Directors and Key Managerial Personnel:

The Independent Director, Ms. Maureen Anne Erasmus, is interested in the above resolution to the extent of her appointment. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in the above resolution.

By order of the Board
For **Mphasis Limited**

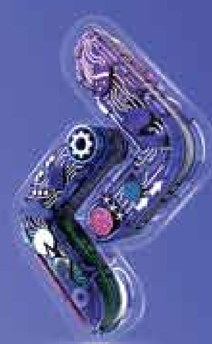
Bengaluru
28 April 2022

SUBRAMANIAN NARAYAN
SVP and Company Secretary

Registered Office:
Bagmane World Technology Center, Marathahalli Outer Ring Road,
Doddanakhundi Village, Mahadevapura, Bengaluru 560048;
CIN: L30007KA1992PLC025294; Telephone: 080 - 6750 1000;
Website: www.mphasis.com; e-mail: investor.relations@mphasis.com

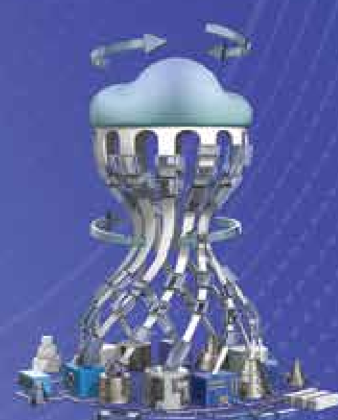
Mphasis Limited | Annual Report 2022

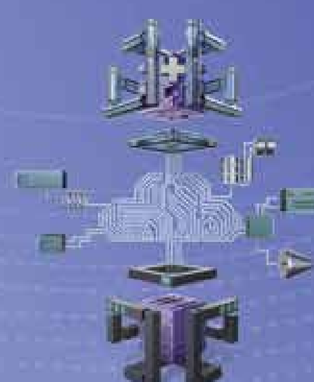
Mphasis
The Next Applied



Engineering is in our DNA

We Lead the Change





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FROM THE CEO

Dear Shareholder,

I am delighted to share our strong financial results of the past year and express my optimism for the year ahead. As you are aware, the last two years have seen businesses across industries increase their adoption of digital technology to grow and innovate. At Mphasis, we successfully enabled technology-powered agility to help our clients meet and exceed their customers' expectations. Each of our employees has contributed to the accomplishments of the year past with their expertise and resilience, despite the continuing pandemic. It is their hard work and dedication that fuels us to drive excellent client outcomes and undertake innovative digital transformation initiatives.

We unveiled our brand transformation campaign – 'Engineering is in our DNA' – a fresh approach that helps organizations to unlock their new digital future. At its core, it is aligned with our key priority of addressing our clients' complex problems with design-thinking principles, and harnessing digital technology to deliver impactful business outcomes. It showcases how we at Mphasis lead with design and architecture to build our portfolio of next-generation offerings and services that blend deep domain expertise with cutting-edge technology.

Fiscal Year (FY) 22 has been a breakthrough year for your Company -

- Consolidated gross revenue grew 22.4% on a reported basis, and 21.2% in constant currency
- Grew our Earnings Per Share (EPS), a key growth indicator, by 17.2% to INR 76.4
- Won new deals in Direct Business worth TCV $1.43 billion
- Diversified sales and operations into multiple geographies, such as Germany, Canada and Mexico
- Acquired Blink UX, a user experience research, strategy, and design firm
- Undertook strategic partnerships with companies such as Securonix and Stonebrook

As a responsible and conscious corporate citizen, we are purposefully 'shifting left' to integrate sustainability across our operations. We are committed to demonstrating what it means to be an industry leader in setting exceptional standards, driven by a purpose-led approach to overcome challenges. We participated in the S&P Global's Dow Jones Sustainability Index (DJSI) through its Corporate Sustainability Assessment (CSA) Annual Review 2021 process and scored 47/100, which is above the industry average of 34.

Through the Mphasis F1 Foundation, we have contributed towards our social objective to provide positive impact and relief measures in the following areas:

- **Incubation and livelihood:** The/Nudge Institute (that we support), inaugurated by Karnataka's Honorable Chief Minister, envisions a poverty-free India in our lifetime. We have been onboarded as a Founder and Patron of this 'action development institute' and will support its powerful vision through incubation and start-up acceleration of the best not-for-profits in the country. Through The/Nudge, we have trained more than 1,200 college women from financially stressed backgrounds on vocational skills, and enabled 100% placement.
- **University partnership:** Through Ashoka's 'Everyone a Changemaker' effort, we supported youth changemakers to institutionalize and grow their community initiatives and create a significant impact within their communities. We continue to support the education and improvement of learning outcomes of 1,500 Akanksha school children this year.
- **COVID-19 relief:** We implemented and participated in multiple relief efforts during the second wave of COVID-19 in India.

Our success would not be possible without our exceptional employees and our leadership team, and I wish to thank them for their relentless pursuit of excellence throughout the last financial year and their unmatched guidance.

I am also grateful for the support of our shareholders and their continued trust in the Company. We are confident that we are building a stronger, more resilient organization in this post-pandemic era.

This financial year, we will continue to focus on superior client service and investments in newer technologies, and I look forward to even greater achievements.

Regards,

Nitin Rakesh

Nitin Rakesh

Chief Executive Officer & Managing Director

CONTINUED GROWTH WITH MULTI-FACETED EXCELLENCE

Consistency and Speed

Forging ahead of challenges and competition calls for purposeful and bold transformation with consistency and speed. With a focused purpose of being the 'Driver in the Driverless Car', and with 'Engineering is in our DNA', we moved the needle across all areas of business growth. We set a scorching pace in envisioning possibilities and transforming them into achievements with design and architecture.

Three engines have powered our growth.

The IT Services Market Growth

Global tech spending has significantly increased over the last two years and is expected to stay at elevated levels relative to the pre-COVID era. The growth of overall offshore IT services has increased and continues to drive expansion for the share of the Indian IT services market – especially for firms that are aligned to digital transformation competencies.

Increasing Discretionary OpEx Spend vis-à-vis CapEx

As enterprises migrate away from a CapEx-driven tech investment model, additional discretionary spending opportunities emerge, releasing more into tech budgets, and moving away from past amortizations due to tech-debt reduction.

In the ongoing dynamic of run the business and change the business-related tech spend, the market for change is growing much faster as enterprises relentlessly rationalize run to fund change. We have aligned our offerings with the changed paradigm using our 'Tribes and Squads' competency model.

The Opening Up of Newer Tech Spend Areas

Increasingly, much larger opportunities outside the traditional IT organizations are emerging, and technology themes are being more closely aligned with business growth and transformation. The blurring of boundaries due to the changed dynamic that intersects both business and technology has allowed us to expand our total addressable market significantly faster than before. Our recent acquisition of Blink UX, a user experience research, strategy, and design firm, will significantly expand our addressable market in the rapidly growing upstream phases of digital transformation, moving to the very front of our Front2Back™ approach.

We have embedded three future-relevant principles in conducting business.

‘Hybrid First’ Workplace

In line with changing times and client requirements, we have -

- Reconfigured workspaces so that our employees can work from anywhere and collaborate in the office.
- Reimagined a ‘Hi-Tech, Hi-Trust, Hi-Touch’ Employee Value Proposition.

Inclusion & Sustainability

Sustainability has always been the cornerstone of our business. With the disruption caused by the global pandemic, there is an urgent need for climate action and building an equitable society. All our efforts are aimed at leveraging the power of technology to solve societal challenges, reducing our environmental footprint, building sustainable supply chains, inculcating a diverse and inclusive culture, and adhering to the highest standards of ethical governance.

Our efforts have been validated as we improved our positioning in the **S&P Global’s DJSI Corporate Sustainability Assessment Annual Review from 37th percentile to 69th percentile.** We have 35% representation of women across our workforce and were ranked amongst the top 100 best private companies for women to work in India. We recycle 100% of wastewater across our campuses in India. We have accelerated our efforts to phase out ozone-depleting pollutants and invested in solar plants to reduce our carbon footprint. Here is a snapshot of how we showed improvement across all areas:

- Environment (60th percentile)
- Social (77th percentile)
- Governance (73rd percentile)

Web 3.0

We have been early adopters of blockchain technology, building industry-specific solutions around digital assets, and more recently, Web 3.0. Our capabilities in blockchain, expertise in architecting cloud-native platforms and user experience design & implementation, and next-gen talent, help provide newer avenues for the application of innovative blockchain-based solutions in financial services, supply-chain, healthcare and life sciences, insurance, logistics, entertainment, art and retail.

ACCELERATING @ THE SPEED OF CLIENTS

Sustained Strategic Partnership

Blackstone's reinvestment through a fresh commitment from new funds is a strong vote of confidence in our clients, investors, employees and board. Additionally, the co-investment from the Abu Dhabi Investment Authority and The Regents of the University of California has opened up new markets. This will accelerate our growth to scale higher summits.

We move into FY23 with confidence based on expanded access to multiple customer segments. Our velocity of growth is driven by a relentless pursuit in the following areas:

Geography and Market Expansion

Our new Mphasis Canadian HQ in Calgary, Alberta, in partnership with the Government of Alberta and the University of Calgary, is a great showcase of public-private partnership for tech transformation.

We accelerated our European expansion with the launch of our German hub in Dusseldorf for delivery of operational and digital services.

We converted several marquee logos, made strides into newer domains and signed a significant number of integrated, multi-component deals as part of our New Client Acquisition strategy. As a 'partner of choice' in the core verticals of banking and capital markets, and insurance, we have expanded our European operations into the UK, Ireland, Nordics, Benelux and Germany, and also diversified our global talent pool to include Mexico, Costa Rica, Canada and Taiwan.

Capability Expansion through Centers of Excellence

- **Co-innovation** with the University of Calgary to establish the Quantum Center of Excellence, which will be dedicated to promoting the commercial application of quantum.
- **Established** 'Hi-Tech Centers' in Mexico, Costa Rica and Taiwan to enable large-scale operations in the areas of application development, support, testing, operations, and financial analysis – and offer nearshore services to other strategic customers.

We have proactively aligned ourselves to new growth areas with engineering- and design-driven solutions, research and IP creation. We were awarded a US patent for our AI-driven application and infrastructure management solution that enables enterprises to optimize their technology investments through in-depth data analysis.

Domain Expansion

Domain and engineering expertise, IP assets and applied tech continued to be the stars in crafting our next-gen portfolio of full-stack solutions.

With this expertise, we have made strong forays into healthcare and life sciences, travel and transportation, and hi-tech industries.

Healthcare and Life Sciences

We provide digitally driven solutions and platforms to connect, transform and deliver innovative and quality integrated outcomes.

We engaged with a healthcare company to migrate their TPA applications to the Mphasis Javelina platform to manage future business needs & operations, develop and support EMR applications and rearchitect the PACE platform.

Travel and Transportation

Our Airline Data Platform – a cloud-native data platform with ready-to-use business models – and AWS partnership enabled us to sign marquee logos and achieve significant wins.

We are engaged with a major US airline in their digital transformation journey including cloud migration, modernization, application security remediation, DevOps, disaster recovery implementation along with supporting their key airline products, end-to-end.

Hi-Tech

In the Hi-Tech vertical, we are working with industry leaders across four focused sub-sectors – server, storage and network, print and personal systems, ISV and MedTech.

As a long-term partner of a leading manufacturer of optical systems and optoelectronics, we were chosen for a flagship visionary app project of their R&D President. We developed an innovative solution – a path-breaking software-as-a-medical device that will also serve as a transformation concept for the MedTech industry, with our deep domain expertise and our next-gen technology stack.

MERGERS, ACQUISITIONS AND JOINT VENTURES

We have executed strategic acquisitions to build competencies aligned to our tribe offerings. This has enabled us to proactively accelerate disruptive change and drive digital transformation for our global clients.

blink
an Mphasis Company

Our acquisition of Blink UX, a user experience research strategy and design firm, has added new dimensions and capabilities to the way we leverage our design vectors, and enhanced our value proposition with our clients. With 20+ years' experience of evidence-driven design, five studios and 135+ team members, we have made customer experience an all-powerful brand with future-relevant products and speedier prototyping. Blink brings a marquee client list in technology and consumer industries with an average ~10-year relationship, and strong synergy potential for the hi-tech vertical.

Mphasis
Mrald

Mrald Limited is our joint venture with The Ardonagh Group, UK's largest independent insurance intermediary, to expand insurance operations, technology capabilities and client acquisition in the insurance intermediary market.

COLLABORATIVE AND STRATEGIC PARTNERSHIPS

We have deepened our expertise and stretched the limits of our technology capabilities through strategic partnerships.

In a rapidly evolving tech industry, we enable organizations to accelerate transformation at any stage of their journeys and keep them successful and relevant. We doubled down on our focus and commitment to growing our Cloud business and created Cloud Guild, our end-to-end cloud offerings that are replicable, instantiated and differentiated.

Technology Partners

We work very closely with several partners such as Salesforce, Adobe, ServiceNow, HPE GreenLake, Sauce Labs, Appian, Pega, MongoDB, Cisco, Micro Focus and SailPoint.

Cloud Partners

Amazon Web Services

Through accelerated migration to AWS, we unlock value and enhance ROI for enterprises. Our platform automation approach allows us to migrate, modernize apps & data at speed, and helps build smarter industry solutions in banking and capital markets, insurance, healthcare, airlines and others.

One of the world's largest providers of financial market data modernized its legacy systems to enable faster and better data services to its clients.

Microsoft Cloud

We accelerate digital transformation for our clients through building cloud-native apps on agile platforms, automating business processes and empowering employees on an agile, secure, collaborative and resilient Microsoft cloud foundation.

A leading Australian manufacturer modernized their IT and achieved more than 25% operational cost saving, by migrating to Microsoft Azure.

Google Cloud Platform

We empower clients to rapidly migrate to digital platforms on Anthos, envision enterprise API strategies with Apigee to expand business models, and enable stakeholders with modern analytics powered by BigQuery and tensor flow-based AI/ML.

We enabled a tier-1 wealth and brokerage firm to bulk migrate complex PB scale legacy data to BigQuery and achieve faster business integration and expansion.

Snowflake

With leading-edge technology partner, Snowflake, we remove the barriers for organizations to extract maximum value from data through rapid implementation of data projects. This partnership was enabled through the acquisition of Datalytyx in 2020.

Built a next-generation cloud data-sharing platform for a pioneering space communications company, facilitating cross-functional analytics, which brings the power of data directly to business users as never before.

VMWare Tanzu

Through a robust hybrid multi-cloud scaling strategy, we help clients to drive superior developer productivity, faster release cycles and quicker service resolution.

A global tier-1 logistics company simplified business operations, moved workload from mainframes and improved agility by 40%, through modern engineering practices and cloud-native apps on the Tanzu platform.

HI-TECH, HI-TOUCH, HI-TRUST WORK CULTURE

Our purpose is to be the *'Driver in the Driverless Car'* for global enterprises, and we apply next-generation design, architecture and engineering services to deliver scalable and sustainable software and technology solutions.

Our Employee Value Proposition nurtures and empowers our employees to deliver on our promise to our clients.

- **Hi-Tech** – Design Oriented | Engineering DNA | Architect Led | Geek | Innovative
- **Hi-Touch** – Empathetic | Global & Inclusive| Personal
- **Hi-Trust** – Integrity | Walk the Talk | Stewardship | Commit & Deliver

The **Mphasis Principles** guide our employees to be agile and adaptable, and to successfully navigate a dynamic, complex and rapidly shifting environment, with ingenuity and foresight.

Mphasis first ensures we always put Mphasis stakeholders, clients, employees, investors, partners and the community first. Our ***growth mindset*** helps employees to demonstrate an owner's mentality. Every Mphasian owns their individual growth and the organization's collective progress. ***Ready, fire, aim*** empowers our employees to be action-oriented and experiment without fear of failure. We are team players and ***work for each other***. We ***disagree but commit*** as we stand united in our shared commitment to the organization's success.

Talent Transformation

Mphasis' Talent Transformation strategy is closely linked to the organization's goal of leading with transformation. The Talent Next platform enables our people to acquire technical and leadership competencies on the fly by leveraging a wide range of resources such as ILTs, eLearning, books, practice labs, assessments, etc. The platform is powered by gamification and social learning features for learners to collaborate in real-time. In FY22, the number of lateral employees trained and certified in digital skills went up by 201% and 243% respectively, over the previous year.

- The **Mphasis Learning Academy** that enables campus hires to become business-ready, trained and inducted 163% more fresh talent than the previous year. The campus hires were trained on Java/.NET full stack development, Next-Gen technologies such as DevOps, Data Engineering, UI/UX, Cybersecurity and legacy technologies such as Mainframe & iSeries.
- In FY22, we partnered with Simplilearn to train the campus hires on a few of the technology streams.

INCLUSIVE AND SUSTAINABLE GROWTH

We drive sustainability through a wide and deep lens that encompasses our clients, our people and our partners. The principles of ESG are inextricably interwoven into our services to deliver scalable and sustainable software and technology solutions.

Our four pillars of sustainability include -

Architecting Stakeholder Value

We apply a 'Tech4Good' approach to both business and society in delivering stakeholder value.

Applying Good Governance

We demonstrate a sound culture and ethical business practices with robust governance structures.

Incorporating Inclusion

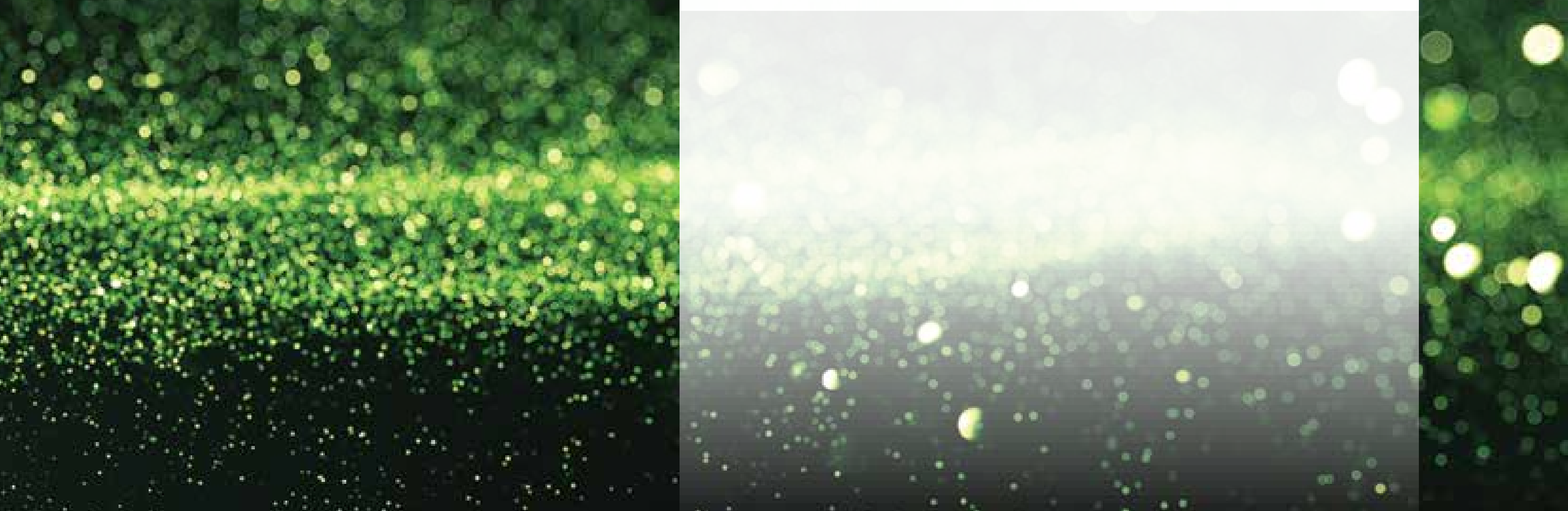
We provide our people a safe and empowering professional experience by driving equity, diversity & inclusivity, knowledge and learning, innovation, agility and wellness & care.

Engineering Climate Sustainability

We leverage our technology capabilities to catalyze positive actions on climate change and have invested in low-carbon options, renewable energy initiatives, and effective e-waste and water management practices.

Our end-to-end sustainability services extend across the lifecycle of ESG management, data collection and reporting, covering multiple industries – banking, wealth and capital markets, insurance, logistics and transportation, healthcare, data providers and audit agencies.

Mphasis secured an overall ESG score of 59 in CRISIL ESG Gauge ranking and is among the only 11 IT companies that made it to the ranking based on their Environment, Social and Governance performance. Mphasis scored 46 on Environment, 54 on Social and 73 on Governance parameters.



DRIVING EQUITABLE DEVELOPMENT

Corporate Social Responsibility (CSR) at Mphasis drives positive outcomes in the areas of education, livelihood creation and equitable development.

We work with **The/Nudge Institute** (India's first development action institute) as a founder and patron to strive for a poverty-free India. We:

- Support 8 not-for-profit startups in the areas of education and women empowerment.
- Facilitate service sector employability for ~1,200 college women.
- Provide 11 Indian Administrative Fellowship (IAF) grants and work with the Karnataka Government on projects across multiple departments.

In partnership with the **Ashoka Youth Changemakers,** we nurture a community of leaders who are creating transformational change.

- Five Ashoka Young Changemakers received the prestigious Diana Award for their social initiatives and for inspiring young people around them to practice change.
- Two Ashoka Young Changemakers were awarded the George H.W. Bush Points of Light Inspiration Honor Roll for demonstrating the transformative power of service and sustaining a positive impact in others' lives.

We work with **Plaksha University** (a technology university set up by a global community of entrepreneurs, business leaders and academicians) to reimagine technology education and research, including:

- Launch of the undergraduate founding batch in October 2021.
- Support to make the campuses conform to the latest Government of India guidelines for accessibility in India.
- Scholarships to 4 students from low-income backgrounds. All students with scholarships were successfully placed last year.

Mphasis and partners **Social Alpha, BIRAC and Uber win 2022 Zero Project Awards** for 2 CSR programs in the space of assistive technologies and accessible public transportation services.

Zero Project
AWARD WINNER 2022

VALIDATING EXCELLENCE

"The reward for work well done is the opportunity to do more."
- Jonas Salk

At Mphasis, this is the spirit with which we wear our badges of recognition, motivating us to raise our efforts to multiply our positive impact.

ISG

- Mainframe Services & Solutions U.S. 2021
  - Mainframe Transformation Services – Leader
  - Mainframe Modernization Services – Product Challenger
  - Mainframe Operations – Contender
- ISG Provider Lens™ – Public Cloud Services & Solutions
  - Managed Public Cloud Services for Midmarket U.S. – Rising Star
  - Consulting & Transformational Services for Midmarket – Leader

HFS

- Ranked 2nd in HFS Market Analysis: Application Modernization Services Formidable Challengers
- HFS Highlight: Mphasis eyes an early-mover advantage with quantum computing
- Ranked 2nd in HFS Top 10: Banking and Financial Services Formidable Challengers 2021

NET (net)

- Mphasis Ranked No. 1 in 'Top 10 India Based IT Services Companies Report 2022' by Global IT Investment Optimization Firm NET (net)

EVEREST GROUP

Top Leader & Star Performer, and ranked 14th in the ITS Top 20

- IT Service Provider of the Year – 2022

Major Contender and Star Performer

- Enterprise Blockchain Services PEAK Matrix® Assessment 2022
- Application and Digital Services in Banking PEAK Matrix® Assessment 2021: Global and Europe Focus
- Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2022
- Capital Markets Operations – Services PEAK Matrix® Assessment 2021
- Application Transformation Services PEAK Matrix® Assessment 2021

Major Contender

- Data and Analytics (D&A) Services PEAK Matrix® Assessment 2021
- Advanced Analytics and Insights (AA&I) Services PEAK Matrix® Assessment 2022
- Cloud Services PEAK Matrix® Assessment 2022, North America & Europe
- Digital Experience Platforms (DXP) in Insurance Industry Products PEAK Matrix® Assessment 2022
- Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2022
- Platform IT Services in BFS PEAK Matrix® Assessment 2022
- IT Managed Security Services PEAK Matrix® Assessment 2021

- Mortgage Operations PEAK Matrix® Assessment 2022
- Banking Operations Service Providers 2022
- Property and Casualty (P&C) Insurance BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2021
- Insurance Platforms IT Services PEAK Matrix® Assessment 2022
- Healthcare Payer Operations PEAK Matrix® Assessment 2022

Aspirant and Star Performer
- Enterprise Quality Assurance (QA) Services PEAK Matrix® Assessment 2022

Aspirant
- Software-Defined Wide Area Network (SD-WAN) Services PEAK Matrix® Assessment 2021
- Mainframe Services PEAK Matrix® Assessment 2022
- Digital Workplace Services PEAK Matrix® Assessment 2022
- Network Transformation and Managed Services PEAK Matrix® Assessment 2021

CELENT

Profiled
- Life Insurance Policy Administration Systems Asia-Pacific Edition: 2021 Spectrum Report, Powered by VendorMatch
- Property & Casualty Insurance BPO Services Vendors: Global Insurance Edition
- IT Services Vendors in Insurance: 2021 Property and Casualty Edition
- IT Services Vendors in Insurance: 2021 Life & Health Edition

Positioned as Technology Standout
- Policy Administration Systems: EMEA Life Insurance Edition, 2021 XCelent Awards, Powered by VendorMatch

GARTNER

Challenger
- Gartner Magic Quadrant for Life Insurance Policy Administration Systems, North America

Profiled
- 2022 Gartner Market Guide for US Healthcare Payers' Core Administrative Processing Solutions
- Critical Capabilities for Life Insurance Policy Administration Systems, North America
- Gartner Global Top 100 IT Vendors in 2020

Mentioned
- Market Share Analysis: Business Process Services, Worldwide, 2020

FORRESTER

Mid-size Player
- Now Tech: Data Management Service Providers, Q4 2021
- Now Tech: Robotic Process Automation Services, Q4 2021

Featured
- Now Tech: Digital Experience Services in Asia Pacific, Q4 2021
- Now Tech: Global Digital Experience Services, Q4 2021

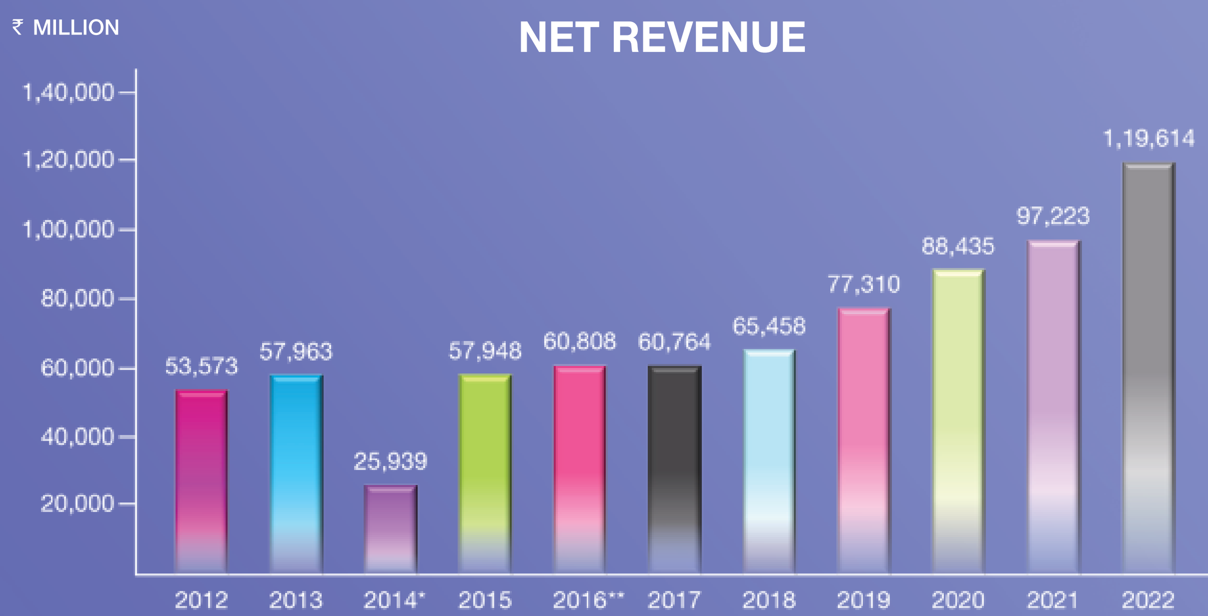
Small Vendor
- Now Tech: Oracle Apps Implementation Services Providers, Q1 2022
- Now Tech: SAP Implementation Services Providers, Q1 2022

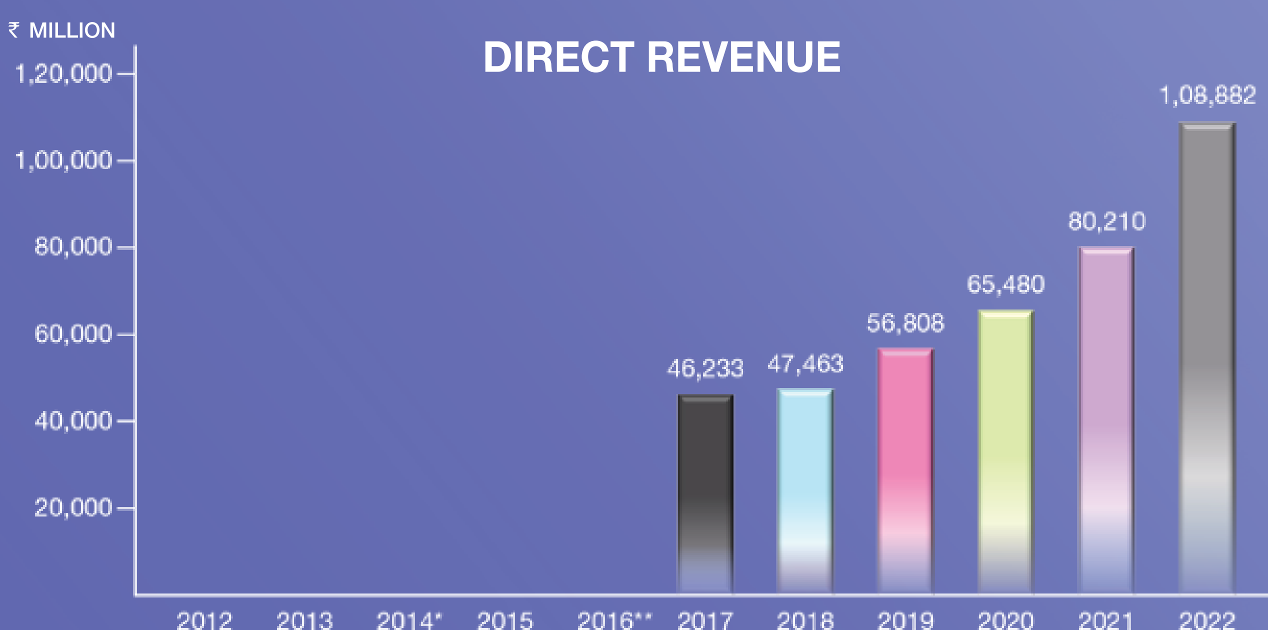
Mentioned
- Envisioning End-to-End Process Redesign in Financial Services - A Customer-focused Approach to Zero Back Office

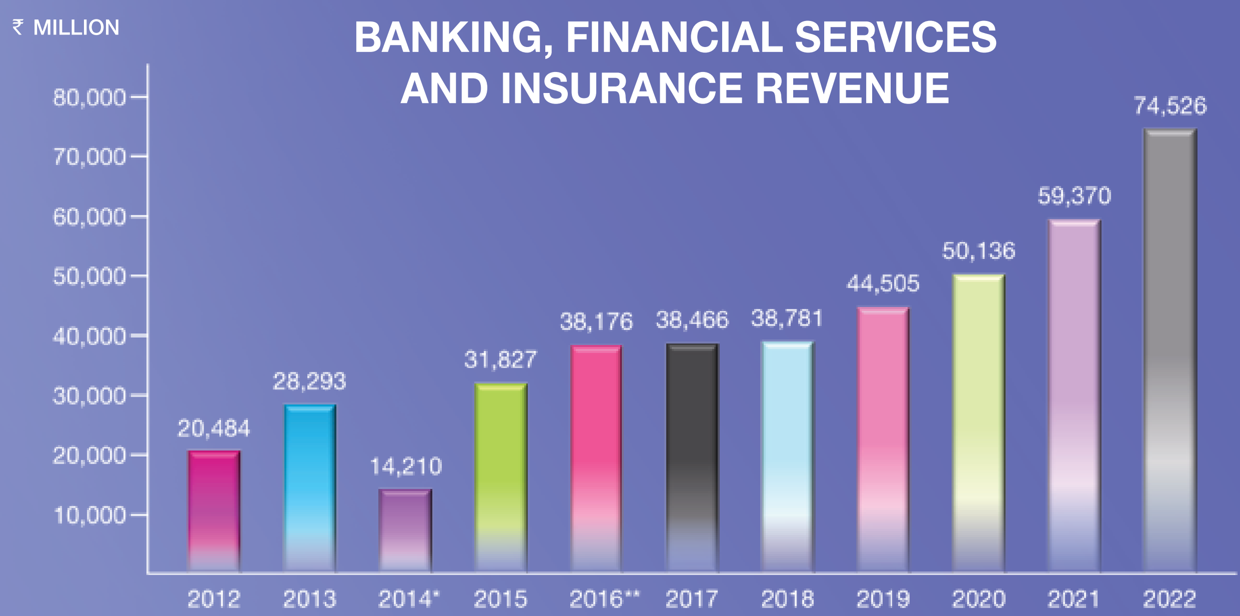
AWARDS AND RECOGNITION

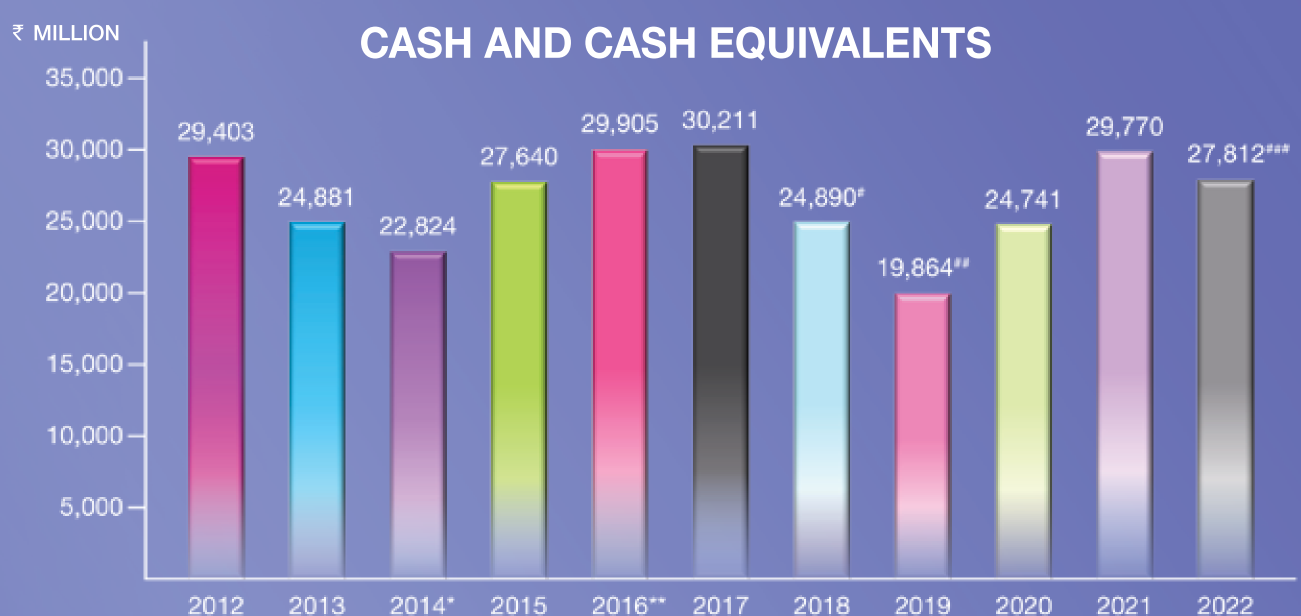
- *Bronze STEVIE® Award for 'Tech Innovator of the Year' conferred on Nitin Rakesh by The American Business Awards 2021*
- *Mphasis recognized as The Economic Times – Best Tech Brands for 2021 in the category - Most Accelerated Digital Transformation*
- *Mphasis and partners Social Alpha, BIRAC and Uber win 2022 Zero Project Awards for 2 CSR programs in assistive technologies and accessible public transportation services.*
- *Morgan Stanley Capital International (MSCI), a leading provider of critical decision support tools and services for the global investment community, has ranked and upgraded Mphasis to 'A' in their ESG Ratings & Climate Search Tool.*
- *Awarded the LOMA 2022 – Excellence in Education Award for completing 74 certifications*

KEY OPERATING METRICS









* Transition year 2014 represents 5 months of operations.

** Figures from 2016 are under Ind AS framework and the figures for 2015 and prior years are under previous Indian GAAP.

\# 2018 cash and cash equivalents is net of cash outlay of ₹11,060 million for the buyback of equity shares completed during the year.

\#\# 2019 cash and cash equivalents is net of cash outlay of ₹9,949 million for the buyback of equity shares completed during the year.

\#\#\# 2022 cash and cash equivalents is net of cash outlay of ₹5,219 million for Blink UX acquisition and ₹5,058 million for special dividend of ₹27 per share.

BOARD OF DIRECTORS

Davinder Singh Brar
Chairman

Nitin Rakesh
Chief Executive Officer and Managing Director

Narayanan Kumar
Director

Amit Dixit
Director

Jan Kathleen Hier
Director

David Lawrence Johnson
Director

Marshall Jan Lux
Director

Amit Dalmia
Director

Kabir Mathur
Director

Pankaj Sood
Director

Courtney Karlan della Cava
Director

Maureen Anne Erasmus
Director

EVP, GENERAL COUNSEL AND CHIEF ETHICS & COMPLIANCE OFFICER
Eric Winston

SENIOR VICE PRESIDENT AND COMPANY SECRETARY
Subramanian Narayan

CHIEF FINANCIAL OFFICER
Manish Dugar

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Website: www.mphasis.com
CIN: L30007KA1992PLC025294

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Bengaluru – 560 003, India
Tel: +91 80 2346 0815-818
Fax: +91 80 2346 0819
CIN: U65993TN1987PLC014964

MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS AND CONCERNS

The world was the victim of wave 2 of the pandemic at the start of FY22. Disruption of supply chain and economic activity across the spectrum marked wave 2. This brought new fears of prolonged lock downs, travel restrictions, recession, etc. While the situation remained grim during the first quarter of fiscal year, things started improving in the following months albeit the threat of pandemic continued. Despite all these disruptions caused by the pandemic and its effect on the global economy and the concomitant uncertainties it brought to entrepreneurial activities, your Company continued to show tremendous resilience in executing its business plans. The experience from the previous year's pandemic and the years of learning from managing risks helped your Company to swiftly adapt to the changing needs of the business environment.

The risk management program of your Company which started with 'Protection' as the focus moved to 'Protect and Enable business' and focused more on building a resilient Company. Analysis showed that in addition to being resilient, the Company has also become Anti-fragile – addressing issues around Uncertainty, Volatility and Complexity. While being strongly resilient helped the company to bounce back quickly when faced with a crisis, 'Anti-fragility' built over the last 2 years added the required capabilities for 'confident and positive risk taking' – take risks in a calculated manner and approach risk as an opportunity for growth and success by managing it, rather than merely viewing risk in the context of possible loss. These capabilities enable companies to improve their strategic decision making process in an otherwise opaque environment and enhance the operational performance in addition to providing strong assurance on protection and compliance.

The following paragraphs provide a view of how risk is managed at Mphasis and the status of the important enterprise level risks.

Your Company has implemented an Enterprise Risk Management (ERM) program, benchmarked to COSO ERM framework, adhering to the ISO 31000 Risk Management Standard, and complying with the Indian Companies Act, 2013 / Companies (Amendment) Act, 2019 and SEBI directives.

The ERM program is aligned to the business strategy of the Company and helps to proactively identify, assess, mitigate, monitor and report risks across the enterprise that have the potential to prevent the Company from achieving its business objectives. Broadly, enterprise risks are classified and managed under the following categories:

I. **Strategy Risks** - These have the potential to impact the entity's mission which arises out of strategic decisions and IT Investments, resource allocation, delivery models, geographical expansion and other activities. These risks are generally non-routine in nature and have high impact on the Company.

II. **Operational Risks** - These have the potential to impact the efficiency and effectiveness of the business operations.

III. **Cyber and Privacy Risks** - These have the potential to adversely impact security of information assets and information processing systems and have assumed paramount importance in the current business environment as the cyber threats have continued to grow both in terms of numbers and in sophistication.

IV. **Financial and Reporting Risks** - These have the potential to adversely impact the profitability of the Company. These also have the potential to impact the statutory financial statements and transmission of timely and accurate information to stakeholders.

V. **Compliance Risks** - These have the potential to expose the Company to regulatory, statutory, and legal risks.

To provide the appropriate Governance and Oversight, given the criticality of risk management, and to comply with the regulatory requirements, the Company has formed a Risk Governance and Management Committee (RGMC) comprising of Board Members and company executives to assist the Board in discharging its risk oversight responsibilities. This committee reviews the details of Risk Assessments undertaken by the management.

At the management level, the Mphasis Risk Management Committee (MRMC) chaired by the CEO, provides the required oversight for the ERM program and monitors the progress on various identified enterprise risks and periodically reviews the mitigation efforts. MRMC comprises of 6 Company executive members and met 8 times during the year ended 31 March 2022. There is a dedicated risk management function headed by Chief Risk Officer to coordinate all risk related activities across the enterprise and who periodically reports status on enterprise risks to the Board/RGMC/Audit Committee/MRMC.

During the year, ERM annual risk refresh program was conducted to revalidate and identify new risks which has resulted in increased rigor in monitoring the identified risks. 13 new Key Risk Indicators (KRIs) have been added considering the increase in risk in 5 risk areas / domains.

Risk Intelligence: Pursuant to our larger goal of making Mphasis a Risk Intelligent Organization, this program aims to spot the 'Black Swans' and manage 'Gray Rhinos' (external risks) in the horizon and manage them proactively. Using inputs from PESTLE/GRIC (Global, Regional, Industry and Client) analysis, it complements the ERM program and provides a snapshot of external global events that are likely to have an impact on the Company enabling the management to take informed and timely decision.

Some of the important enterprise risks/concerns specific to the Company and steps taken by the Company to mitigate these risks are given below:

MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS AND CONCERNS

Volatile global political and economic situation

The Company derives considerable portion of its revenue from client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions due to geopolitical tensions, sanctions, trade war, uncertainty, etc. impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting our revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity. Management is proactively engaging with various governments on building a pathway for technology employment generation and wherever possible, negotiating offshoring and near-shoring opportunities.

Sustainability Risks – Climate Change and Environmental aspects

Mphasis is committed to environment friendly and sustainable business growth model and has developed frameworks compliant to global standards. Management is focused on achieving its commitments towards ESG programs – be it in terms of reduction of non-renewable energy consumption, water management, waste management or greenhouse gas emission reduction.

To resolve global environmental concerns such as climate change and global warming, we have built a range of policies and initiatives. We recognize our obligation to the natural world and are committed to reducing the environmental effects of our operations. Our Environmental Health and Safety policy addresses the concerns relating to enhancing sustainability initiatives to reduce the Company's carbon footprint, optimize energy consumption, strive to prevent / minimize pollution, educate the suppliers on environmental standards and continuously improve on environmental performance indicators.

All said, changing weather and seasonal diseases, epidemics and pandemics pose threat to human safety and business disruption. As Mphasis has operations globally with its employees wide-spread, the sustainability risks may potentially impact employee safety and well-being, delivery and the safety of Mphasis stakeholders resulting in business disruption.

The Company has a strong and well tested Business Continuity Program in place to ensure the commitments to our stakeholders are met even during testing times.

Strategy Risks

Concentration Risk

Client Concentration Risk: This risk arises when a higher percentage of revenue is received from very few clients. The Company has addressed this risk by focusing on growing many other clients across geographies which has helped to mitigate this risk. The Company also monitors concentration risk within the Direct Core business and ensures that this is mitigated. Several other initiatives have also been implemented to de-risk the Company from these risks which includes, programs to develop high stickiness with existing clients, closely monitor the client satisfaction (CSAT) score of the top clients, grow wallet share of other existing clients and acquisition of new logos.

Geographical Concentration Risk: This risk was identified for mitigation, as a high percentage of our revenues came from North America. To ensure this risk is mitigated, the Company has implemented plans to grow other regions such as Canada, Europe, Australia and other emerging geographies. The Company has taken several measures during the year and focused efforts on the growth of these geographies. New offices have been set up in countries like Argentina, Saudi Arabia, etc. and significant investments have been made in augmenting salesforce - MU and DU leaders targeting customized portfolio for each geography.

Risk of Capability Obsolescence

Continued growth and success of the Company depends upon its ability to cater to growing technology and business demands of clients. To ensure consistent and competitive growth, your Company initiated a Tribe model GTM strategy in 2019.

This Tribe model was created to bring the right tech capabilities across the company to stitch together the most appropriate IT and business solutions for our global clients. Called the 'Power of Eight' the Tribe 2.0 comprised of

1. Modernization
2. XaaP
3. Next Gen Data
4. DevOps
5. Nextops
6. Cyber Security
7. Nextgen IT Ops
8. Experience

The Tribe model is flexible, and, based on client demand, market trends and the impact on creating strategic partnership opportunities, Tribes 2.0 was launched, focusing on areas of Experience, Next Ops and Next Gen IT Ops. In the last 18 months, these tribes have been constantly evolving to equip us better for higher order large deal motions across both Company's strategic and NCA accounts, helping the Company win large deals. Some of these higher order plays that have been enabled by our tribes are : Zero Cost Transformation, Cost Take Out, Platformization, Tech Ops and Data Driven DevOps, Comprehensive Cyber Security Solutions including Nextgen Security Ops Center, etc. As a result of this, we have also seen accelerated growth across Company's business channels with more than 75%

of the revenue coming from our New Gen offerings while at the same time mitigating risk of capability obsolescence. In addition, your Company has invested in Next Labs the research and development arm of the Company, which helps to incubate new technology solutions based on AI/ML, Quantum Computing etc. also mitigating the risk of obsolescence. Your Company also developed the world class Talent Next program, which is a fulsome on-demand training platform. Talent Next makes technology skill training available in a systematic and planned manner balancing market demand for tech skills and an individual employee's career aspirations. The Company has continued to win more new-gen services as compared to the traditional.

Profitability risk:

During this period while your Company registered exponential growth and won large deals. There was pricing pressure from the global clients due to the impact of the pandemic. To surmount this risk the company implemented several cost optimization programs through the year ensuring that it doesn't impact business targets and balancing with long-term profitability. Some of the important measures include value-based pricing of deals, pyramid management of human resource by inducting more freshers, and increased rigor in solutions risk reviews.

Operational Risks

Covid-19 Specific Risks

Considering the way in which the pandemic is impacting global business, your Company adopted 'The Tree (pandemic) and the Forest (interconnected risks) approach' to manage risks in the New Normal. This is helping the Company manage both the domino effect as well as ripple effects of pandemic. While the disruptive impact of pandemic on global operations has been brought to negligible levels, new risks related to people continue to be high and are addressed by appropriate measures. Management has seized strategic opportunities provided by the pandemic which are helping to grow the business by creating opportunities to reimagine and reinvent our approach to delivering client services Faster, Better and Cheaper.

Your Company continues to tread with caution as far as the pandemic and related risks are concerned. It continues to take all possible employee related health and safety measures adhering to governments guidelines and industry best practices.

Risk of Attrition

Being a global IT service provider, human resource plays an important and critical role in a company's success. Your employees continue to remain the critical differentiators and loss of these critical resources will pose risk to the Company in the ability to deliver on contractual commitments.

Although the pandemic had adverse impacts across the spectrum, it catalyzed the adoption of tech across all industries resulting into exponential demand for IT services. However, this huge growth meant huge global demand for IT resources which in turn has increased the risk of attrition as every IT company became laser focused on the hiring of resources.

Your Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. Your Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent. Over and above this, skill enhancement, building special interest professional groups, internal job postings and rewards and recognition through various platforms are other initiatives taken by the Company to mitigate this risk. Talent Next, the flagship talent management program continues to focus on up-skilling and cross-skilling the Company's workforce on next-gen skills technologies. It helps in workforce development and effective deployment of a certified pool.

Risk of adverse impact to topline and bottom line due to scarcity of trained IT professionals

The pandemic which had adverse impact on the global economy, provided a positive impetus to the demand of IT and Digital Services, which in turn, brought huge demand for trained IT Services professionals across the globe. This spurt in demand for Human Resource has brought a demand – supply mismatch in the market and has the potential to impact both topline and bottom line.

Contract Management Risk

This was identified as an important risk, as contractual terms legally bind the Company and can adversely affect it in many ways. To ensure that the terms of engagement are not vague, unachievable representations are not made and implementation is possible, a robust function has been created with adequate checks and balances to ensure that this risk is well mitigated. The Company has put in place a robust contract management system, ensuring legal and financial compliance, tracks implementation of contract clauses and manages commercial risks effectively.

MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS AND CONCERNS

Solution risk review and monthly project review are some of the important processes that have helped the Company to ensure that all proposals are commensurate with our competencies and any SLAs are properly identified and adhered to, and the scope of projects are clearly documented without ambiguity.

Your Company has implemented a contract management tool that helps in automating the process from initiation through award, compliance, and renewal.

Risk of not meeting Service Level Agreements

A subset of the above risk is the risk of not meeting Service Level Agreements (SLA) made by the Company with its clients. To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

Risk of Key Client Loss

Today's market is one of compelling competitiveness. Winning new clients is difficult but retaining them may be equally or even more challenging, as clients are continuously bombarded with options. Unless one can consistently delight the client, there is always the risk of losing them to competition. The Company has recognized this and has put in place proactive mechanisms to gauge the levels of client satisfaction from various perspectives, including, satisfaction of client with the present work, growth of the account and innovative and cost-effective solutions offered by the Company. Delivery Excellence oversees startup rigor for all new transitions to ensure effectiveness of knowledge transfer, shadow and readiness for cut-off. The CSAT surveys are conducted regularly by an independent team and scores are monitored closely by the Management Risk Management Committee and reported to the Risk Governance Management Committee/ Audit Committee of the Board.

Risk of Fraud

To foster an ethical climate devoid of misconduct at all levels, the Company has implemented a comprehensive Fraud Risk Management System consisting of policies and procedures that provide direction for ensuring antifraud mechanisms as a part of the fabric of the organization. In addition, the Company through various governance structures, such as internal audits, whistle blower mechanisms and an independent investigation team has built a strong framework to detect and mitigate fraud risk. The Company has spent significant time and effort in promoting Fraud Risk Awareness to ensure that the Company has a workforce which is aware of the right conduct and can prevent and detect frauds.

As a global Company, we must comply with applicable country specific regulations such as Foreign Corrupt Practices Act in the USA and the UK Anti-Bribery Act. The Company has established appropriate mechanisms to ensure compliance to these laws, including guidelines and training. Necessary amendments to the policy structure have been made during the year to ensure control rigor.

Financial and Reporting Risks

To ensure that this risk is addressed adequately, a separate function is established to oversee and ensure all regulatory compliances. This function, in coordination with other functions, ensures that the compliances are executed as per the requirements of the applicable laws and regulations, ensures that the Financial Statements are duly audited by the statutory auditors and is reported in a timely manner to the applicable regulatory authorities. In addition, the Company has engaged an external independent audit firm for undertaking internal audits which reports to the Audit Committee. Your Company has implemented the mandatory Internal Financial Control (IFC) framework which mitigates several such financial and reporting risks

Currency Risks

Mphasis uses multiple billing currencies including USD, Euro, GBP, etc. and adverse movements in these currency rates may impact the Company's profitability.

Mphasis follows a well-established hedging policy, which is undertaken to protect it from the unfavorable currency movements.

Supply Chain Disruptions

The onset of COVID-19 led to spike in tech inventory demand globally. The trade tensions with China and the resultant supply chain disruptions caused shortages of chips, impacting supply of computing devices such as laptops, desktops, servers, etc. Unavailability of required computing devices at the right time could adversely impact the ability of Mphasis to deliver on its commitments to stakeholders.

Management proactively undertook various measures to mitigate the risk / minimize the impact, including, consolidating demand, and placing advance orders, maintaining an optimal buffer stock, renting of computing devices on a need basis, extending the usage of assets and proactively engaging at leadership level with suppliers. Through these proactive actions the Company has effectively managed the risk without any business impact.

MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS AND CONCERNS

Cyber and Privacy Risks

Data and Information Security Risk

Information and cyber security threats are growing in type and magnitude and the Company is exposed to different kinds of risks related to information assets and data breaches. These threats have become highly sophisticated and with the involvement of professional Cyber Criminals and Nation States this threat has increased in the recent months. Successfully managing such threats demands high end technology and processes. To mitigate these risks, the Company has implemented several measures including robust IT security frameworks, a Cyber Security Strategy and is also certified on ISO 27001. This is an international Information Security Management System (ISMS) standard. This certification provides a reasonable assurance to all concerned stakeholders that the Company has implemented adequate data protection and information security measures. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks. Considering that some of our BPO projects process credit card data, the Company undertook a special certification for being PCI DSS compliant (Payment Card Industry Data Security Standard - a global standard). To provide high order of assurance to clients, the Company undergoes SOC 1 Type 2 and SOC 2 Type 2 audits annually which are undertaken by an independent third-party auditor. In addition to the above measures your Company also hires services of professionals to test the Cyber Preparedness in the form of Red Team Assessments, mock attacks to identify gaps and mitigate them. Despite several major global cyber incidents, the Company did not face any cyber incidents that impacted business operations during this period because of the measures we have taken.

Mphasis Cyber Security strategy which was developed in 2016-17 delivered on its objectives (risk reduction, enable business & brand protection). A comprehensive review of the same was undertaken during FY22 considering exponential growth of cyber threats, highly sophisticated attacks and increasing regulatory scrutiny with inputs from clients, shareholders, governmental agencies and our own internal risk assessments and has been recalibrated to support the business for the next 2-3 years. A roadmap of initiatives has been developed with clear milestones covering people, process, technology to ensure achievement of cyber security objectives.

As people remain a constant security vulnerability, in part because of social engineering attacks, your Company has created a new function to drive employee security awareness and leveraging technology solutions in addition to traditional programs ensure we have the appropriate security culture within the organization. This function has started yielding results.

Continuity and Disaster Recovery Risk

Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery. In addition to implementing Disaster Recovery for the identified critical enterprise applications, the Company is certified on ISO 22301 which is an international standard for Business Continuity Management System (BCMS) and provides reasonable assurance of continuity of service to clients. The Company has been able to deliver services despite several city level disruptions due to manmade and natural calamities during last year.

Privacy Risk Management

Protection of personal information is becoming a major issue for clients and regulatory authorities have stepped up their oversight on same. Governments across the globe are enacting stringent privacy laws and the Company is exposed to the risk of privacy breaches, penalties and lawsuits as the nature of the Company's operation involves handling and processing such personal information. To mitigate this risk, the Company has implemented a Privacy Risk Management Framework to ensure that the Company complies with the relevant privacy law requirements. The Company has implemented measures to comply with stringent requirements of General Data Protection Regulation (GDPR) and all other applicable privacy regulations. These measures are periodically audited and reported to the Audit Committee of the Board. To ensure compliance to GDPR and other global privacy laws such as CCPA, Australian Data Privacy Regulations, etc. the company has rolled out a tool during the year for Privacy Risk Assessment. The new California Consumer Privacy Act (CCPA) has come in effect since Jan 2020 and your Company has taken steps to comply with it.

Compliance Risks

Non-compliance with statutory requirements

The Company has a presence across multiple jurisdictions, and therefore is subject to a diverse set of legislation. As a result, there is a risk of non-compliance or delay in compliance with statutory and regulatory requirements. The Company uses enterprise and global legal compliance tools to track compliance across jurisdictions. The Company also uses services of professional consultants to ensure compliance with domestic and overseas laws and regulations. The Company has implemented processes to ensure internal stakeholders of the Company are aware of statutory requirements and maintain required evidence to demonstrate that due care has been taken by the Company to ensure compliance.

MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS AND CONCERNS

New Labor Codes (India-2021): These changes were expected to be notified by Government of India with effect from 1 April 2021. This is likely to result in increased employer cost & impact on P&L/ margins, higher cost of social security & other benefits (PF, gratuity, leave encashment, bonus), higher cost of sub-contractors and reduced settlement timelines for separated employees. A detailed study is being undertaken by the Company to understand the scope of changes, actions to be taken to comply and t financial impact of same.

Risk of non-compliance to sanctions regulations

The Company has implemented a comprehensive Trade Sanctions Compliance framework to ensure compliance with sanctions regulations. The Company has established a 'screening' protocol for all vendors and clients to ensure that the Company does not deal with sanctioned, individuals, groups, entities or countries.

Different countries periodically announce sanctions regulations and non-compliance to such sanctions can lead to serious risks and penalties.

Non-Compliance with Immigration Laws

Being in a human resource intensive industry, movement of human resources to various countries for execution of client projects is a necessity. Changes to visa regimes in countries where the Company is operating, including, in the form of increased scrutiny or rejections of visa request, poses a risk of increased cost of the operations. The Company has put in place several measures such as local campus hiring, offshoring of onsite work and rework rate cards where possible with clients to reduce the impact on margins.

The industry has also seen increased scrutiny by various governments for non-compliance with immigration laws and have levied penalties on non-compliant companies. The Company is equipped with the expertise to handle the complex immigration laws in the relevant countries and has processes to ensure compliance. In addition to an internal team with the right expertise, the Company has enlisted external consultants, wherever necessary, to ensure proper compliance with these laws. Periodic immigration compliance reviews, audits, training, and awareness programs are facilitated to ensure compliance with immigration requirements.

Intellectual Property (IP) Violation

IP is one of the factors that can act as a multiplier in a company's valuation, provides competitive edge, create efficiencies through innovation and increases profitability. On the other hand, infringement of patents, trademarks, copyrights, and other intellectual property can lead to costly litigation and damages. Any violation in this space will negatively impact the Company's reputation, brand and can create legal exposure. The Company has put in place mechanisms to detect and mitigate any infringement of IP rights. To ensure this the Company has implemented technology-based solutions and has taken several steps to hone the awareness level of the employees to ensure that the Company's IP is well guarded. Mandatory trainings, knowledge sharing sessions and discussions on best practices are conducted to ensure that this risk is well mitigated.

The Company has also implemented an enterprise-wide Open-Source Software (OSS) Policy and conducted training, with the objective to provide governance around harnessing the OSS regime and ensure compliance with OSS Licenses and client contracts.

INDEPENDENT AUDITORS' REPORT

To the Members of Mphasis Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mphasis Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

<table>
<tr><td colspan="2">Accounting for Business Combinations
See note 6(a) to the consolidated financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>During the current year, the Group completed a business combination.

Accounting for Business Combinations requires judgement with respect to identification and valuation of identifiable intangible assets acquired as part of the business combination. A significant portion of the purchase price has been attributed to identified intangible assets and goodwill. The valuation of identified intangible assets are dependent on cash flow forecasts including future business growth, expected synergies and application of a discount rate, which are inherently subjective.</td><td>Our audit procedures on accounting for business combinations include the following:

• Evaluated the design, implementation and operating effectiveness of the internal controls relating to accounting for business combinations and related disclosures in the consolidated financial statements.

• Evaluated if the cash flow forecasts with regard to the valuation of the identified intangible assets are reasonable, considering the historical financial performance, business growth and expected synergies.

• We along with our valuation specialists, evaluated the reasonableness of the methodology and key assumptions used by the Group and the valuer engaged by the Group to value each intangible asset and goodwill.

• Re-computed the deferred tax liabilities arising on the acquired intangible assets and verified if the applicable tax rates have been considered.

• Evaluated the adequacy and accuracy of the disclosures in the consolidated financial statements.</td></tr>
</table>

Key Audit Matters (continued)

Evaluation of tax positions
See note 32(a) to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit

The Group's operations in India are subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct tax and transfer pricing matters. Estimating the income tax expense also requires the Group to determine the probability of tax authorities accepting a particular tax treatment for potential tax exposures. These involve significant judgment by the Group to determine the possible outcome of the tax litigations and potential tax exposures, consequently having an impact on related accounting and disclosures in the consolidated financial statements.	Our audit procedures on taxation include the following:
	• Obtained an understanding of key tax litigations and potential tax exposures.
	• Evaluated the design, implementation and operating effectiveness of the internal controls relating to management's assessment of the possible outcome of tax litigations, potential tax exposures and related disclosures in the consolidated financial statements
	• The audit team, along with our internal tax experts:
	  • read and analyzed select key correspondences and consultations carried out by the Group including with external tax experts for key tax litigations and potential tax exposures.
	  • inquired with the Group and external tax experts to evaluate key assumptions and grounds of appeal considered by the Group in estimating the current tax balances.
	  • evaluated the status of the recent tax assessments / inquiries, results of previous tax assessments, legal precedence / judicial rulings and changes in the tax environment. This is performed to assess and challenge the Group's estimate of the possible outcome of key tax litigations and potential tax exposures.
	  • assessed and tested the adequacy and accuracy of the presentation and disclosures in the consolidated financial statements.

Impairment of Goodwill
See note 5 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Goodwill is a significant item on the balance sheet and the Group performs impairment testing for goodwill annually. In performing such impairment assessments, the Group compares the carrying value of each of the identifiable cash generating units ("CGUs") to which goodwill has been allocated with their respective "value in use" (VIU). The VIU is computed based on the discounted cash flow method and is used to determine if any impairment loss should be recognized. The discounted cash flow method involves estimating future cash flows, growth rates, operating margins and discount rates which require significant judgement by the Group.	Our audit procedures on testing for goodwill impairment includes the following: • Evaluated the design, implementation and operating effectiveness of the processes and internal controls relating to impairment of non-financial assets including goodwill and related disclosures in the consolidated financial statements. • Evaluated the Group's identification of CGU's, the carrying value of each CGU and the methodology followed by the Group for the impairment assessment in compliance with the applicable accounting standards. • Evaluated the basis of key assumptions included in the cash flow forecasts used in computing VIU of each CGU. This includes assumptions such as growth rates, operating margins and discount rates with reference to our understanding of their business and historical trends. • Engaged our valuation specialists to evaluate the appropriateness of the methodology used to compute the value in use of the CGU and the key underlying assumptions. • Assessed the sensitivity of the outcome of the impairment assessment to a reasonably possible change in key assumptions such as growth rates, operating margins and discount rates. • Evaluated adequacy and accuracy of the disclosures in the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Information

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

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

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

When we read the Holding Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective management and Board of Directors of the Companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 each Company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors' use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

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 give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by section 143(3) of the Act, based on our audit, we report to the extent applicable that:

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

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

   c) 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 financial statements.

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

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2022, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

   a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer note 32 to the consolidated financial statements.

   b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Other Legal and Regulatory Requirements (continued)

d) (i) The respective Managements of the Holding Company and its subsidiaries incorporated in India whose financial statements/ financial information have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in note 43 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries incorporated in India, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or any of its subsidiaries incorporated in India or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective Managements of the Holding Company and its subsidiaries incorporated in India whose financial statements/ financial information have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 43 to the accounts, no funds have been received by the Holding Company or any of its subsidiaries incorporated in India, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e) The final dividend paid by the Holding Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 45 to the financial statements, the Board of Directors of the Holding Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies incorporated in India to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies incorporated in India, is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABZF4198

Bengaluru
28 April 2022

INDEPENDENT AUDITORS' REPORT (Continued)

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Holding Company on the consolidated financial statements for the year ended 31 March 2022, we report the following:

(xxi) The Companies (Auditor's Report) Order (CARO) report of the Holding Company did not include any unfavorable answers or qualifications or adverse remarks. According to the information and explanations given to us, in respect of the following subsidiary companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditor till the date of this principal auditors' report.

Name of the companies	CIN	Relationship
Msource (India) Private Limited	U72200KA2000PTC038931	Subsidiary
Mphasis Software and Services (India) Private Limited	U72200KA1998PTC038932	Subsidiary

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABZF4198

Bengaluru
28 April 2022

INDEPENDENT AUDITORS' REPORT (Continued)

Annexure B to the Independent Auditors' Report on the consolidated financial statements of Mphasis Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2 (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Mphasis Limited ("the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

INDEPENDENT AUDITORS' REPORT (Continued)

Annexure B to the Independent Auditors' report on the consolidated financial statements of Mphasis Limited for the year ended 31 March 2022 (Continued)

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABZF4198

Bengaluru
28 April 2022

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(₹ million)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,456.54	2,117.82
Capital work-in-progress	3	109.84	31.27
Right-of-use assets	4	6,236.31	5,677.15
Goodwill	5	27,348.06	21,325.67
Other intangible assets	7	1,695.39	1,074.48
Financial assets			
Investments	8	3,778.01	3,114.28
Other financial assets	10	998.46	1,475.92
Deferred tax assets (net)	24	1,616.11	1,260.72
Income tax assets (net)	24	5,309.34	5,496.40
Other assets	11	849.66	1,013.12
Total non-current assets		**50,397.72**	**42,586.83**
Current assets			
Financial assets			
Investments	12	14,352.11	15,345.90
Trade receivables			
Billed	13	9,681.48	9,294.82
Unbilled		12,587.88	9,210.05
Cash and cash equivalents	14	8,268.47	7,711.44
Bank balances other than cash and cash equivalents	15	1,225.90	2,910.98
Loans	9	318.21	154.45
Other financial assets	10	2,644.56	2,595.22
Other assets	11	8,085.11	4,179.79
Total current assets		**57,163.72**	**51,402.65**
TOTAL ASSETS		**107,561.44**	**93,989.48**

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(₹ million)

	Notes	As at 31 March 2022	As at 31 March 2021
EQUITY AND LIABILITIES			
EQUITY			
Share capital	16	1,878.25	1,870.49
Other equity	17	67,553.06	63,396.61
Total equity		**69,431.31**	**65,267.10**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		5,840.48	5,370.38
Other financial liabilities	18	1,059.52	39.69
Employee benefit obligations	19	1,183.82	727.68
Deferred tax liabilities (net)	24	718.22	342.86
Income tax liabilities (net)	24	227.89	242.25
Other liabilities	20	-	562.53
Total non-current liabilities		**9,029.93**	**7,285.39**
Current liabilities			
Financial liabilities			
Borrowings	21	5,272.42	5,134.50
Lease liabilities		1,406.42	1,306.14
Trade payables	22		
- outstanding dues to micro and small enterprises		18.41	13.59
- outstanding dues to creditors other than micro and small enterprises		8,477.51	5,950.37
Other financial liabilities	18	6,131.36	3,279.92
Other liabilities	20	2,961.69	2,770.22
Employee benefit obligations	19	1,188.23	970.11
Provisions	23	1,083.77	458.56
Income tax liabilities (net)	24	2,560.39	1,553.58
Total current liabilities		**29,100.20**	**21,436.99**
TOTAL EQUITY AND LIABILITIES		**107,561.44**	**93,989.48**

Summary of significant accounting policies. 2

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

for **and on behalf of the Board of Directors**

Amit Somani
Partner
Membership No. 060154

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President & Company Secretary
Bengaluru

Bengaluru
28 April 2022

New Delhi
28 April 2022

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ million)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	25	119,614.44	97,223.11
Other income	26	1,604.50	1,329.45
Total income (I)		**121,218.94**	**98,552.56**
Expenses			
Employee benefits expense	27	70,345.01	56,297.86
Finance costs	28	744.03	634.15
Depreciation and amortization expense	29	2,907.52	2,417.88
Other expenses	30	28,093.38	22,896.59
Total expenses (II)		**102,089.94**	**82,246.48**
Profit before tax (III) [(I)-(II)]		**19,129.00**	**16,306.08**
Tax expense	24		
Current tax		4,859.65	4,094.30
Deferred tax		(39.54)	43.73
Total tax expense		**4,820.11**	**4,138.03**
Profit for the year (A)		**14,308.89**	**12,168.05**
Other comprehensive income ('OCI')			
Items to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of financial statements of foreign operations		833.29	(415.14)
Net change in fair value of derivatives designated as cash flow hedges		405.34	2,209.78
Income tax effect on cash flow hedges		(141.06)	(771.73)
Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined employee benefit plans		(245.91)	(90.98)
Income tax effect on the above		85.63	30.79
Total OCI for the year, net of tax (B)		**937.29**	**962.72**
Total comprehensive income for the year (A+B)		**15,246.18**	**13,130.77**
Profit for the year attributable to:			
Equity owners of the Company		**14,308.89**	**12,168.05**
Non-controlling interests		-	-
		14,308.89	**12,168.05**
OCI for the year attributable to:			
Equity owners of the Company		937.29	962.72
Non-controlling interests		-	-
		937.29	**962.72**
Total comprehensive income for the year attributable to:			
Equity owners of the Company		15,246.18	13,130.77
Non-controlling interests		-	-
		15,246.18	**13,130.77**
Earnings per equity share (par value ₹ 10 per share)	31		
Basic (₹)		76.38	65.18
Diluted (₹)		75.61	64.43

Summary of significant accounting policies. 2

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President &
Company Secretary
Bengaluru

New Delhi
28 April 2022

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in million	₹ million
As at 1 April 2020	186.54	1,865.43
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2020	**186.54**	**1,865.43**
Issue of shares (refer note 17)	0.50	5.06
As at 31 March 2021	**187.04**	**1,870.49**
As at 1 April 2021	**187.04**	**1,870.49**
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2021	**187.04**	**1,870.49**
Issue of shares (refer note 17)	0.78	7.76
As at 31 March 2022	**187.82**	**1,878.25**

b. Other equity

(₹ million)

	Attributable to the equity owners of the Company									
	Reserves and surplus							Items of OCI		
	a	b	c	d	e	f	g	h	i	
	Securities premium	General reserve	Retained earnings	Capital reserve	Capital redemption reserve	Special Economic Zone re-investment reserve	Share based payments reserve	Hedging reserve	Foreign currency translation reserve	Total
As at 1 April 2020	**266.18**	**2,003.57**	**44,764.37**	**361.39**	**251.66**	**1,760.52**	**581.21**	**(831.50)**	**7,273.16**	**56,430.56**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2020	**266.18**	**2,003.57**	**44,764.37**	**361.39**	**251.66**	**1,760.52**	**581.21**	**(831.50)**	**7,273.16**	**56,430.56**
Profit for the year	-	-	12,168.05	-	-	-	-	-	-	**12,168.05**
Other comprehensive income / (losses), net of tax	-	-	(60.19)	-	-	-	-	1,438.05	(415.14)	**962.72**
Dividends	-	-	(6,529.88)	-	-	-	-	-	-	**(6,529.88)**
Transferred to Special Economic Zone re-investment reserve	-	-	(598.93)	-	-	598.93	-	-	-	**-**
Transferred from Special Economic Zone re-investment reserve	-	-	519.50	-	-	(519.50)	-	-	-	**-**
Allotment of bonus shares earlier held in abeyance [refer note 16 (a)]	-	-	(0.01)	-	-	-	-	-	-	**(0.01)**
Share based expenses	-	-	-	-	-	-	102.19	-	-	**102.19**
Issue of shares on exercise of stock options	330.22	27.51	-	-	-	-	(94.75)	-	-	**262.98**
As at 31 March 2021	**596.40**	**2,031.08**	**50,262.91**	**361.39**	**251.66**	**1,839.95**	**588.65**	**606.55**	**6,858.02**	**63,396.61**
As at 1 April 2021	**596.40**	**2,031.08**	**50,262.91**	**361.39**	**251.66**	**1,839.95**	**588.65**	**606.55**	**6,858.02**	**63,396.61**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2021	**596.40**	**2,031.08**	**50,262.91**	**361.39**	**251.66**	**1,839.95**	**588.65**	**606.55**	**6,858.02**	**63,396.61**
Profit for the year	-	-	14,308.89	-	-	-	-	-	-	**14,308.89**
Other comprehensive income / (losses), net of tax	-	-	(160.28)	-	-	-	-	264.28	833.29	**937.29**
Dividends	-	-	(12,175.40)	-	-	-	-	-	-	**(12,175.40)**
Transferred to Special Economic Zone re-investment reserve	-	-	(650.66)	-	-	650.66	-	-	-	-
Transferred from Special Economic Zone re-investment reserve	-	-	933.87	-	-	(933.87)	-	-	-	-
Share based expenses	-	-	-	-	-	-	651.72	-	-	**651.72**
Issue of shares on exercise of stock options	559.21	0.30	-	-	-	-	(125.56)	-	-	**433.95**
As at 31 March 2022	**1,155.61**	**2,031.38**	**52,519.33**	**361.39**	**251.66**	**1,556.74**	**1,114.81**	**870.83**	**7,691.31**	**67,553.06**

Loss of ₹ 160.28 and ₹ 60.19 on re-measurement of defined employee benefit plans (net of tax) is recognised as part of retained earnings for the years ended 31 March 2022 and 31 March 2021, respectively.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

a. **Securities premium** - Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

b. **General reserve** - General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

c. **Retained earnings** - Retained earnings comprises of prior and current year's undistributed earnings after tax.

d. **Capital reserve** - ₹ 265.16 million represents receipts during the year ended 31 October 2012, upon termination of Mphasis Employee Welfare Trust, in accordance with the Declaration of Trust made for administration of share-based payment plan in relation to erstwhile employees of Mphasis Corporation. The net assets of the Trust were transferred to the Company upon completion of its objectives in accordance with the provisions of the said Declaration of Trust. The same will be utilized for the purposes as permitted by the Companies Act, 2013. ₹ 94.00 million represents Capital reserve created on redemption of redeemable preference share during the year ended 31 March 2007.

e. **Capital Redemption Reserve ('CRR')** - Capital Redemption Reserve is created to the extent of the nominal value of the share capital extinguished on buyback of Company's own shares in accordance with Section 69 of the Companies Act, 2013. The reserve will be utilized in accordance with the provisions of section 69 of the Companies Act, 2013.

f. **Special Economic Zone re-investment reserve** – The Special Economic Zone Re-Investment Reserve has been created out of the profits of eligible SEZ units in accordance with the provisions of section 10AA(1)(ii) of Income Tax Act,1961. The reserve is required to be utilized by the Company for acquiring eligible plant and machinery for the purpose of its business.

g. **Share based payments reserve** - Share based payments reserve is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

h. **Hedging reserve** – Cumulative changes in the fair value of financial instruments designated and effective as a hedge are recognized in this reserve through OCI (net of taxes). Amounts recognized in the hedging reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

i. **Foreign currency translation reserve ('FCTR')** - Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their respective functional currencies to the Company's functional and presentation currency are recognized directly in OCI and accumulated in the FCTR. When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the statement of profit or loss as part of the profit or loss on disposal.

Summary of significant accounting policies. (Note 2)

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

New Delhi
28 April 2022

Subramanian Narayan
Senior Vice President &
Company Secretary
Bengaluru

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit before tax	**19,129.00**	**16,306.08**
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	2,907.52	2,417.88
Profit on sale of property, plant and equipment and intangible assets	(4.97)	(4.31)
Net gain on investments carried at fair value through profit and loss	(754.84)	(839.28)
Share based payment expenses	651.72	102.19
Provision for expected credit loss	106.89	251.81
Finance costs	744.03	634.15
Interest income	(352.46)	(287.84)
Gain on lease modifications	-	(31.82)
Unrealized exchange gain, net	(82.64)	(102.10)
Operating profit before changes in operating assets and liabilities	**22,344.25**	**18,446.76**
Changes in operating assets and liabilities		
Trade receivables	(3,118.00)	(820.64)
Loans	(155.26)	89.59
Other financial assets	271.58	139.43
Other assets	(3,603.20)	(310.54)
Trade payables	2,401.76	(924.81)
Other financial liabilities	2,220.15	(132.19)
Other liabilities	(516.54)	899.59
Provisions and employee benefit obligations	998.41	606.38
Total changes in operating assets and liabilities	**(1,501.10)**	**(453.19)**
Income tax paid (net of refunds)	(3,685.83)	(3,448.25)
Net cash flows generated from operating activities (A)	**17,157.32**	**14,545.32**

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Investing activities		
Purchase of property, plant and equipment and intangible assets	(1,200.25)	(1,261.65)
Proceeds from sale of property, plant and equipment and intangible assets	8.45	9.76
Purchase of investments	(58,146.48)	(67,143.61)
Sale of investments	59,231.38	62,779.21
Interest received	320.67	196.67
Payment for business acquisition, net of cash acquired (refer note 6)	(5,218.80)	(805.19)
Investments in bank deposits	(486.61)	(3,788.01)
Redemption / maturity of bank deposits	2,671.29	1,794.01
Net cash flows used in investing activities (B)	**(2,820.35)**	**(8,218.81)**
Financing activities		
Proceeds from issue of shares	441.71	268.03
Repayment of borrowings	(16,605.85)	(12,558.31)
Availment of borrowings	16,638.15	12,149.60
Interest paid	(276.13)	(126.38)
Repayment of lease liabilities	(1,443.32)	(1,327.59)
Interest on repayment of lease liabilities	(464.61)	(493.27)
Dividends paid	(12,176.78)	(6,526.78)
Net cash flows used in financing activities (C)	**(13,886.83)**	**(8,614.70)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**450.14**	**(2,288.19)**
Effect of exchange rate changes	106.89	119.62
Cash and cash equivalents at the beginning of the year	7,711.44	9,880.01
Cash and cash equivalents at the end of the year (refer note 14)	**8,268.47**	**7,711.44**

Refer note 21 for supplementary information on cash flow movements

Summary of significant accounting policies. (Note 2)

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President & Company Secretary
Bengaluru

New Delhi
28 April 2022

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Mphasis Limited ('the Company') and its subsidiaries, collectively referred to as 'the Mphasis Group' or 'the Group' for the year ended 31 March 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are listed on two recognised stock exchanges in India. The registered office of the Company is in Bengaluru, India.

Mphasis Group, a global Information Technology (IT) solutions provider specializing in providing cloud and cognitive services, applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized digital experience to clients and their end customers.

The principal activities of the below subsidiaries include providing Information Technology and Information Technology Enabled Services, except for Digital Risk group which renders risk, compliance and technology related services to customers in the mortgage industry.

The consolidated financial statements for the year ended 31 March 2022 have been approved by the Company's Board of Directors on 28 April 2022.

List of subsidiaries with percentage holding **% of holding**

Subsidiaries	Country of incorporation	Parent	31 March 2022	31 March 2021
Mphasis Corporation	USA	Mphasis Limited	100	100
Mphasis Deutschland GmbH	Germany	Mphasis Limited	91	91
Mphasis Australia Pty Limited	Australia	Mphasis Limited	100	100
Mphasis (Shanghai) Software & Services Company Limited	China	Mphasis Limited	100	100
Mphasis Consulting Limited	United Kingdom	Mphasis Limited	100	100
Mphasis Ireland Limited	Ireland	Mphasis Limited	100	100
Mphasis Belgium BV (formerly Mphasis Belgium BVBA)	Belgium	Mphasis Limited	100	100
Mphasis Lanka (Private) Limited [refer note 1 (a)]	Sri Lanka	Mphasis Limited	100	100
Mphasis Poland s.p.z.o.o.	Poland	Mphasis Limited	100	100
PT. Mphasis Indonesia [refer note 1 (c)]	Indonesia	Mphasis Limited	100	100
Mphasis Europe BV	The Netherlands	Mphasis Corporation	59.62	59.62
		Mphasis Limited	40.38	40.38
Mphasis Infrastructure Services Inc. [refer note 1 (g)]	USA	Mphasis Corporation	100	100
Mphasis Pte Limited	Singapore	Mphasis Europe BV	100	100
Mphasis UK Limited	United Kingdom	Mphasis Europe BV	100	100
Mphasis Software and Services (India) Private Limited	India	Mphasis Europe BV	100	100
Msource Mauritius Inc.	Mauritius	Mphasis Europe BV	100	100
Mphasis Wyde Inc.	USA	Mphasis UK Limited	100	100
Mphasis Philippines Inc.	Philippines	Mphasis Pte Limited	100	100
Msource (India) Private Limited	India	Msource Mauritius Inc.	100	100
Wyde Corporation	USA	Mphasis Wyde Inc.	100	100
Mphasis Wyde SASU	France	Wyde Corporation Inc.	100	100
Wyde Solutions Canada Inc.	Canada	Wyde Corporation Inc.	100	100
Digital Risk, LLC. *	USA	Mphasis Wyde Inc.	100	100
Digital Risk Mortgage Services, LLC. *	USA	Digital Risk, LLC.	100	100
Investor Services, LLC. *	USA	Digital Risk, LLC.	100	100
Digital Risk Valuation Services, LLC. *	USA	Digital Risk, LLC.	100	100
Digital Risk Europe, OOD. [refer note 1 (b)] *	Bulgaria	Digital Risk, LLC.	100	100
Stelligent Systems LLC	USA	Mphasis Corporation	100	100

Continued

List of subsidiaries with percentage holding (continued)

Subsidiaries	Country of incorporation	Parent	% of holding 31 March 2022	% of holding 31 March 2021
Datalytyx Limited	United Kingdom	Mphasis Consulting Limited	100	100
Datalytyx MSS Limited	United Kingdom	Datalytyx Limited	100	100
Dynamyx Limited	United Kingdom	Datalytyx Limited	100	100
Mphasis Digi Information Technology Services (Shanghai) Limited [refer note 1 (d)]	China	Mphasis (Shanghai) Software & Services Company Limited	100	-
Blink Interactive, Inc **	USA	Mphasis Corporation	100	-
Redshift Digital Inc **	USA	Blink Interactive, Inc	100	-
Redshift Canada ULC ** (refer note 1h)	Canada	Redshift Digital Inc	-	-
Mrald Limited (refer note 1e)	United Kingdom	Mphasis Consulting Limited	51	-
Mrald Services Limited (refer note 1e)	United Kingdom	Mrald Limited	100	-
Mphasis Solutions Services Corporation (refer note 1f)	USA	Mphasis Corporation	100	-

* Forms part of Digital Risk group.

** Acquired with effect from 21 September 2021 (refer note 6).

List of Trusts that are consolidated.

- Mphasis Employees Benefit Trust.
- Mphasis Employees Equity Reward Trust.

a) On 22 July 2013, the Board of Directors of Mphasis Lanka (Private) Limited, a wholly owned subsidiary of Mphasis Limited, resolved to close its operations.

b) On 31 March 2017, the management of Digital Risk LLC resolved to close the operations of Digital Risk Europe, OOD.

c) On 16 April 2018, the shareholders of PT. Mphasis Indonesia resolved to dissolve and liquidate the entity.

d) On 26 May 2021, Mphasis Digi Information Technology Services (Shanghai) Limited was incorporated as a wholly owned subsidiary under Mphasis (Shanghai) Software & Services Company Limited.

e) On 23 December 2021, the Company through its wholly owned subsidiary, Mphasis Consulting Limited, entered into a business venture agreement with Ardonagh Services Limited ("Ardonagh"). Pursuant to this agreement, the Group owns 51% voting interest in Mrald Limited and the remaining voting interest is owned by Ardonagh. However, the Group is entitled to 100% economic benefits in Mrald Limited.

f) On 28 December 2021, Mphasis Solutions Services Corporation was incorporated as a wholly owned subsidiary under Mphasis Corporation.

g) On 23 March 2022, the Board of Directors of Mphasis Corporation resolved to merge its wholly owned subsidiary, Mphasis Infrastructure Services Inc. with itself.

h) On 11 March 2022, the management of Redshift Digital Inc resolved to dissolve Redshift Canada ULC, and the same has been dissolved on 31 March 2022.

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been measured at fair value.

- Derivative financial instruments.
- Investments classified as Fair Value Through Profit or Loss ('FVTPL').
- Fair value of plan assets less present value of defined benefit obligations.
- Contingent consideration pertaining to business combination

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle of 12 months. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items where the Group does not have an unconditional right to defer settlement beyond a period of 12 months, the period of 12 months being reckoned from the reporting date.

The Group's consolidated financial statements are presented in Indian Rupee ('₹'). The functional currency of the Company and its Indian subsidiaries is Indian Rupee ('₹'). The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. All the values are rounded off to the nearest million (INR 000,000) except when otherwise indicated.

The statement of cash flows have been prepared under the indirect method.

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

Basis of consolidation

The Group determines the basis of control in line with the requirements of Ind AS 110 - Consolidated Financial Statements. The consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries as disclosed in Note 1. Control exists when the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Entities are consolidated from the date control commences until the date control ceases. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

For the purposes of preparing the consolidated financial statements of the Group, the financial statements of the Company and entities controlled by the Group have been combined on a line-by-line basis and intra group balances and transactions including unrealised gain / loss from such transactions have been eliminated upon consolidation. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company'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 recognised directly in equity and attributed to owners of the Group.

Consolidated financial statements are prepared using uniform accounting policies across the Group. The financial statements of all entities used for consolidation are drawn up to the same reporting date.

Impact of the Global Pandemic ('Covid-19')

The Group has taken into account the possible impacts of Covid-19 in preparation of the consolidated financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets including goodwill, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, contingent consideration, impact on leases and impact on effectiveness of its hedging relationships. The Group has considered available sources of information, both internal and external, up to the date of approval of the consolidated financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Business combinations and goodwill

The Group accounts for its business combinations using acquisition method of accounting when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. A business consists of inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs. In determining whether a particular set of activities and assets is a business, the Group assesses if the acquisition includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are recognized in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets and liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognized as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the Group re-assesses whether it has appropriately identified and measured all assets acquired and liabilities assumed, including contingent liabilities. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the bargain purchase gain is recognized in other comprehensive income and accumulated in equity as capital reserve.

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Goodwill is initially measured at cost and subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ('CGU') that are expected to benefit from the synergies arising from the business combination.

Contingent consideration forming part of any business combination and eligible to be considered as purchase consideration is measured and recognized as a liability at fair value at the date of acquisition; subsequent changes to fair value of the liability is recognized in the consolidated statement of profit and loss.

Use of estimates, assumptions, and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the consolidated financial statements and the reported amounts of revenues and expenses for the year. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognised in the year in which the estimates are revised.

Application of accounting policies that require critical accounting estimates involving judgments and the use of assumptions in the consolidated financial statements have been disclosed below:

- **Business combinations and intangible assets**

  In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Estimating the acquisition date fair value of the identifiable assets acquired, useful life thereof and liabilities 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.

- **Impairment of non-financial assets**

  Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a discounted cash flow ('DCF') model. The cash flows are derived from the internal forecasts for future years. These do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested for impairment. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the long-term growth rates. These estimates are most relevant to goodwill recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in note 5.

- **Taxes**

  The Group's two major tax jurisdictions are India, and the U.S. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income of the Group's operations in India. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates and reflects the uncertainty related to income taxes, if any. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective group company's domicile. A tax assessment could involve complex issues, which can only be resolved over extended time periods.

  Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

- **Defined benefit plans**

  The cost of the defined benefit gratuity plan, compensated absences and the present value of the defined benefit obligation are determined based on an actuarial valuation carried out by an independent actuary using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, future attrition rates and mortality rates. Due to the complexities involved in the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

  The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Fair value measurement of financial instruments**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Useful lives of property, plant, and equipment**

  The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- **Revenue recognition**

  Use of the percentage-of completion method in accounting for fixed-price contracts requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

- **Expected credit loss ('ECL') on trade receivables**

  The impairment provisions are based on an evaluation of the risk of default over the expected life of the receivables 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 past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Provisions and contingent liabilities.**

  A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Judgements include estimating the probability of the cash outflows for the present obligations and accordingly provisions are determined and reviewed at the end of each reporting period and are adjusted to reflect current best estimates.

  The Group uses significant judgement to identify and measure 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 liabilities in relation to assessment/litigations can involve complex issues, which can only be resolved over extended time periods.

- **Leases**

  The Group evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals), and the applicable discount rate. Management estimates the lease term based on the non-cancellable lease-term, options for future renewals if the Group is reasonably certain to exercise and options to terminate the lease if the Group is reasonably certain not to exercise. In performing this assessment, the discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

The Group derives its revenues primarily from rendering application development and maintenance services, infrastructure outsourcing services, call centre and business & knowledge process outsourcing operations and licensing arrangements.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from time-based, unit-priced and fixed priced contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions where customers are given a right to use the intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third-party goods are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer. Sales tax / Value Added Tax (VAT) / Goods and Services Tax ('GST') is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity / service rendered by the seller on behalf of the Government. Accordingly, it is excluded from revenues.

The Group recognises an onerous contract provision when it is probable that the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

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. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications: 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 standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition.

- The Group's contracts with customers could include promises to transfer multiple goods and services to a customer. The Group assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Group has applied the practical expedient provided by Ind AS 115, whereby the Group does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how a customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Use of the percentage-of completion method in accounting for fixed-price contracts requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

Interest income is recognized as it accrues in the consolidated statement of profit and loss using effective interest rate method.

Dividend income is recognized when the right to receive the dividend is established.

The Group disaggregates revenue from contracts with customers by segment, geography, services rendered, delivery location and project type.

Property, plant and equipment and intangible assets

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Cost includes expenditure directly attributable to the acquisition. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the consolidated statement of profit and loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Group identifies and determines cost of each component / part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Intangible assets purchased or acquired in business combination, are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end.

For internally generated intangible assets, expenses incurred during the research phase are expensed as incurred. Development and product enhancements are capitalized as an intangible asset when the following criteria are met:

- Technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Intention to complete and its ability and intention to use or sell the asset
- Ability to generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the assets. Leasehold land is amortised over the lease term. Freehold land is not depreciated.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed under 'other assets'. The cost of property, plant and equipment not ready to use before the balance sheet date is disclosed under 'Capital work in progress'.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognized in the consolidated statement of profit and loss when the property, plant and equipment is derecognized.

Depreciation and amortization

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by management. Intangible assets are amortised on a straight-line basis over the estimated useful economic life. Depreciation / amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. The useful lives estimated by management are given below:

(In years)

Asset	Useful life as per Companies Act, 2013	Useful life estimated by management
Computer equipment	3	3
Furniture and fixtures	10	5
Buildings	20	20 or remaining lease term, whichever is less
Leasehold improvements	Not applicable	10 or remaining lease term, whichever is less
Office equipment	5	5
Plant and equipment	15	4 to 7
Server and networks	6	6
Vehicles	8	5
Customer contracts / Non-compete agreement / Business alliance partnership	As per Ind AS 38	2 to 7
Computer software	As per Ind AS 38	3 to 7

In respect of plant and equipment, furniture and fixtures and vehicles, management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets. Hence, the useful lives in respect of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Project specific assets are depreciated over the period of contract or useful life of the asset, whichever is lower.

Leases

Group as a lessee

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 a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Group, for the nature of asset taken on lease. Generally, the Group uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the consolidated statement of profit and loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains a lease and non-lease components, the Group applies Ind AS 115-Revenue to allocate the consideration in the contract.

Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

Impairment

a. Financial assets (other than at fair value)

For financial assets measured at amortised cost, debt instruments at fair value through other comprehensive income, trade receivables, contract assets and other financial assets, the Group assesses at each date of balance sheet whether the asset is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group provides for impairment upon the occurrence of the triggering event.

b. Non-financial assets

- **Tangible and intangible assets**

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

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

- **Goodwill**

Goodwill is tested for impairment on an annual basis and more often, if there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. 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 a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. The Group estimates the value in use of CGU's based on the future cash flows after considering current economic conditions and trends, estimated future operating results, growth rate and estimated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGU's represents the weighted average cost of capital based on the historical market return of comparable companies.

If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss on goodwill is recognized in the consolidated statement of profit or loss. Impairment losses relating to goodwill are not reversed in future periods.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, deposits with banks, trade receivables, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include loans and borrowings, finance lease liabilities, bank overdrafts, trade payables, contingent consideration and eligible current and non-current liabilities.

Non-derivative financial instruments are recognised when the Group becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

a. Cash and cash equivalents

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks with an original maturity of less than or up to three months. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding overdrafts that are repayable on demand and are considered part of the Group's cash management system.

b. Financial assets at amortised cost

Financial assets (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition) are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through other comprehensive income

Financial assets (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition) are measured at fair value through other comprehensive income ('FVTOCI') if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognized in the consolidated statement of profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to the consolidated statement of profit and loss.

d. Financial assets at fair value through profit or loss

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in consolidated statement of profit and loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in the consolidated statement of profit and loss. The gain or loss on disposal is recognized in the consolidated statement of profit and loss.

Interest income is recognized in the consolidated statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Group's right to receive dividend is established.

e. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Group is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in consolidated statement of profit and loss as expenses.

Subsequent to initial recognition, derivative financial instruments are measured as described below.

a. Cash flow hedges

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable cashflow forecast transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the consolidated statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the consolidated statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to the consolidated statement of profit and loss.

b. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the consolidated statement of profit and loss and reported within foreign exchange gains, net.

Changes in fair value and gains/(losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded as foreign exchange gains/ (losses).

c. De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Group has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Trade receivables which are subject to non-recourse factoring arrangements are de-recognized in accordance with Ind AS 109 and are offset in accordance with Ind AS 32.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amounts are presented in the consolidated balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e. Fair value of financial instruments

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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When a quote is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

f. Fair value hierarchy

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

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Employee benefits

a. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Compensated absences

The Group has a policy on compensated absences that is both accumulating and non-accumulating in nature. Non-accumulating compensated absences are measured on an undiscounted basis and are recognized in the period in which absences occur. The cost of short-term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by actuarial valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefits for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss. The Group presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

c. Defined contribution plans

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group. Contributions to defined contribution schemes such as Provident Fund, Employee State Insurance Scheme, 401(k) and other social security schemes are charged to the consolidated statement of profit and loss on an accrual basis.

d. Provident fund

Mphasis Limited has established a Provident Fund Trust to which contributions towards provident fund are made on a monthly basis. The Provident Fund Trust guarantees a specified rate of return on such contributions on a periodical basis. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the Government specified minimum rates of return.

e. **Gratuity**

For its Indian entities, the Group has a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation, or termination of employment in accordance with "The Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Group.

Gratuity, which is a defined benefit plan, is determined based on an independent actuarial valuation, which is carried out based on the projected unit credit method. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to consolidated statement of profit and loss. As required under Ind AS read with Schedule III to Companies Act, 2013, the Group transfers it immediately to retained earnings. The discount rate is based on the yield of securities issued by the Government of India.

Share based payments

The Group measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a graded basis. The units generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes valuation model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of share price of the Company. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

The cost of equity settled transactions is recognised, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Debit or credit in consolidated statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected in the computation of diluted earnings per share.

Foreign Currencies

a. **Functional currency**

The Group's consolidated financial statements are presented in INR, which is also the Company's functional currency. For all other entites, the Group determines the functional currency based on the primary economic environment in which the entity operates, and items included in the financial statements of each entity are measured using that functional currency.

b. **Transactions and balances**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date.

Gains and losses arising on restatement of foreign currency denominated monetary assets and liabilities are included in the consolidated statement of profit and loss. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at an exchange rate that approximates the rate prevalent on the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

c. **Translations**

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than INR are translated into INR using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the consolidated statement of profit or loss as part of the profit or loss on disposal. 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 exchange rate prevailing at the reporting date.

Income taxes

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

- **Current income tax**

  Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period and reflects the uncertainty related to income taxes if any. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- **Deferred income tax**

  Deferred income tax assets and liabilities is recognised using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

  Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

  Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as an income or expense in the period that includes the enactment or substantive enactment date.

  Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

  For operations carried out in SEZ facilities, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that do not reverse during the tax holiday period(s).

  Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity/ group of entities.

Provisions and contingent liabilities

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event, and it is probable that an outflow embodying economic benefits of resources will be required to settle the obligation. Provisions are determined based on best estimates required to settle each obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts are recognized 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. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the Company's owners for the year by the weighted average number of equity shares outstanding during the year adjusted for treasury shares held.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

Cash dividend to the equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. When the grant relates to a capital asset, it is presented by deducting the grant in arriving at the carrying amount of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the consolidated statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Recent pronouncements

Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide Notification dated 23 March 2022. Following amendments and annual improvements to Ind AS are applicable from 1 April 2022.

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities 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.

Ind AS - 16 Property Plant and Equipment

The amendment clarifies that sale proceeds of items produced in the process of making PPE available for its intended use cannot be deducted from the cost of PPE. Instead, such proceeds shall be recognized in the statement of profit or loss.

Ind AS - 37 Provisions

The amendment clarifies that the 'costs to fulfil' a contract include both incremental costs (direct labour and material) and an allocation of other direct costs (e.g: depreciation charge for an item of PPE used in fulfilling the contract).

Annual improvements to Ind AS 109 - Financial instruments

The amendment clarifies while performing the '10 percent test' for derecognition of financial liabilities, borrower includes only fees paid or received between borrower and lender directly or on behalf of the other's behalf.

Annual improvements to Ind AS 101 – First time adoption

The amendment clarifies that where a subsidiary adopts Ind AS later than its parent entity and applies Ind AS 101.D16(a), it is permitted to measure cumulative translation differences for all foreign operations at amounts included in consolidated financial statements of parent's date of transition.

The Group does not expect the above amendments / improvements to have any significant impact on its consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

(₹ million)

	Plant and equipment	Computer equipment	Servers and networks	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Cost								
At 1 April 2020	**231.31**	**1,377.33**	**999.27**	**266.94**	**278.23**	**70.35**	**638.25**	**3,861.68**
Additions	17.29	616.98	236.78	57.78	39.28	-	149.67	**1,117.78**
Acquired through business combination (refer note 6)	-	0.63	-	0.07	-	0.10	-	**0.80**
Disposals	(54.55)	(4.38)	(57.54)	(0.30)	(0.34)	(15.52)	(1.46)	**(134.09)**
Translation exchange differences	(2.18)	(6.21)	(6.89)	(1.95)	(5.44)	(1.05)	(0.92)	**(24.64)**
At 31 March 2021	**191.87**	**1,984.35**	**1,171.62**	**322.54**	**311.73**	**53.88**	**785.54**	**4,821.53**
Additions	19.54	903.34	153.98	34.52	5.93	-	5.27	**1,122.58**
Acquired through business combination (refer note 6)	-	14.37	1.00	0.63	14.76	-	39.35	**70.11**
Disposals	(5.87)	(16.40)	(5.59)	(5.50)	(14.13)	(11.93)	(3.57)	**(62.99)**
Translation exchange differences	0.59	16.44	11.12	2.44	6.64	1.10	2.76	**41.09**
At 31 March 2022	**206.13**	**2,902.10**	**1,332.13**	**354.63**	**324.93**	**43.05**	**829.35**	**5,992.32**
Depreciation								
At 1 April 2020	**157.18**	**863.88**	**552.67**	**147.06**	**185.09**	**36.45**	**219.61**	**2,161.94**
Charge for the year	19.79	354.01	149.56	45.99	38.02	12.19	66.06	**685.62**
Disposals	(54.52)	(3.95)	(52.86)	(0.28)	(0.31)	(15.26)	(1.46)	**(128.64)**
Translation exchange differences	(2.12)	(2.54)	(2.87)	(1.72)	(4.75)	(0.27)	(0.94)	**(15.21)**
At 31 March 2021	**120.33**	**1,211.40**	**646.50**	**191.05**	**218.05**	**33.11**	**283.27**	**2,703.71**
Charge for the year	19.88	514.03	159.79	48.12	34.84	8.45	78.69	**863.80**
Disposals	(5.77)	(13.87)	(4.97)	(5.47)	(13.93)	(11.93)	(3.57)	**(59.51)**
Translation exchange differences	0.62	10.70	6.11	2.12	5.90	0.54	1.79	**27.78**
At 31 March 2022	**135.06**	**1,722.26**	**807.43**	**235.82**	**244.86**	**30.17**	**360.18**	**3,535.78**
Net block								
At 31 March 2021	**71.54**	**772.95**	**525.12**	**131.49**	**93.68**	**20.77**	**502.27**	**2,117.82**
At 31 March 2022	**71.07**	**1,179.84**	**524.70**	**118.81**	**80.07**	**12.88**	**469.17**	**2,456.54**
Capital work-in-progress*								
As at 31 March 2022								109.84
As at 31 March 2021								31.27

* ₹ 31.27 million (31 March 2021: ₹ 72.85 million) has been capitalised and transferred to Property, Plant and Equipment.

CONSOLIDATED FINANCIAL STATEMENTS

4. LEASES

RIGHT-OF-USE ASSETS

(₹ million)

	Buildings	Plant and equipment	Servers and networks	Furniture and fixtures	Vehicles	Total
Cost						
At 1 April 2020	**7,014.44**	**592.19**	**18.35**	**27.41**	**25.46**	**7,677.85**
Additions	1,188.30	-	-	-	4.58	**1,192.88**
Modifications / terminations	(377.15)	-	-	-	(2.49)	**(379.64)**
Retirement on completion of lease term	(144.43)	(366.71)	(17.04)	(14.42)	(0.87)	**(543.47)**
Translation exchange differences	(38.61)	-	-	-	-	**(38.61)**
At 31 March 2021	**7,642.55**	**225.48**	**1.31**	**12.99**	**26.68**	**7,909.01**
Additions	1,991.44	-	-	-	19.53	**2,010.97**
Modifications / terminations	(27.44)	-	-	-	-	**(27.44)**
Retirement on completion of lease term	(137.26)	(207.88)	(0.36)	-	(8.65)	**(354.15)**
Translation exchange differences	70.88	-	-	-	0.14	**71.02**
At 31 March 2022	**9,540.17**	**17.60**	**0.95**	**12.99**	**37.70**	**9,609.41**
Depreciation						
At 1 April 2020	**1,057.54**	**342.67**	**16.45**	**17.43**	**7.35**	**1,441.44**
Charge for the year	1,195.25	224.71	1.71	4.59	8.40	**1,434.66**
Modifications / terminations	(84.87)	-	-	-	(1.69)	**(86.56)**
Retirement on completion of lease term	(144.43)	(366.71)	(17.04)	(14.42)	(0.87)	**(543.47)**
Translation exchange differences	(14.21)	-	-	-	-	**(14.21)**
At 31 March 2021	**2,009.28**	**200.67**	**1.12**	**7.60**	**13.19**	**2,231.86**
Charge for the year	1,432.52	22.37	0.19	3.10	9.67	**1,467.85**
Retirement on completion of lease term	(137.26)	(207.88)	(0.36)	-	(8.65)	**(354.15)**
Translation exchange differences	27.52	-	-	-	0.02	**27.54**
At 31 March 2022	**3,332.06**	**15.16**	**0.95**	**10.70**	**14.23**	**3,373.10**
Net block						
At 31 March 2021	**5,633.27**	**24.81**	**0.19**	**5.39**	**13.49**	**5,677.15**
At 31 March 2022	**6,208.11**	**2.44**	**-**	**2.29**	**23.47**	**6,236.31**

During the year ended 31 March 2022, the Group incurred expenses amounting to ₹ 287.88 million (31 March 2021: ₹ 404.07 million) towards short-term leases and leases of low-value assets. For the year ended 31 March 2022, the total cash outflows for leases, including short-term leases and low-value assets amounted to ₹ 2,195.82 million (31 March 2021: ₹ 2,224.93 million).

There are leases not yet commenced as at 31 March 2022, to which the Group is committed as a lessee. The present value of future cash outflows for such committed leases is ₹ 154.53 million as at 31 March 2022 (31 March 2021: ₹ 771.35 million).

Lease contracts entered into by the Group primarily pertains to buildings taken on lease to conduct its business in the ordinary course.

The following table presents the various components of lease costs:

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation	1,467.85	1,434.66
Interest on lease liabilities	464.61	493.27
	1,932.46	**1,927.93**

CONSOLIDATED FINANCIAL STATEMENTS

5. GOODWILL

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	21,325.67	21,404.74
Acquisition through business combination (refer note 6)	5,183.36	583.52
Translation exchange differences	839.03	(662.59)
	27,348.06	**21,325.67**

For the purposes of impairment testing, goodwill recognised on business combinations is allocated to the Cash Generating Units ('CGU') which represents the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments.

Below is the CGU wise break-up of goodwill	As at 31 March 2022	As at 31 March 2021
Digital Risk	9,219.96	8,893.64
Blink	5,292.43	-
Wyde	4,248.86	4,098.48
Business outsourcing	2,391.49	2,305.43
Infrastructure Services	2,122.81	2,047.68
Stelligent	1,656.78	1,598.14
Eldorado	1,339.50	1,292.04
Datalytyx	586.23	593.88
Consulting	490.00	496.38
	27,348.06	**21,325.67**

Goodwill impairment testing

Goodwill is tested for impairment on an annual basis. The recoverable amount of a CGU is the higher of its fair value less cost of disposal and its value-in-use. The recoverable amount of all CGU's are based on its value-in-use. The value-in-use is determined based on cash flow projections over a period of five years and terminal growth rate thereafter. An average of the range of each assumption used is mentioned below.

	As at 31 March 2022	As at 31 March 2021
Growth rate	1% to 17%	1% to 16%
Terminal growth rate	1% to 3%	1% to 3%
Operating margins	12% to 31%	11% to 30%
Discount rate	12% to 17%	12% to 17%

The discount rate is based on the Weighted Average Cost of Capital ('WACC') which represents the weighted average return attributable to all the assets of the CGU. These estimates are likely to differ from future actual results of operations and cash flows. Management believes that any reasonable possible changes in the key assumptions mentioned above would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Recoverable amount of all CGU's exceeded their carrying amounts, and hence no impairment losses were recognized during the year (31 March 2021: ₹ nil).

6. BUSINESS COMBINATION

a. Blink Interactive, Inc.

On 21 September 2021, the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Blink Interactive, Inc and its subsidiaries ('Blink') by acquiring 100% of its shares in cash. Blink is a user experience research, strategy, and design firm that works with some of the leading enterprises to create transformative digital products, brands, and experiences for clients. The acquisition seeks to boost Mphasis' Experience competencies with end-to-end capabilities in User Experience Research, Strategy, Design, and Implementation.

The acquisition was executed through a merger agreement for a consideration of USD 93.37 million (₹ 6,930.99 million) including the fair value of earnout consideration payable amounting to USD 18.58 million (₹ 1,378.99 million). The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill.

The following table shows the final allocation of purchase price:

(₹ million)

Description	Useful life	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets		627.83	-	627.83
Customer contracts and relationships	0.5-5 years	-	397.95	397.95
Non-compete	1-5 years	-	384.42	384.42
Brand	5 years	-	337.43	337.43
Total		**627.83**	**1,119.80**	**1,747.63**
Goodwill				5,183.36
Total purchase price				**6,930.99**

Net assets acquired include ₹ 200.39 million of cash and cash equivalents and trade and other receivables valued at ₹ 589.86 million. Trade and other receivables are expected to be collected in full.

Goodwill of ₹ 5,183.36 million comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible and has been allocated to the Blink Cash Generating Unit ('CGU').

The fair value of contingent consideration linked to continuing employment is being accounted for as a post combination expense in the consolidated statement of profit and loss.

Had the above acquisition occurred on 1 April 2021, management estimates that the consolidated revenue and net profit would have been higher by approximately ₹ 1,281.00 million and ₹ 358.00 million respectively for the year ended 31 March 2022. The pro-forma amounts are not necessarily indicative of the results that would have occurred if the acquisition had occurred on date indicated or that may result in the future.

b. Datalytyx

On 19 November 2020, the Company through its wholly owned subsidiary, Mphasis Consulting Limited, obtained control of Datalytyx Limited and its subsidiaries ('Datalytyx') by acquiring 100% of its shares in cash. Datalytyx is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments. The acquisition seeks to strengthen the Group's next-gen data strategy and build capabilities relevant to the digital priorities of its clients.

The acquisition was executed through a share purchase agreement for a consideration of GBP 11.55 million (₹ 1,141.92 million). The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill.

The following table shows the final allocation of purchase price:

Description	Useful life	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets		318.58	-	318.58
Business alliance partnerships	6 years	-	118.69	118.69
Customer contracts and relationships	4-7 years	-	138.47	138.47
Brand	5 years	-	39.56	39.56
Deferred tax liabilities on intangible assets		-	-	(56.90)
Total		**318.58**	**296.72**	**558.40**
Goodwill				583.52
Total purchase price				**1,141.92**

Net assets acquired include ₹ 151.32 million of cash and cash equivalents and trade and other receivables valued at ₹ 278.59 million.

Goodwill of ₹ 583.52 million comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is not tax-deductible and has been allocated to the Datalytyx CGU.

The fair value of contingent consideration linked to continuing employment is being accounted for as a post combination expense in the consolidated statement of profit and loss.

7. OTHER INTANGIBLE ASSETS

(₹ million)

	Computer software	Customer contracts	Non compete agreement	Business alliance partnership	Brands	Others	Total
Cost							
At 1 April 2020	**1,882.23**	**585.87**	**157.53**	**58.04**	**-**	**183.24**	**2,866.91**
Additions	295.80	-	-	-	-	-	**295.80**
Acquired through business combination (refer note 6)	-	138.47	-	118.69	39.56	-	**296.72**
Disposals	(0.99)	-	-	-	-	-	**(0.99)**
Translation exchange differences	(46.47)	(17.20)	(5.32)	0.25	0.74	(6.18)	**(74.18)**
At 31 March 2021	**2,130.57**	**707.14**	**152.21**	**176.98**	**40.30**	**177.06**	**3,384.26**
Additions	45.27	-	-	-	-	-	**45.27**
Acquired through business combination (refer note 6)	2.96	397.95	384.42	-	337.43	-	**1,122.76**
Disposals	(0.19)	-	-	-	-	-	**(0.19)**
Translation exchange differences	45.58	27.33	13.68	0.50	6.58	6.51	**100.18**
At 31 March 2022	**2,224.19**	**1,132.42**	**550.31**	**177.48**	**384.31**	**183.57**	**4,652.28**
Amortization							
At 1 April 2020	**1,154.59**	**557.78**	**149.86**	**27.40**	**-**	**183.24**	**2,072.87**
Charge for the year	239.47	26.04	2.90	26.26	2.93	-	**297.60**
Disposals	(0.99)	-	-	-	-	-	**(0.99)**
Translation exchange differences	(28.37)	(18.90)	(5.09)	(1.16)	-	(6.18)	**(59.70)**
At 31 March 2021	**1,364.70**	**564.92**	**147.67**	**52.50**	**2.93**	**177.06**	**2,309.78**
Charge for the year	250.03	172.28	78.13	31.33	44.10	-	**575.87**
Disposals	(0.19)	-	-	-	-	-	**(0.19)**
Translation exchange differences	35.90	21.12	6.29	1.42	0.19	6.51	**71.43**
At 31 March 2022	**1,650.44**	**758.32**	**232.09**	**85.25**	**47.22**	**183.57**	**2,956.89**
Net block							
At 31 March 2021	**765.87**	**142.22**	**4.54**	**124.48**	**37.37**	**-**	**1,074.48**
At 31 March 2022	**573.75**	**374.10**	**318.22**	**92.23**	**337.09**	**-**	**1,695.39**

8. NON-CURRENT INVESTMENTS

	As at 31 March 2022			As at 31 March 2021		
	Units	NAV (₹)	₹ million	Units	NAV (₹)	₹ million
Investments measured at amortized cost						
Quoted bonds						
7.19% India Infrastructure Finance Company Limited	-	-	-	599,500	1,000.00	599.50
Investments measured at FVTPL						
Quoted Target maturity date ETF						
Bharat Bond ETF – April 2025	1,120,130	1,084.16	1,214.39	640,701	1,022.18	654.91
Bharat Bond FOF Apr 2025	79,637,328	10.82	861.92	-	-	-
Quoted debentures						
Rural Electricity Corporation Limited	250	1,100,000.00	275.00	250	1,053,100.00	263.27
KMPL - Non-convertible Debentures	400	1,007,500.00	403.00	-	-	-
HDB Non- Convertible Debentures - 2023	1,000	1,023,700.00	1,023.70	-	-	-
Kotak Non-Convertible Debentures - 2022	-	-	-	500	1,127,200.00	563.60
ICICI Home Finance Company Limited	-	-	-	2,000	516,500.00	1,033.00
			3,778.01			**3,114.28**
Aggregate value of quoted non current investments			3,778.01			3,114.28
Market value of quoted non current investments			3,778.01			3,155.82

9. LOANS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Employee advances	-	-	318.21	154.45
	-	**-**	**318.21**	**154.45**

10. OTHER FINANCIAL ASSETS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Bank deposits (refer note 15)*	161.18	593.75	26.31	93.34
Accrued interest	-	-	69.36	86.32
Derivative assets	344.44	335.00	1,092.40	776.63
Deposits	492.84	547.17	1,412.96	1,314.48
Others	-	-	43.53	324.45
	998.46	**1,475.92**	**2,644.56**	**2,595.22**

* Includes restricted deposits of ₹ 38.97 (31 March 2021: ₹ 93.69) placed as a lien against bank guarantees/statutory registration purposes/claims.

11. OTHER ASSETS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Contract assets	325.78	175.96	1,359.72	427.91
Contract fulfilment cost	12.21	21.90	10.24	9.99
Contract acquisition cost	243.25	444.65	468.42	523.23
	581.24	**642.51**	**1,838.38**	**961.13**
Less: Loss allowance	-	-	-	-
	581.24	**642.51**	**1,838.38**	**961.13**
Unsecured - considered good				
Travel advances	-	-	8.54	6.19
Prepaid expenses	52.69	49.15	942.12	780.54
Advances to suppliers	-	111.11	462.53	633.03
Indirect tax recoverable	215.73	210.35	4,833.54	1,798.90
	268.42	**370.61**	**6,246.73**	**3,218.66**
	849.66	**1,013.12**	**8,085.11**	**4,179.79**

12. CURRENT INVESTMENTS

	As at 31 March 2022			As at 31 March 2021		
	Units	NAV (₹)	₹ million	Units	NAV (₹)	₹ million
Investments measured at FVTPL						
Quoted mutual funds						
Kotak Equity Arbitrage Fund Direct growth	70,777,659	31.67	2,241.46	68,269,641	30.28	2,067.28
HDFC Overnight Fund	509,890	3,157.45	1,609.96	2,328	3,058.09	7.12
IDFC Arbitrage Fund	19,457,628	27.91	543.13	27,711,816	26.76	741.56
Kotak Savings Fund - Direct Plan - growth	27,753,107	36.03	999.95	59,130,548	34.68	2,050.81
UTI Money Market Fund - Direct growth Plan	564,528	2,490.77	1,406.11	140,647	2,395.17	336.87
Nippon India Money Market - Direct Plan - growth	298,442	3,350.56	999.95	2,047	3,220.75	6.59
Nippon India Arbitrage Advantage Fund-Direct Plan	126,865,721	22.83	2,896.09	126,476,353	21.83	2,760.61
HDFC Money Market - Direct Growth Plan	100,830	4,654.80	469.34	-	-	-
Kotak Money Market Fund - Direct Plan - Growth	168,663	3,620.71	610.68	-	-	-
IDFC Low Duration Fund	-	-	-	48,925,914	30.66	1,499.96
ABSL Overnight Fund - Growth - Direct Plan	-	-	-	75	1,112.93	0.08
Axis Treasury Advantage Fund - Direct Plan - growth	-	-	-	565,300	2,481.49	1,402.79
SBI Overnight Fund - Direct Plan - growth	-	-	-	38	3,351.78	0.13
L&T Liquid Fund - Direct Plan growth	-	-	-	177,384	2,818.93	500.03
Aditya Birla Life Savings Fund - growth Direct Plan	-	-	-	1,374,229	426.84	586.57
Nippon India Overnight - Direct growth Plan	-	-	-	3,077,769	110.47	340.01
Quoted debentures						
Kotak Non-Convertible Debentures - 2022	500	1,193,000.00	596.50	-	-	-
ICICI Home Finance Company Limited	700	542,050.00	379.44	-	-	-
Kotak Non-Convertible Debentures - 2021	-	-	-	500	1,110,800.00	555.40

Continued

12. CURRENT INVESTMENTS (Continued)

	As at 31 March 2022			As at 31 March 2021		
	Units	NAV (₹)	₹ million	Units	NAV (₹)	₹ million
Investments measured at amortized cost						
Quoted bonds						
7.19% India Infrastructure Finance Company Limited	599,500	1,000.00	599.50	-	-	-
Quoted fixed maturity plan securities						
Aditya Birla Sun Life FTP – Series PC Direct growth	-	-	-	40,000,000	12.46	498.39
Aditya Birla Sun Life FTP – Series PH Direct growth	-	-	-	20,000,000	12.40	247.91
ICICI Prudential Fixed Maturity Plan	-	-	-	25,000,000	12.41	310.25
Kotak FMP Series 219	-	-	-	20,000,000	12.39	247.83
Nippon India Fixed Horizon Fund	-	-	-	15,000,000	12.38	185.71
Unquoted inter corporate deposit						
HDFC Limited *	-	-	1,000.00	-	-	1,000.00
			14,352.11			**15,345.90**
Aggregate value of quoted current investments			13,352.11			14,345.90
Aggregate value of unquoted current investments			1,000.00			1,000.00
Market value of quoted current investments			13,375.51			14,369.62

* These deposits earn a fixed rate of interest.

13. TRADE RECEIVABLES - BILLED

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Trade receivables	-	-	9,867.82	9,419.47
Allowances for doubtful receivables	-	-	(186.34)	(124.65)
	-	**-**	**9,681.48**	**9,294.82**
Credit impaired				
Trade receivables	-	-	706.19	716.63
Allowance for doubtful receivables	-	-	(706.19)	(716.63)
	-	**-**	**-**	**-**
	-	**-**	**9,681.48**	**9,294.82**

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment						
Particulars (31 March 2022)	**Not due**	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade receivables – considered good	5,685.37	3,799.72	157.51	123.11	55.73	42.60	**9,864.04**
Undisputed Trade receivables – credit impaired	-	-	-	3.12	3.84	201.58	**208.54**
Disputed Trade receivables – considered good	0.50	3.27	-	-	-	-	**3.77**
Disputed Trade receivables – credit impaired	-	-	-	94.27	19.63	383.76	**497.66**
	5,685.87	**3,802.99**	**157.51**	**220.50**	**79.20**	**627.94**	**10,574.01**
Expected credit loss							(892.53)
	5,685.87	**3,802.99**	**157.51**	**220.50**	**79.20**	**627.94**	**9,681.48**

(₹ million)

Particulars (31 March 2021)	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	6,241.09	2,723.88	292.40	90.71	46.32	4.35	**9,398.75**
Undisputed Trade receivables – credit impaired	-	-	3.16	29.91	18.19	182.63	**233.89**
Disputed Trade receivables – considered good	2.82	6.33	-	11.52	0.06	-	**20.73**
Disputed Trade receivables – credit impaired	-	90.93	-	8.11	73.40	310.29	**482.73**
	6,243.91	**2,821.14**	**295.56**	**140.25**	**137.97**	**497.27**	**10,136.10**
Expected credit loss							(841.28)
	6,243.91	**2,821.14**	**295.56**	**140.25**	**137.97**	**497.27**	**9,294.82**

Relationship with struck off companies

Name of struck off company (31 March 2022)	Nature of transactions	Transactions during the year	Balance outstanding	Company	Relationship
Metadata Technologies Private Limited*	Receivables	-	25.28	Mphasis Limited	Customer
Name of struck off company (31 March 2021)					
Metadata Technologies Private Limited*	Receivables	-	25.28	Mphasis Limited	Customer

* The above amount have been fully provided for.

14. CASH AND CASH EQUIVALENTS

	As at 31 March 2022	As at 31 March 2021
In current accounts	7,475.29	5,756.60
Deposits with original maturity of less than 3 months	793.00	1,954.67
Cash on hand	0.18	0.17
	8,268.47	**7,711.44**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Deposits with remaining maturity of more than 12 months	161.18	593.75	-	-
Deposits with remaining maturity of less than 12 months	-	-	1,229.71	2,980.44
Unclaimed dividend	-	-	22.50	23.88
	161.18	**593.75**	**1,252.21**	**3,004.32**
Disclosed under other financial assets (refer note 10)	(161.18)	(593.75)	(26.31)	(93.34)
	-	**-**	**1,225.90**	**2,910.98**

16. EQUITY SHARE CAPITAL

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Authorised share capital		
245,000,000 (31 March 2021: 245,000,000) equity shares of ₹ 10 each	2,450.00	2,450.00
Issued, subscribed and fully paid-up shares		
187,817,716 (31 March 2021: 187,042,033) equity shares of ₹ 10 each fully paid-up	1,878.18	1,870.42
Add: Amount originally paid-up on forfeited shares	0.07	0.07
Total issued, subscribed and fully paid-up share capital	**1,878.25**	**1,870.49**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ million	Number of shares	₹ million
At the beginning of the year	187,042,033	1,870.42	186,535,807	1,865.36
Issue of shares upon exercise of stock options	775,683	7.76	505,526	5.05
Allotment of bonus shares earlier held in abeyance *	-	-	700	0.01
Outstanding at the end of the year	**187,817,716**	**1,878.18**	**187,042,033**	**1,870.42**

* Consequent to resolution of a dispute over the title of shares, 700 bonus shares, which were earlier held in abeyance was released and allotted to the claimant during the year ended 31 March 2021.

(b) Terms/rights and restrictions attached to equity shares.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	As at 31 March 2022	As at 31 March 2021
BCP Topco IX Pte. Ltd (subsidiary of the ultimate holding company) *		
104,799,642 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid	1,048.00	-
Marble II Pte Ltd. (subsidiary of the ultimate holding company) **		
Nil (31 March 2021: 104,799,577) equity shares of ₹ 10 each fully paid	-	1,048.00

* The ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd (refer note 33 for change in control)

** The ultimate holding company was Blackstone Capital Partners (Cayman II) VI L.P. (refer note 33 for change in control)

Shares held by promoters at the begining of the year			
Promoter name	**No. of shares**	**% of total shares**	
Marble II Pte Ltd.	104,799,577	56.03	
Shares held by promoters at the end of the year			**% of change during the year**
Promoter name	**No. of shares**	**% of total shares**	
BCP Topco IX Pte. Ltd	104,799,642	55.80	100.00%

(d) Equity shares movement during five years immediately preceding 31 March 2022.

(i) Aggregate number of bonus shares and shares issued for consideration other than cash:

	As at 31 March 2022	As at 31 March 2021
Equity shares allotted as fully paid bonus shares by capitalization of retained earnings	1,400	1,400

(ii) Equity shares extinguished / cancelled on buy back

a. On 2 June 2017, the Company completed the buyback of 17,370,078 fully paid-up equity shares of face value of ₹ 10 each ("equity shares"), representing 8.26% of the total paid-up equity share capital of the Company, at a price of ₹ 635 per equity share for an aggregate consideration of ₹ 11,030.00 million. The shares accepted by the Company under the buyback scheme were extinguished on 7 June 2017 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of buyback, the Company has transferred ₹ 173.70 million to Capital Redemption Reserve representing face value of equity shares bought back.

b. On 28 December 2018, the Company completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75 million. In line with the requirements of the Companies Act, 2013, an amount of ₹ 176.59 million, ₹ 743.89 million and ₹ 8,962.27 million has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.21 million to the Capital Redemption Reserve representing face value of equity shares bought back.

(iii) Number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash: 31 March 2022: nil (31 March 2021: nil).

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ million	Number of shares	₹ million
BCP Topco IX Pte. Ltd	104,799,642	55.80	-	-
Marble II Pte Ltd.	-	-	104,799,577	56.03

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the ESOP and RSU plan of the Company, refer note 17.

17. OTHER EQUITY

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Securities premium		
Balance as per previous financial statements	596.40	266.18
Premium received on issue of shares on exercise of options	433.95	262.98
Transferred from share based payment reserve, on exercise of options	125.26	67.24
Closing balance	**1,155.61**	**596.40**
General reserve		
Balance as per previous financial statements	2,031.08	2,003.57
Transfer from share based payments reserve	0.30	27.51
Closing balance	**2,031.38**	**2,031.08**

Continued

17. OTHER EQUITY (Continued)

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Retained earnings		
Balance as per previous financial statements	50,262.91	44,764.37
Re-measurement gains / (losses) on defined benefit plans	(160.28)	(60.19)
Profit for the year	14,308.89	12,168.05
Allotment of bonus shares earlier held in abeyance	-	(0.01)
Transferred to Special Economic Zone re-investment reserve	(650.66)	(598.93)
Transferred from Special Economic Zone re-investment reserve	933.87	519.50
Less: Appropriations		
Dividends	12,175.40	6,529.88
Total appropriations	**12,175.40**	**6,529.88**
Closing balance	**52,519.33**	**50,262.91**
Capital reserve		
Balance as per previous financial statements	361.39	361.39
Closing balance	**361.39**	**361.39**
Capital redemption reserve		
Balance as per previous financial statements	251.66	251.66
Closing balance	**251.66**	**251.66**
Share based payments reserve		
Balance as per previous financial statements	588.65	581.21
Expense for the year	651.72	102.19
Transferred to securities premium on exercise of options	(125.26)	(67.24)
Transfer to general reserve	(0.30)	(27.51)
Closing balance	**1,114.81**	**588.65**
Special Economic Zone re-investment reserve		
Balance as per previous financial statements	1,839.95	1,760.52
Transferred from retained earnings	650.66	598.93
Utilization during the year	(933.87)	(519.50)
Closing balance	**1,556.74**	**1,839.95**
Hedging reserve		
Balance as per previous financial statements	606.55	(831.50)
Transactions during the year	1,408.58	2,512.52
Transfer to statement of profit and loss on maturity of the underlying hedges	(1,003.24)	(302.74)
Income tax effect on the above	(141.06)	(771.73)
Closing balance	**870.83**	**606.55**
Foreign currency translation reserve		
Balance as per previous financial statements	6,858.02	7,273.16
Transactions during the year	833.29	(415.14)
Closing balance	**7,691.31**	**6,858.02**
Total other equity	**67,553.06**	**63,396.61**

Dividend on equity shares paid during the year ended 31 March 2022

The Board of Directors, at its meeting held on 13 May 2021 had proposed the final dividend of ₹ 65 per share for the year ended 31 March 2021.which was approved by the shareholders at the Annual General meeting held on 29 September 2021. This resulted in a cash outflow of ₹ 12,175.40 million.

Dividend on equity shares paid during the year ended 31 March 2021

The Board of Directors, at its meeting held on 13 May 2020 had proposed the final dividend of ₹ 35 per share for the year ended 31 March 2020. The dividend proposed by the Board of Directors was approved by the shareholders in the Annual General meeting held on 23 July 2020. This resulted in a cash outflow of ₹ 6,529.88 million.

Employee Stock Option Plans - Equity settled

Employees Stock Option Plan-1998 (the 1998 Plan)

The Company instituted the 1998 Plan for all eligible employees in pursuance of the special resolution approved by the shareholders in the Annual General Meeting held on 31 July 1998. The 1998 Plan provides for the issuance of 3,720,000 options to eligible employees as recommended by the ESOP Committee constituted for this purpose. In accordance with the 1998 Plan, the Committee has formulated 1998 Plan - (Version I) and 1998 Plan - (Version II) during the years 1998-1999 and 1999-2000 respectively.

1998 Plan – (Version I): Each option, granted under the 1998 Plan - (Version I), entitles the holder thereof with an option to apply for and be issued one equity share of the Company at an exercise price of ₹ 34.38 per share. The equity shares covered under these options vest at various dates over a period ranging from six to sixty-six months from the date of grant based on the length of service completed by the employee to the date of grant. The options are exercisable any time after their vesting period irrespective of continued employment with the Group.

The movements in the options granted under the 1998 Plan - (Version I) are set out below:

	Year ended 31 March 2022		Year ended 31 March 2021	
1998 Plan (Version I)	**No. of options**	**Weighted Average Exercise Price (₹)**	**No. of options**	**Weighted Average Exercise Price (₹)**
Options outstanding at the beginning	47,000	34.38	47,000	34.38
Options outstanding at the end	**47,000**	**34.38**	**47,000**	**34.38**
Exercisable at the end	**47,000**	**34.38**	**47,000**	**34.38**

The options outstanding as at 31 March 2022 have an exercise price of ₹ 34.38 (31 March 2021: ₹ 34.38).

Employees Stock Option Plan - 2016 (the 2016 Plan)

Effective 4 November 2016, the Company instituted the 2016 Plan. The Board of Directors of the Company and the shareholders approved the 2016 Plan at its meeting held on 27 September 2016 and 4 November 2016 respectively. The 2016 plan provides for the issue of options to certain employees of the Company and its subsidiaries.

The 2016 Plan is administered by the Mphasis Employees Equity Reward Trust. As per the ESOP 2016 Plan, the stock options are granted at the market price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee at the time of Grant. The equity shares covered under these options vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting or within six months from the resignation of the employee whichever is earlier.

The movements in the options under the 2016 plan are set out below:

	Year ended 31 March 2022		Year ended 31 March 2021	
2016 Plan	**No. of options**	**Weighted Average Exercise Price (₹)**	**No. of options**	**Weighted Average Exercise Price (₹)**
Options outstanding at the beginning	3,803,951	591.76	4,308,911	575.97
Granted	853,275	3,397.00	232,500	810.61
Forfeited	89,303	1,624.73	219,832	649.21
Lapsed	1,940	523.20	12,102	702.31
Exercised	775,683	569.43	505,526	530.21
Options outstanding at the end	**3,790,300**	**1,203.55**	**3,803,951**	**591.76**
Exercisable at the end	**2,420,910**	**558.93**	**2,325,323**	**554.24**

The weighted average share price as at the date of exercise of stock option was ₹ 2,817.05 (31 March 2021: ₹ 1,488.17). The options outstanding on 31 March 2022 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00 (31 March 2021: ₹ 500.00 to ₹ 980.00) and the weighted average remaining contractual life of 4.61 years (31 March 2021: 4.67 years).

The weighted average fair value of stock options granted during the year was ₹ 1,314.77 (31 March 2021: ₹ 203.64). The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average share price on the date of grant (₹)	3,306.18	816.77
Exercise Price (₹)	3,397.00	803.00 to 980.00
Expected Volatility	34.47% to 35.97%	35.07% to 39.17%
Life of the options granted in years	1-10 years	1-10 years
Average risk-free interest rate	6.34% to 6.36%	5.82% to 6.10%
Expected dividend rate	2.07%	2.93% to 3.57%

Total employee compensation cost pertaining to 2016 Plan during the year is ₹ 236.25 million (31 March 2021: ₹ 102.19 million.)

Additionally, under the existing ESOP 2016 Plan, during the current year the Company granted 285,337 options to the key management personnel.

Restricted Stock Unit Plan-2021 ('RSU Plan-2021')

Effective 22 October 2021, the Company instituted the Restricted Stock Unit Plan-2021. The Board and the shareholders of the Company approved RSU Plan-2021 on 22 October 2021. The RSU Plan-2021 provides for the issue of restricted units to employees and directors of the Company and its subsidiaries.

The RSU Plan-2021 is administered by the Mphasis Employees Equity Reward Trust. Each unit, granted under the RSU Plan-2021, entitles the holder thereof with an option to apply for and be issued one equity share of the Company at an exercise price of ₹ 10.00 per share. The equity shares covered under this plan vest over a period ranging from twelve to sixty months from the date of grant. The exercise period is sixty months from the respective date of vesting or within six months from the resignation of the employee whichever is earlier.

Pursuant to the approvals obtained from the Board of Directors and the Shareholders of the Company, during the current year, the Company has adopted a new Restricted Units Plan, 2021 ('RSU 2021') under which a total of 3,000,000 RSUs can be granted to the eligible employees of the Company and its subsidiaries. Under this plan, 1,075,188 RSU's have been granted to the eligible employees of the Company and its subsidiaries. Of this, the key management personnel were issued 359,189 RSU's.

The movements in the units under the RSU Plan-2021 are set out below:

	Year ended 31 March 2022	
RSU 2021 Plan	**No. of options**	**Weighted Average Exercise Price (₹)**
Granted	1,075,188	10.00
Forfeited	38,370	10.00
Options outstanding at the end	**1,036,818**	**10.00**

There has been no exercise of units during the year. The options outstanding on 31 March 2022 have an exercise price ranging of ₹ 10.00 and the weighted average remaining contractual life of 8.19 years.

The weighted average fair value of stock options granted during the year was ₹ 2,971.23. The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

RSU 2021 Plan	Year ended 31 March 2022
Weighted average share price on the date of grant (₹)	3,306.24
Exercise Price (₹)	10.00
Expected Volatility	34.47% to 35.97%
Life of the options granted in years	1-10 years
Average risk-free interest rate	6.34% to 6.36%
Expected dividend rate	2.07%

Total employee compensation cost pertaining to RSU Plan-2021 during the year is ₹ 415.47 million.

18. OTHER FINANCIAL LIABILITIES

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Salary related costs	109.87	15.58	4,523.51	2,826.18
Capital creditors	-	-	127.45	82.06
Other payables	0.87	1.05	324.79	219.69
Contingent consideration payable	936.56	-	1,063.25	38.43
Unclaimed dividend *	-	-	22.50	23.88
Derivative liabilities	12.22	23.06	69.86	89.68
	1,059.52	**39.69**	**6,131.36**	**3,279.92**

* Unclaimed dividends when due, shall be credited to Investor Protection and Education fund.

19. EMPLOYEE BENEFIT OBLIGATIONS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for gratuity [refer note 38 (a)]	1,183.82	727.68	-	-
Provision for employee compensated absences	-	-	1,188.23	970.11
	1,183.82	**727.68**	**1,188.23**	**970.11**

20. OTHER LIABILITIES

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unearned revenue	-	-	1,158.83	1,148.02
Statutory dues	-	562.53	1,802.86	1,622.20
	-	**562.53**	**2,961.69**	**2,770.22**

21. BORROWINGS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Pre-shipment loan from bank (unsecured) *	-	-	2,530.00	1,881.10
Loan from Citibank (unsecured) **	-	-	2,742.42	3,253.40
	-	**-**	**5,272.42**	**5,134.50**

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	5,134.50	5,712.85
Cash flow movement	32.30	(408.71)
Non-cash changes relating to foreign exchange movements	105.62	(169.64)
Closing balance	**5,272.42**	**5,134.50**

* Pre-shipment loan in foreign currency amounting to ₹ nil (31 March 2021: ₹ 731.10 million interest @ LIBOR plus 0.43% p.a.).

* Pre-shipment loans of ₹ 2,530.00 million (31 March 2021: ₹ 1,150.00 million) carries interest ranging from 4.00% to 4.15% (31 March 2021: 4.10%). The loans are repayable over the period from 22 April 2022 to 16 August 2022.

** Loans from Citibank carries interest @ LIBOR plus ranging from 0.94% to 1.60% (31 March 2021: LIBOR plus ranging from 0.65% to 0.85%) p.a. The loans are repayable over the period from 11 April 2022 to 14 June 2022. The loan is availed by a wholly owned subsidiary and the Company has issued a corporate guarantee towards the same.

Refer note 40 for the Group's exposure to interest rate, foreign currency and liquidity risks.

22. TRADE PAYABLES

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Outstanding dues to micro and small enterprises ('MSME')*	-	-	18.41	13.59
Outstanding dues to creditors other than micro and small enterprises	-	-	8,477.51	5,950.37
	-	**-**	**8,495.92**	**5,963.96**

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Accrued expenses	Total
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		
31 March 2022							
MSME	13.18	0.43	-	-	4.47	-	**18.08**
Others	1,727.64	627.96	8.70	8.40	54.52	6,033.26	**8,460.48**
Disputed dues MSME	-	-	-	-	0.33	-	**0.33**
Disputed dues others	-	-	0.64	13.95	2.44	-	**17.03**
	1,740.82	**628.39**	**9.34**	**22.35**	**61.76**	**6,033.26**	**8,495.92**
31 March 2021							
MSME	8.79	0.08	-	-	4.72	-	**13.59**
Others	1,062.84	237.74	11.29	2.18	52.60	4,566.69	**5,933.34**
Disputed dues MSME	-	-	-	-	-	-	**-**
Disputed dues others	-	0.64	13.95	0.31	2.13	-	**17.03**
	1,071.63	**238.46**	**25.24**	**2.49**	**59.45**	**4,566.69**	**5,963.96**

Relationship with struck off companies

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding	Company	Relationship
31 March 2022					
Human Interface Consulting India Pvt Ltd	Payables	-	0.56	Mphasis Limited	Vendor
Webaxyz IT Consulting (Opc) Private Limited	Payables	-	0.01	Msource (India) Private Limited	Vendor
31 March 2021					
Human Interface Consulting India Pvt Ltd	Payables	-	0.56	Mphasis Limited	Vendor
Webaxyz IT Consulting (Opc) Private Limited	Payables	-	0.01	Msource (India) Private Limited	Vendor

23. PROVISIONS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provisions	-	-	1,083.77	458.56
	-	**-**	**1,083.77**	**458.56**

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	458.56	68.30
Additions	645.05	390.70
Utilised / paid	(19.84)	-
Translation exchange differences	-	(0.44)
Closing balance	**1,083.77**	**458.56**
Current	1,083.77	458.56

24. TAXES

Income tax expenses in the statement of profit and loss consist of the following:

	Year ended 31 March 2022	Year ended 31 March 2021
Taxes		
Current taxes	4,859.65	4,094.30
Deferred taxes	(39.54)	43.73
Total taxes	**4,820.11**	**4,138.03**

Under the Indian Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax ('MAT') in the tax holiday period if the tax payable under normal provisions is less than tax payable under MAT. Excess tax paid under MAT over tax under normal provision paid can be carried forward for a period of 15 years and can be set off against the future tax liabilities.

The Company has units at Bengaluru, Hyderabad, Chennai and Pune registered as Special Economic Zone ('SEZ') units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961. The Group also has STPI units at Bengaluru, Pune and other locations which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B / 10A of the Income Tax Act, 1961.

A portion of the profits of the Company's India operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in an SEZ. Under the Special Economic Zone Act, 2005, units in designated special economic zones providing service on or after 1 April 2005 will be eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits and gains for a further five years. The tax benefits are also available for a further five years post initial ten years subject to the creation of SEZ Reinvestment Reserve which is required to be spent within 3 financial years in accordance with the requirements of the tax regulations in India.

The interest / dividend income from certain category of investments is exempt from tax. The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to income exempt from tax, reversal of tax expense pertaining to previous years (net), deductions including Provision to Return adjustments and tax effect on allowances / disallowances (net) and tax differentials on income from capital gains etc and difference in tax rates between India and the other geographies where the Group operates.

The Group is also subject to tax on income attributable to its permanent establishment in certain foreign jurisdictions due to operation of its foreign branches.

Mphasis Limited and certain entities in the Group have entered into international and specified domestic transactions with its associated enterprises within the meaning of section 92B and section 92BA respectively of the Income Tax Act, 1961. The Group is of the view that all the aforesaid transactions have been made at arms' length terms.

Deferred tax for the year ended 31 March 2022 and 31 March 2021 relates to origination and reversal of temporary differences.

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	**19,129.00**	**16,306.08**
Applicable tax rates in India	34.944%	34.944%
Computed tax charge (A)	**6,684.44**	**5,698.00**
Tax effect on exempt operating income	(1,738.42)	(1,390.39)
Tax effect on exempt non - operating income	(15.06)	(15.06)
Tax effect on non - deductible expenses	122.02	102.12
Tax effect on differential domestic/overseas tax rate and other disallowances	219.12	253.27
Reversal of tax expenses pertaining to prior period *	(351.02)	(469.60)
Others, net	(100.97)	(40.31)
Total adjustments (B)	**(1,864.33)**	**(1,559.97)**
Total tax expenses (A+B)	**4,820.11**	**4,138.03**

* Income tax expense for the years ended 31 March 2022 and 31 March 2021 includes reversal (net of provisions) of ₹ 351.02 million and ₹ 469.60 million, respectively.

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Income tax assets (net)				
Advance income-tax (net of provision for taxation)	5,309.34	5,496.40	-	-
	5,309.34	**5,496.40**	**-**	**-**
Income tax liabilities (net)				
Provision for taxation	227.89	242.25	2,560.39	1,553.58
	227.89	**242.25**	**2,560.39**	**1,553.58**
Net income tax asset			**2,521.06**	**3,700.57**

Deferred tax asset amounting to ₹ 740.26 million and ₹ 785.62 million in relation to carry forward losses in various subsidiaries has not been recorded during the years ended 31 March 2022 and 31 March 2021 respectively. The underlying losses carried forward do have a scheduled expiry date including jurisdictions that allow indefinite carry forward.

Deferred 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 tax liabilities on cumulative earnings of subsidiaries and branches amounting to ₹ 17,132.71 million and ₹ 15,181.82 million as of 31 March 2022 and 31 March 2021, respectively have not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:

	As at 31 March 2022	As at 31 March 2021
Deferred tax asset (net)		
Property, plant and equipment and other intangible assets	369.45	279.56
Provision for doubtful debts and advances	370.47	318.48
Provision for employee benefits	753.98	526.42
On carried forward long term capital loss	11.70	40.82
Derivative (assets) / liabilities	(465.53)	(324.46)
Others	576.04	419.90
	1,616.11	**1,260.72**

Continued

24. TAXES (Continued)

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities (net)		
Property, plant and equipment and other intangible assets	796.00	582.79
Provision for doubtful debts and advances	-	(11.26)
On net operating losses	(83.29)	(319.11)
Others	5.51	90.44
	718.22	**342.86**
Net Deferred tax asset	**897.89**	**917.86**

Significant components of net deferred tax assets and liabilities are as follows:

	As at 1 April 2021	Statement of Profit and loss	OCI	Others	As at 31 March 2022
Deferred tax asset (net)					
Property, plant and equipment and other intangible assets	279.56	89.89	-	-	369.45
Provision for doubtful debts and advances	318.48	51.99	-	-	370.47
Provision for employee benefits	526.42	141.93	85.63	-	753.98
On carried forward long term capital loss	40.82	(29.12)	-	-	11.70
Derivative (assets) / liabilities	(324.46)	(0.01)	(141.06)	-	(465.53)
Others	419.90	156.14	-	-	576.04
	1,260.72	**410.82**	**(55.43)**	**-**	**1,616.11**
Deferred tax liabilities (net)					
Property, plant and equipment and other intangible assets	582.79	213.21	-	-	796.00
Provision for doubtful debts and advances	(11.26)	11.26	-	-	-
On net operating losses	(319.11)	235.82	-	-	(83.29)
Others	90.44	(89.01)	-	4.08	5.51
	342.86	**371.28**	**-**	**4.08**	**718.22**
Total	**917.86**	**39.54**	**(55.43)**	**(4.08)**	**897.89**

	As at 1 April 2020	Statement of Profit and loss	OCI	Others	As at 31 March 2021
Deferred Tax Asset (net)					
Property, plant and equipment and other intangible assets	312.91	(33.35)	-	-	279.56
Provision for doubtful debts and advances	186.89	131.59	-	-	318.48
Provision for employee benefits	572.74	(77.11)	30.79	-	526.42
Provision for loss on long-term contract	16.23	(16.23)	-	-	-
On carried forward long term capital loss	88.48	(47.66)	-	-	40.82
Derivative (assets) / liabilities	447.27	-	(771.73)	-	(324.46)
MAT credit entitlement	261.52	-	-	(261.52)	-
Others	271.42	147.15	-	1.33	419.90
	2,157.46	**104.39**	**(740.94)**	**(260.19)**	**1,260.72**
Deferred Tax Liabilities (net)					
Property, plant and equipment and other intangible assets	664.51	(139.14)	-	57.42	582.79
Provision for doubtful debts and advances	(0.27)	(10.99)	-	-	(11.26)
On net operating losses	(736.44)	417.33	-	-	(319.11)
Others	209.52	(119.08)	-	-	90.44
	137.32	**148.12**	**-**	**57.42**	**342.86**
Total	**2,020.14**	**(43.73)**	**(740.94)**	**(317.61)**	**917.86**

25. REVENUE FROM OPERATIONS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services	118,611.20	96,920.37
Profit / (loss) on cash flow hedges reclassified to revenue	1,003.24	302.74
	119,614.44	**97,223.11**

Information in relation to revenue disaggregation is disclosed in note 35 and 36.

Reconciliation of revenue recognised with contracted price is as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Contracted price	120,150.17	98,786.01
Reductions towards variable consideration components *	(1,538.97)	(1,865.64)
Revenue as per statement of profit and loss	**118,611.20**	**96,920.37**

* The reduction towards variable consideration comprises of discounts, amortization of contract acquisition cost, etc.

A. Contract balances

The following table discloses the movement in contract assets:

	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	603.87	387.07
Revenue recognized during the year	1,467.37	404.08
Invoiced during the year	(391.27)	(186.23)
Exchange gain / (loss)	5.53	(1.05)
Closing balance	**1,685.50**	**603.87**

The following table discloses the movement in unearned revenue balances:

	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	1,148.02	1,135.91
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(1,141.83)	(933.73)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	1,130.48	970.46
Exchange (gain) / loss	22.16	(24.62)
Closing balance	**1,158.83**	**1,148.02**

B. Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as revenue as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Unsatisfied or partially satisfied performance obligations are subject to variability due to several factors such as termination, changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value transferred to the customer, typically those contracts where invoicing is on time and material, unit price basis and fixed monthly billing.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022 is ₹ 17,260.00 million (31 March 2021: ₹ 13,786.00 million). Out of this, the Group expects to recognize revenue of around 45% (31 March 2021: 40%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

26. OTHER INCOME

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on		
Bank deposits	147.52	149.44
Long term bonds	104.53	48.37
Others	100.41	90.03
Net gain on investments measured at FVTPL *	754.84	839.28
Foreign exchange gain, (net)	485.46	92.99
Profit on sale of fixed assets, (net)	4.97	4.31
Miscellaneous income	6.77	105.03
	1,604.50	**1,329.45**

* includes profit on sale of investments amounting to ₹ 1,099.60 million (31 March 2021: ₹ 703.62 million).

27. EMPLOYEE BENEFITS EXPENSE

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and bonus	64,016.21	52,303.85
Contribution to provident and other funds	5,122.09	3,595.47
Employee share based payments	651.72	102.19
Staff welfare expenses	554.99	296.35
	70,345.01	**56,297.86**

28. FINANCE COSTS

	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on borrowings	279.42	126.80
Interest expense on lease liabilities	464.61	493.27
Exchange difference to the extent considered as an adjustment to borrowing costs	-	14.08
	744.03	**634.15**

29. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 3)	863.80	685.62
Amortization of intangible assets (refer note 7)	575.87	297.60
Depreciation of right-of-use assets (refer note 4)	1,467.85	1,434.66
	2,907.52	**2,417.88**

30. OTHER EXPENSES

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Subcontracting charges	17,169.50	13,113.19
Legal and professional charges	2,798.13	2,742.26
Software support and annual maintenance charges	2,687.23	1,901.65
Facility expenses	624.04	704.34
Travel	856.17	753.61
Communication expenses	656.86	818.71
Recruitment expenses	1,453.82	836.00
Power and fuel	248.84	261.35
Insurance	211.35	167.99
Rates and taxes	93.20	94.14
Repairs and maintenance - others	137.59	104.72
Provision for expected credit loss	106.89	251.81
Corporate Social Responsibility expense	294.59	268.95
Miscellaneous expenses	755.17	877.87
	28,093.38	**22,896.59**

31. EARNINGS PER SHARE (‘EPS’)

Reconciliation of basic and diluted shares used in computing earnings per share:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year (₹ in million)	14,308.89	12,168.05
Number of weighted average shares considered for calculation of basic earnings per share	187,349,367	186,674,485
Add: Dilutive effect of stock options	1,901,005	2,182,847
Number of weighted average shares considered for calculation of diluted earnings per share	189,250,372	188,857,332
Earnings per equity share (par value ₹ 10 per share)		
Basic	76.38	65.18
Diluted	75.61	64.43

32. CONTINGENT LIABILITIES AND COMMITMENTS

a. The Group has disputes with income tax authorities in India and other jurisdictions where they operate. The ongoing disputes pertain to various assessment years from 2002-03 to 2018-19. The matters under dispute pertain to transfer pricing, tax treatment of certain expenses claimed as deductions, or allowances, characterization of fees for services paid and applicability of withholding taxes etc. Claims against the Group in relation to direct taxes and transfer pricing matters not acknowledged as debts amount to ₹ 13,466.15 million (31 March 2021: ₹ 8,840.17 million). Claims against the Group in relation to indirect tax matters not acknowledged as debts amount to ₹ 191.89 million (31 March 2021: ₹ 192.92 million).

   In relation to other tax demands not included above, the Group has furnished bank guarantees amounting to ₹ 6,661.95 million (31 March 2021: ₹ 6,661.95 million). These demands are being contested by the Group based on management evaluation, advice of tax consultants and legal advice obtained. No provision has been made in the books of accounts. The Group has filed appeals against such orders with the appropriate authorities.

   The Group has received notices and inquiries from income tax authorities related to the Group’s operations in the jurisdictions it operates in. The Group has evaluated these notices, responded appropriately and believes there are no financial statement implications as on date.

b. Other outstanding bank guarantees as at 31 March 2022: ₹ 195.66 million (31 March 2021: ₹ 194.98 million) pertains to guarantees issued on behalf of the Group to regulatory authorities.

c. In addition to the above matters, the Group has other claims not acknowledged as debts amounting to ₹ 489.82 million (31 March 2021: ₹ 800.15 million).

There has been a Supreme Court judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgment, including the effective date of the application, and based on expert advice obtained, the Group is unable to reasonably estimate the expected impact of the Supreme Court decision. The Group will continue to assess any further developments in this matter for the implications on financial statements, if any.

d. Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2022: ₹ 324.43 million (31 March 2021: ₹ 241.62 million).

33. RELATED PARTY TRANSACTIONS

In accordance with the requirements of Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balances are given below.

Change in control

For the period upto 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Entities where control exists

BCP Asia (SG) Mirror Holding Pte Ltd	Ultimate holding company (from 10 August 2021)
BCP Topco IX Pte. Ltd	Holding company (from 10 August 2021)
Blackstone Capital Partners (Cayman II) VI L.P.	Ultimate holding company (upto 9 August 2021)
Blackstone Capital Partners (Singapore) VI Holding Co Pte Ltd	Intermediate holding company (upto 9 August 2021)
Marble I Pte Ltd.	Intermediate holding company (upto 9 August 2021)
Marble II Pte Ltd.	Holding company (upto 9 August 2021)

Post-employment benefit trusts of the Group

Mphasis Group Employees Provident Fund Trust
Mphasis Limited Employees Group Gratuity Fund Trust
Msource India Pvt Ltd Employees Group Gratuity Fund Trust
Digital Risk Mortgage Services LLC Employees Group Gratuity Scheme

Key management personnel

Davinder Singh Brar	Independent Director and Chairman of the Board
Narayanan Kumar	Independent Director
Jan Kathleen Hier	Independent Director
David Lawrence Johnson	Director
Marshall Jan Lux	Director
Amit Dixit	Director
Amit Dalmia	Director
Maureen Anne Erasmus	Independent Director – Appointed w.e.f. 20 December 2021
Kabir Mathur	Director – Appointed w.e.f. 20 December 2021
Pankaj Sood	Director – Appointed w.e.f. 20 December 2021
Courtney Della Cava	Director – Appointed w.e.f. 20 December 2021
Paul James Upchurch	Director – Resigned w.e.f. 31 December 2020
Nitin Rakesh	Chief Executive Officer and Executive Director till 30 September 2021 Chief Executive Officer and Managing Director w.e.f. 1 October 2021
Manish Dugar	Chief Financial Officer – Appointed w.e.f. 15 May 2020
V. Suryanarayanan	Executive Vice President & Chief Financial Officer – superannuated w.e.f. 14 May 2020
Subramanian Narayan	Senior Vice President & Company Secretary

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The following is the summary of transactions with related parties by the Group: **(₹ million)**

	Year ended 31 March 2022	Year ended 31 March 2021
Dividend paid (on cash basis)	**6,131.00**	**3,301.75**
BCP Topco IX Pte. Ltd [net of withholding taxes amounting to ₹ 681.20 (31 March 2021: ₹ nil)]	6,130.78	-
Marble II Pte Ltd. [net of withholding taxes amounting to ₹ nil (31 March 2021: ₹ 366.80)]	-	3,301.19
Others	0.22	0.56
Remuneration / Commission to key management personnel *	**466.49**	**189.26**
Nitin Rakesh	351.40	115.96
Others	115.09	73.30

* This does not include remuneration paid to certain directors by the ultimate holding company and its affiliates as they are not employees of the Group. Post-employment benefit comprising gratuity and compensated absences have not been disclosed as these are determined for the Group as a whole.

Marble II Pte Ltd. ('Marble') (being the erstwhile Promoter of the Company) has covered certain identified employees of the Group under an Exit Return Incentive Plan ('the ERI Plan') of Marble, under which Marble could make direct payments upon satisfaction of specified conditions therein, at Marble's discretion. The ERI Plan was approved by the Board of Directors of the Company on 25 May 2017 and the shareholders of the Company at the Annual General Meeting held on 26 July 2017, as required under Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no financial impact / burden to the Company for the payments to be made pursuant to the ERI Plan by Marble. Marble has, since its exit as a shareholder of the Company, made payments of ₹ 701.90 million in aggregate under the ERI Plan to the key management personnel of the Group.

BCP Topco IX Pte. Ltd. ('Topco') being the holding company and the promoter of the Company, through its related entities –BCP Asia (SG) Mirror Holding Pte Ltd and BCP Asia Mirror CYM Ltd ("Cayco"), has covered certain identified employees of the Group under the Exit Return Incentive Plan, 2021 ('ERI 2021'), under which direct payments will be made upon satisfaction of specified conditions therein, at their discretion. The ERI 2021 Plan was approved by the Board of Directors of the Company on 31 August 2021 and the shareholders of the Company at the Annual General Meeting held on 29 September 2021, as required under Regulation 26(6) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no financial impact / burden to the Group for the payments to be made pursuant to ERI 2021.

Expenses incurred on behalf of related parties

Marble II Pte. Limited

₹ 835.00 million represents the amounts paid by Marble under the ERI Plan that was payable to certain identified persons on the payroll of Mphasis Corporation and was routed through Mphasis Corporation (on behalf of Marble) on account of requirements under applicable US tax laws. Mphasis Corporation passed on the requisite payments to these identified persons (on behalf of Marble) net of applicable US taxes and deposited the requisite taxes with the relevant US tax authorities. The payments under the ERI Plan neither form part of the remuneration payable by the Group to these persons, nor was there any financial burden on the Group on account of this arrangement.

The balances payable to related parties are as follows:

	As at 31 March 2022	As at 31 March 2021
Remuneration / Commission payable to key management personnel	**41.55**	**6.47**
Davinder Singh Brar	1.46	1.49
Narayanan Kumar	1.34	1.34
David Lawrence Johnson	1.18	1.20
Jan Kathleen Hier	1.24	1.27
Marshall Lux	35.23	1.17
Maureen Anne Erasmus	1.10	-

34. Additional information pursuant to para 2 of general instructions for the preparation of the Consolidated Financial Statements for years ended 31 March 2022 and 31 March 2021.

31 March 2022	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
Name of the entity	**Percentage**	**₹ million**	**Percentage**	**₹ million**	**Percentage**	**₹ million**	**Percentage**	**₹ million**
Parent								
Mphasis Limited	42.52%	44,476.51	58.98%	12,352.53	134.43%	105.49	59.26%	12,458.02
Indian subsidiaries								
Msource (India) Private Limited	9.46%	9,899.19	0.62%	129.58	-0.19%	(0.15)	0.62%	129.43
Mphasis Software and Services (India) Private Limited	1.78%	1,865.41	0.29%	60.70	0.00%	-	0.29%	60.70
Foreign subsidiaries								
Mphasis Corporation	8.98%	9,395.93	4.77%	997.87	43.15%	33.86	4.91%	1,031.73
Mphasis Deutschland GmbH	-0.33%	(343.53)	-0.62%	(128.97)	6.31%	4.95	-0.59%	(124.02)
Mphasis Australia Pty Limited	-0.12%	(125.37)	-0.73%	(151.75)	-4.14%	(3.25)	-0.74%	(155.00)
Mphasis (Shanghai) Software & Services Company Limited	0.13%	131.02	-0.26%	(55.19)	12.51%	9.82	-0.22%	(45.37)
Mphasis Consulting Limited	0.63%	658.89	0.04%	8.57	7.49%	5.88	0.07%	14.45
Mphasis Ireland Limited	0.06%	61.34	0.03%	5.20	-1.43%	(1.12)	0.02%	4.08
Mphasis Belgium BV	0.83%	864.63	0.22%	46.09	-21.86%	(17.15)	0.14%	28.94
Mphasis Poland s.p.z.o.o	-0.01%	(6.03)	-0.01%	(2.22)	0.18%	0.14	-0.01%	(2.08)
Msource Mauritius Inc.	0.60%	626.45	0.00%	(0.83)	0.00%	-	0.00%	(0.83)
PT. Mphasis Indonesia	0.00%	(1.45)	0.00%	(0.07)	-0.09%	(0.07)	0.00%	(0.14)
Mphasis Europe BV	11.26%	11,778.66	0.14%	29.89	-7.37%	(5.78)	0.12%	24.11
Mphasis Pte Limited	0.71%	739.08	0.21%	43.41	25.92%	20.34	0.30%	63.75
Mphasis Infrastructure Services Inc.	-1.40%	(1,462.53)	-0.48%	(99.82)	-62.29%	(48.88)	-0.71%	(148.70)
Mphasis UK Limited	9.90%	10,350.77	-0.90%	(188.57)	-3.07%	(2.41)	-0.91%	(190.98)
Mphasis Wyde Inc.	11.18%	11,694.30	8.12%	1,699.78	-189.82%	(148.95)	7.38%	1,550.83
Mphasis Philippines Inc.	0.01%	5.21	-0.03%	(6.81)	-0.23%	(0.18)	-0.03%	(6.99)
Wyde Corporation Inc.	-0.93%	(972.09)	0.29%	60.15	-49.50%	(38.84)	0.10%	21.31
Mphasis Wyde SASU	-0.86%	(904.29)	-0.43%	(89.15)	23.84%	18.71	-0.34%	(70.44)
Wyde Solutions Canada Inc.	-0.07%	(71.18)	0.17%	35.58	-6.51%	(5.11)	0.15%	30.47
Digital Risk LLC.	0.69%	722.48	15.50%	3,247.01	-92.88%	(72.88)	15.10%	3,174.13
Digital Risk Mortgage Services LLC.	5.10%	5,337.93	14.89%	3,117.41	296.37%	232.56	15.94%	3,349.97
Investor Services, LLC	0.71%	744.83	0.00%	(0.02)	33.59%	26.36	0.13%	26.34
Digital Risk Valuation Services LLC.	-1.23%	(1,283.89)	0.00%	(0.02)	-57.91%	(45.44)	-0.22%	(45.46)
Stelligent Systems LLC.	-0.18%	(186.23)	-0.08%	(16.86)	-9.09%	(7.13)	-0.11%	(23.99)
Datalytyx Limited	0.13%	139.93	-0.91%	(189.78)	3.85%	3.02	-0.89%	(186.76)
Datalytyx MSS Limited	0.01%	15.18	0.00%	(0.24)	-0.23%	(0.18)	0.00%	(0.42)
Dynamyx Limited	0.01%	8.60	-0.07%	(13.75)	-0.27%	(0.21)	-0.07%	(13.96)
Mphasis Digi Information Technology Services (Shanghai) Limited	0.02%	21.99	-0.01%	(1.87)	1.10%	0.86	-0.01%	(1.01)
Blink Interactive, Inc	0.43%	452.16	0.49%	102.04	17.77%	13.94	0.55%	115.98
Mrald Limited	0.00%	(0.02)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Mrald Services Limited	-0.04%	(46.35)	-0.22%	(46.62)	0.34%	0.27	-0.22%	(46.35)
Mphasis Solutions Services Corporation	0.00%	3.79	0.00%	-	0.00%	-	0.00%	-
Total foreign subsidiaries	**46.23%**	**48,350.21**	**40.11%**	**8,400.44**	**-34.24%**	**(26.87)**	**39.84%**	**8,373.57**
Sub total	**100.00%**	**104,591.32**	**100.00%**	**20,943.25**	**100.00%**	**78.47**	**100.00%**	**21,021.72**
Adjustment arising out of consolidation		(35,160.01)		(6,634.36)		858.82		(5,775.54)
Total		**69,431.31**		**14,308.89**		**937.29**		**15,246.18**

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31 March 2021	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
Name of the entity	**Percentage**	**₹ million**	**Percentage**	**₹ million**	**Percentage**	**₹ million**	**Percentage**	**₹ million**
Parent								
Mphasis Limited	42.96%	43,100.46	90.72%	11,103.62	85.35%	1,384.48	90.09%	12,488.10
Indian subsidiaries								
Msource (India) Private Limited	9.74%	9,769.76	2.65%	324.22	-0.34%	(5.54)	2.30%	318.68
Mphasis Software and Services (India) Private Limited	1.80%	1,804.71	0.42%	51.68	0.00%	-	0.37%	51.68
Foreign subsidiaries								
Mphasis Corporation	8.34%	8,364.20	3.28%	401.73	-4.03%	(65.32)	2.43%	336.41
Mphasis Deutschland GmbH	-0.22%	(219.50)	-0.87%	(106.70)	-0.16%	(2.62)	-0.79%	(109.32)
Mphasis Australia Pty Limited	0.03%	29.64	-2.74%	(335.32)	2.73%	44.28	-2.10%	(291.04)
Mphasis (Shanghai) Software & Services Company Limited	0.18%	176.40	-0.24%	(29.76)	0.55%	8.97	-0.15%	(20.79)
Mphasis Consulting Limited	0.64%	644.44	-0.14%	(17.28)	1.72%	27.97	0.08%	10.69
Mphasis Ireland Limited	0.06%	57.26	0.01%	1.11	0.12%	1.95	0.02%	3.06
Mphasis Belgium BV	0.83%	835.67	1.08%	132.07	1.53%	24.89	1.13%	156.96
Mphasis Poland s.p.z.o.o	0.00%	(3.95)	-0.01%	(0.76)	0.00%	(0.04)	-0.01%	(0.80)
Msource Mauritius Inc.	0.63%	627.28	-0.01%	(0.58)	0.00%	(0.03)	0.00%	(0.61)
PT. Mphasis Indonesia	0.00%	(1.31)	0.00%	(0.47)	0.00%	(0.05)	0.00%	(0.52)
Mphasis Europe BV	11.72%	11,754.55	0.24%	28.85	0.60%	9.67	0.28%	38.52
Mphasis Pte Limited	0.67%	675.33	0.53%	64.70	0.90%	14.54	0.57%	79.24
Mphasis Infrastructure Services Inc.	-1.31%	(1,313.83)	-0.16%	(19.07)	2.81%	45.55	0.19%	26.48
Mphasis UK Limited	10.51%	10,541.74	-2.54%	(310.74)	5.11%	82.85	-1.64%	(227.89)
Mphasis Wyde Inc.	10.11%	10,143.46	-1.58%	(193.21)	9.14%	148.32	-0.32%	(44.89)
Mphasis Philippines Inc.	0.01%	12.20	-0.04%	(4.80)	0.02%	0.29	-0.03%	(4.51)
Wyde Corporation Inc.	-0.99%	(993.42)	-0.48%	(58.94)	2.13%	34.54	-0.18%	(24.40)
Mphasis Wyde SASU	-0.83%	(833.85)	0.60%	72.87	-2.02%	(32.68)	0.29%	40.19
Wyde Solutions Canada Inc.	-0.10%	(101.66)	0.06%	7.31	-0.56%	(9.06)	-0.01%	(1.75)
Digital Risk LLC.	-0.20%	(196.69)	-3.64%	(445.40)	3.51%	56.85	-2.80%	(388.55)
Digital Risk Mortgage Services LLC.	5.75%	5,768.30	14.02%	1,716.05	-10.85%	(176.06)	11.11%	1,539.99
Investor Services, LLC	0.72%	718.49	0.00%	(0.01)	-1.55%	(25.11)	-0.18%	(25.12)
Digital Risk Valuation Services LLC.	-1.23%	(1,238.43)	0.00%	(0.05)	2.67%	43.28	0.31%	43.23
Stelligent Systems LLC.	-0.16%	(162.24)	-0.43%	(52.87)	0.26%	4.29	-0.35%	(48.58)
Datalytyx Limited	0.33%	326.69	-0.70%	(86.00)	0.32%	5.19	-0.58%	(80.81)
Datalytyx MSS Limited	0.02%	15.59	-0.02%	(1.85)	0.02%	0.35	-0.01%	(1.50)
Dynamyx Limited	0.02%	22.56	0.00%	(0.44)	0.03%	0.44	0.00%	-
Total foreign subsidiaries	**45.50%**	**45,648.92**	**6.21%**	**760.44**	**14.99%**	**243.25**	**7.24%**	**1,003.69**
Sub total	**100.00%**	**100,323.85**	**100.00%**	**12,239.96**	**100.00%**	**1,622.19**	**100.00%**	**13,862.15**
Adjustment arising out of consolidation		(35,056.75)		(71.91)		(659.47)		(731.38)
Total		**65,267.10**		**12,168.05**		**962.72**		**13,130.77**

35. SEGMENT REPORTING

Operating segments are defined as components of the Group for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's Chief Operating Decision Maker ('CODM') is the Chief Executive Officer.

The Group has identified business segments as reportable segments. During the current year, Banking and Capital Markets business segment has been renamed as Banking and Financial Services and Information Technology Communication and Entertainment business segment has been renamed as Technology Media and Telecom. The business segments identified are Banking and Financial Services, Logistics and transportation, Technology Media and Telecom, Insurance, and Others.

The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group, therefore, believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

CODM does not review assets and liabilities at reportable segments level, hence segment disclosures relating to total assets and liabilities have not been provided.

Client relationships are driven based on client domicile. The geographical segments include United States of America ('Americas'), India, Europe, Middle East & Africa ('EMEA') and Rest of the World ('ROW').

(₹ million)

Business segments	Year ended 31 March 2022	Year ended 31 March 2021
Segment revenue		
Banking and Financial Services	63,755.94	49,860.69
Logistics and Transportation	15,551.97	12,681.47
Technology Media and Telecom	15,742.79	12,924.95
Insurance	10,771.01	9,508.91
Others	12,789.49	11,944.35
Unallocated - hedge	1,003.24	302.74
Total segment revenue	**119,614.44**	**97,223.11**
Segment result		
Banking and Financial Services	15,550.54	12,203.60
Logistics and Transportation	5,493.72	5,121.86
Technology Media and Telecom	3,148.34	2,629.05
Insurance	2,913.62	3,129.13
Others	4,674.21	4,226.25
Unallocated - hedge	1,003.24	302.74
Total segment result	**32,783.67**	**27,612.63**
Finance costs	(744.03)	(634.15)
Other income	1,604.50	1,329.45
Other unallocable expenditure	(14,515.14)	(12,001.85)
Profit before taxation	**19,129.00**	**16,306.08**
Income taxes	4,820.11	4,138.03
Profit after taxation	**14,308.89**	**12,168.05**

Revenue from two customer groups individually accounted for more than 10% of the total revenue for the year ended 31 March 2022 (31 March 2021: three).

Geographic revenues	Year ended 31 March 2022	Year ended 31 March 2021
Americas	93,916.94	74,625.83
India	5,932.31	4,440.49
EMEA	13,641.91	11,667.90
ROW	5,120.04	6,186.15
Unallocated - hedge	1,003.24	302.74
Total	**119,614.44**	**97,223.11**

36. DISAGGREGATION OF REVENUE

(₹ million)

Services rendered	Year ended 31 March 2022	Year ended 31 March 2021
Application Services	74,579.40	57,698.00
Business Process Services	29,826.09	25,108.71
Infrastructure Services	14,205.71	14,113.66
Unallocated - hedge	1,003.24	302.74
Total	**119,614.44**	**97,223.11**
Delivery location		
Onsite	69,406.42	56,544.41
Offshore	49,204.78	40,375.96
Unallocated - hedge	1,003.24	302.74
Total	**119,614.44**	**97,223.11**
Project type		
Time and material	66,763.36	56,769.96
Fixed price	32,923.43	24,794.45
Transaction based	18,924.41	15,355.96
Unallocated - hedge	1,003.24	302.74
Total	**119,614.44**	**97,223.11**
Market		
Direct	108,881.45	80,209.43
DXC	7,659.48	14,783.27
Others	2,070.27	1,927.67
Unallocated - hedge	1,003.24	302.74
Total	**119,614.44**	**97,223.11**

37. CAPITAL MANAGEMENT

The Group's objective is to maintain a strong capital base to ensure sustained growth in business. The capital management policy focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the share holders of the Company (A)	69,431.31	65,267.10
Borrowings (B)	5,272.42	5,134.50
Total capital C (A+B)	**74,703.73**	**70,401.60**
Total borrowings as a percentage of capital (B / C)	**7.06%**	**7.29%**
Total equity as a percentage of total capital (A / C)	**92.94%**	**92.71%**

The Group is predominantly equity financed as evident from the capital structure table above. The Group is not subject to any externally imposed capital restrictions.

CONSOLIDATED FINANCIAL STATEMENTS

38. EMPLOYEE BENEFITS

a. Gratuity

In accordance with Indian laws, the Company and its subsidiaries in India operate a scheme of Gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company and its Indian subsidiaries manages the plan through a trust. The trust is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives.

The following tables set out the status of the gratuity plan.

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Changes in present value of defined benefit obligations		
Obligations at beginning of the year	1,290.35	1,116.67
Service cost	178.47	115.81
Interest cost	71.23	64.82
Benefits paid	(209.31)	(94.23)
Re-measurement (gain) / loss (through OCI)	235.26	87.28
Obligations at end of the year	**1,566.00**	**1,290.35**
Change in plan assets		
Plan assets at beginning of the year, at fair value	562.67	418.77
Expected return on plan assets	42.80	33.89
Re-measurement gain / (loss) (through OCI)	(10.65)	(3.70)
Employer contributions	7.47	222.13
Benefits paid	(209.31)	(94.23)
Administration charges	(10.80)	(14.19)
Plan assets at end of the year	**382.18**	**562.67**
Present value of defined benefit obligation at the end of the year	1,566.00	1,290.35
Fair value of plan assets at the end of the year	382.18	562.67
Net liability recognised in the balance sheet	**(1,183.82)**	**(727.68)**
Expenses recognised in statement of profit and loss		
Service cost	178.47	115.81
Interest cost (net)	28.43	30.93
Net gratuity cost	**206.90**	**146.74**
Re-measurement gains / (losses) in OCI		
Actuarial (gain) / loss due to financial assumption changes	(14.04)	15.11
Actuarial (gain) / loss due to experience adjustments	249.30	72.17
Re-measurement - return on plan assets (greater) less than discount rate	10.65	3.70
Total expenses routed through OCI	**245.91**	**90.98**
Assumptions		
Discount rate	6.38%	6.15%
Expected rate of return on plan assets	6.38%	6.15%
Salary increase	4.00%	4.00%
Attrition rate	20% to 30%	20% to 30%
Retirement age	60 years	60 years
Future payouts (year ended 31 March)		
Year-1	240.81	198.33
Year-2	207.86	171.66
Year-3	184.81	150.83
Year-4	159.05	134.42
Year-5	142.13	114.72
Year-6-10	415.77	337.97
Year-10 and above	215.57	182.42

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Expected return on plan assets is computed based on prevailing market rate.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Insurer managed funds	100.00%	100.00%

(₹ million)

Sensitivity analysis	Year ended 31 March 2022		Year ended 31 March 2021	
Change in discount rate	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Effect on the defined benefit obligation	(63.14)	58.31	(51.87)	47.90
Change in salary increase				
Effect on the defined benefit obligation	59.85	(63.69)	49.46	(52.71)

b. Provident Fund

In accordance with Indian law, all eligible employees of Mphasis Limited in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a Trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in the consolidated statement of profit or loss under employee benefit expenses. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

The Group has carried out actuarial valuation only for defined benefit plan as at 31 March 2022. The actuary has provided a valuation for provident fund liabilities and based on the assumptions mentioned below, there is no shortfall in plan assets as at 31 March 2022 and 31 March 2021.

All eligible employees of Indian subsidiaries of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to the Government administered provident fund plan. A part of the company's contribution is transferred to Government administered pension fund. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

The amount of plan assets disclosed below have been restricted to the extent of present value of benefit obligation at the year end.

The details of the fund and plan asset position are given below:

	As at 31 March 2022	As at 31 March 2021
Plan assets at the year end	12,213.51	10,782.11
Present value of benefit obligation at year end	12,213.51	10,782.11
Asset recognized in balance sheet	**-**	**-**

The plan assets have been primarily invested in Government and debt securities in the pattern specified by Employee's Provident Fund Organisation.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach.

Government of India (GOI) bond yield	6.38%	5.92%
Remaining term of maturity (in years)	8	8
Guaranteed rate of return	8.10%	8.50%

The Group has contributed ₹ 1,341.57 million during the year ended 31 March 2022 (31 March 2021: ₹ 691.26 million).

c. Social Security

The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Company and its Indian subsidiaries. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020 and has invited suggestions from stake holders. The suggestions received are under consideration by the Ministry. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company and its Indian subsidiaries will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

39. FINANCIAL INSTRUMENTS

The carrying value of financial instruments by categories is as follows: (₹ **million**)

Particulars (as at 31 March 2022)	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	8,268.47	**8,268.47**
Bank balances other than cash and cash equivalents	-	-	-	1,225.90	**1,225.90**
Investments	16,530.62	-	-	1,599.50	**18,130.12**
Trade receivables	-	-	-	22,269.36	**22,269.36**
Loans	-	-	-	318.21	**318.21**
Derivative assets	-	1,372.43	64.41	-	**1,436.84**
Other financial assets	-	-	-	2,206.18	**2,206.18**
Total	**16,530.62**	**1,372.43**	**64.41**	**35,887.62**	**53,855.08**
Financial liabilities					
Borrowings	-	-	-	5,272.42	**5,272.42**
Lease liabilities	-	-	-	7,246.90	**7,246.90**
Trade payables	-	-	-	8,495.92	**8,495.92**
Derivative liabilities	-	36.07	46.01	-	**82.08**
Other financial liabilities	1,999.81	-	-	5,108.99	**7,108.80**
Total	**1,999.81**	**36.07**	**46.01**	**26,124.23**	**28,206.12**

Particulars (as at 31 March 2021)	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	7,711.44	**7,711.44**
Bank balances other than cash and cash equivalents	-	-	-	2,910.98	**2,910.98**
Investments	15,370.59	-	-	3,089.59	**18,460.18**
Trade receivables	-	-	-	18,504.87	**18,504.87**
Loans	-	-	-	154.45	**154.45**
Derivative assets	-	1,034.33	77.30	-	**1,111.63**
Other financial assets	-	-	-	2,959.51	**2,959.51**
Total	**15,370.59**	**1,034.33**	**77.30**	**35,330.84**	**51,813.06**
Financial liabilities					
Borrowings	-	-	-	5,134.50	**5,134.50**
Lease liabilities	-	-	-	6,676.52	**6,676.52**
Trade payables	-	-	-	5,963.96	**5,963.96**
Derivative liabilities	-	103.31	9.43	-	**112.74**
Other financial liabilities	38.43	-	-	3,168.44	**3,206.87**
Total	**38.43**	**103.31**	**9.43**	**20,943.42**	**21,094.59**

Fair value hierarchy

	As at 31 March 2022				As at 31 March 2021			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
Particulars	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Investments	**16,530.62**	13,852.98	2,677.64	-	**15,370.59**	12,955.32	2,415.27	-
Derivative assets	**1,436.84**	-	1,436.84	-	**1,111.63**	-	1,111.63	-
Liabilities								
Derivative liabilities	**82.08**	-	82.08	-	**112.74**	-	112.74	-
Other financial liabilities	**1,999.81**	-	-	1,999.81	**38.43**	-	-	38.43

Offsetting financial assets with liabilities

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The quantitative information about offsetting financial asset is as follows:

(₹ **million**)

	As at 31 March 2022	As at 31 March 2021
Gross amount of recognised trade receivables (net of provision for ECL) - Billed	13,178.06	11,409.72
Gross amount of factored trade receivables and volume discount set off in the balance sheet	(3,496.58)	(2,114.90)
Net amount presented in balance sheet	**9,681.48**	**9,294.82**

40. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to the following risks:

- Credit risk
- Interest rate risk
- Liquidity risk
- Foreign currency exchange rate risk

The Group has a risk management policy / framework which covers risks associated with the financial assets and liabilities. The risk management policy / framework is approved by the Treasury committee. The focus of such framework is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

CREDIT RISK

Credit Risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract leading to a financial loss. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivables) and from its investing activities including deposits with banks and financial institutions, investments, derivative financial instruments, and other financial instruments.

Trade receivables

Credit risk is managed by each business unit subject to the Group's established policies, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. One customer group accounted for more than 10% of the trade receivable for the year ended 31 March 2022 (31 March 2021: One).

Credit risk exposure

The Group's credit period generally ranges from 30 – 60 days. The particulars of outstandings are as below:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	22,269.36	18,504.87
Total	**22,269.36**	**18,504.87**

The concentration risk with respect to trade receivables is low since they are spread across multiple customers, geographies and industries.

The allowance for lifetime expected credit loss for the years ended 31 March 2022 and 31 March 2021 was ₹ 106.89 million and ₹ 251.81 million respectively. The reconciliation is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	1,182.45	688.22
Charge for the year	106.89	251.81
Translation exchange differences	(2.24)	242.42
Closing balance	**1,287.10**	**1,182.45**

Financial instruments and deposits with banks

Credit risk is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in liquid mutual fund units, fixed maturity plans securities, deposits and bonds issued by Government owned entities and highly rated financial institutions. Counterparty credit limits are reviewed by the Group periodically and the limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Three banks individually accounted for more than 10% of the Group's deposits and bank balances as at 31 March 2022 (31 March 2021: One bank).

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group's borrowings are short term / working capital in nature. The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group's principal sources of liquidity are cash and cash equivalents, bank balances other than cash and cash equivalents, current investments and the cash flow that is generated from operations. The Group believes that these sources are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below:

(₹ million)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	8,268.47	7,711.44
Bank balances other than cash and cash equivalents	1,225.90	2,910.98
Current investments	14,352.11	15,345.90
Total	**23,846.48**	**25,968.32**

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date. The amounts are based on contractual financial liabilities.

Financial liabilities (As at 31 March 2022)	On demand	0-180 days	180-365 days	365 days and above	Total
Trade payables	25.78	8,470.14	-	-	**8,495.92**
Borrowings	-	5,272.42	-	-	**5,272.42**
Lease liabilities	-	973.35	831.55	6,860.00	**8,664.90**
Other financial liabilities	27.23	6,104.13	-	1,059.52	**7,190.88**
Total financial liabilities	**53.01**	**20,820.04**	**831.55**	**7,919.52**	**29,624.12**
Financial liabilities (As at 31 March 2021)					
Trade payables	35.78	5,928.18	-	-	**5,963.96**
Borrowings	-	5,134.50	-	-	**5,134.50**
Lease liabilities	-	890.66	832.79	6,572.60	**8,296.05**
Other financial liabilities	28.57	3,251.35	-	39.69	**3,319.61**
Total financial liabilities	**64.35**	**15,204.69**	**832.79**	**6,612.29**	**22,714.12**

FOREIGN CURRENCY EXCHANGE RATE RISK

The fluctuation in foreign currency exchange rates may have a potential impact on the consolidated statement of profit and loss and other comprehensive income, where transactions are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in United States Dollars ('USD'). The Group also has exposures to Great Britain Pound ('GBP') and Euros ('EUR")). The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and financing activities (when revenue or expense is denominated in a foreign currency).

The Group uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

The counter party for these transactions are banks. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Below is the summary of foreign currency exposure of Group's financial assets and liabilities.

As at 31 March 2022		**₹ million**			
Financial assets	**USD**	**GBP**	**EUR**	**Others**	**Total**
Trade receivables	10,302.37	426.28	590.75	337.94	**11,657.34**
Cash and cash equivalents	2,822.70	-	7.20	12.88	**2,842.78**
Other financial assets	0.57	-	1.59	-	**2.16**
Total financial assets	**13,125.64**	**426.28**	**599.54**	**350.82**	**14,502.28**
Financial liabilities					
Trade payables	14.94	-	1.83	61.63	**78.40**
Other financial liabilities	35.64	-	-	-	**35.64**
Total financial liabilities	**50.58**	**-**	**1.83**	**61.63**	**114.04**
Net financial assets	**13,075.06**	**426.28**	**597.71**	**289.19**	**14,388.24**
As at 31 March 2021					
Financial assets	**USD**	**GBP**	**EUR**	**Others**	**Total**
Trade receivables	6,840.42	355.47	490.14	413.24	**8,099.27**
Cash and cash equivalents	4,446.01	-	9.03	17.02	**4,472.06**
Other financial assets	6.15	-	-	12.21	**18.36**
Total financial assets	**11,292.58**	**355.47**	**499.17**	**442.47**	**12,589.69**
Financial liabilities					
Trade payables	41.47	-	0.19	61.37	**103.03**
Borrowings	731.10	-	-	-	**731.10**
Other financial liabilities	13.12	-	-	-	**13.12**
Total financial liabilities	**785.69**	**-**	**0.19**	**61.37**	**847.25**
Net financial assets	**10,506.89**	**355.47**	**498.98**	**381.10**	**11,742.44**

The Group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these transactions are banks. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Forward contracts outstanding against financial assets are as below:

Currency	**As at 31 March 2022**		**As at 31 March 2021**	
Balance sheet hedges	**Amount (million)**	**Amount in (₹ million)**	**Amount (million)**	**Amount in (₹ million)**
USD	133.83	10,143.31	104.17	7,616.10
GBP	4.24	421.69	3.43	345.74
EUR	6.72	565.96	5.23	448.19
CAD	2.41	145.78	2.05	118.76
AUD	2.24	127.10	3.95	220.04
SEK	3.40	27.68	5.93	49.68

Forward contracts outstanding against financial liabilities are as below:

Currency	As at 31 March 2022		As at 31 March 2021	
Balance sheet hedges	Amount (million)	Amount in (₹ million)	Amount (million)	Amount in (₹ million)
USD	-	-	10.00	731.10

Forward contracts outstanding against financial assets (within the group) are as below:

Currency	As at 31 March 2022		As at 31 March 2021	
Balance sheet hedges	Amount (million)	Amount in (₹ million)	Amount (million)	Amount in (₹ million)
USD	16.67	1,263.46	10.93	798.97
GBP	14.91	1,482.87	7.15	720.78
EUR	11.70	985.37	7.07	605.91
CAD	-	-	0.34	19.50
AUD	5.54	314.35	1.88	104.60
SGD	1.93	108.02	1.08	58.63
Forward contracts outstanding against financial liabilities (within the group) are as below:				
USD	9.12	691.23	2.72	198.86
GBP	1.61	160.12	1.19	119.41
EUR	3.77	317.51	0.58	49.94
AUD	2.59	146.96	0.66	36.76
CAD	1.47	88.92	0.31	17.78
NZD	0.45	23.65	0.45	23.03
PLN	0.30	5.43	0.38	6.97

Sensitivity analysis

For every 1% appreciation / depreciation of the respective foreign currencies, the Group's profit before taxes will be impacted by approximately ₹ 0.60 million for the year ended 31 March 2022 (31 March 2021: ₹ 6.80 million).

41. FAIR VALUES

Financial instruments carried at amortised cost such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to the short-term nature of these instruments.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted investments are based on price quotations at the reporting date.
- The Group holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Foreign exchange forward contracts and non-convertible debentures are valued using valuation techniques, which employs the use of market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

42. HEDGING ACTIVITIES AND DERIVATIVES

The Group's revenue is denominated in various foreign currencies. Given the nature of business, a large part of the costs are denominated in INR. This exposes the Group to currency fluctuations. The Group uses foreign exchange forward contracts to manage exposure on some of its transactions. The counterparty, for all derivative financial instruments is a bank.

The Group has taken cash flow hedges on account of highly probable forecast transactions. Designated cash flow hedges are measured at FVTOCI. Other derivatives which are not designated as hedge are measured at FVTPL.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The following are outstanding forward contracts which has been designated as cash flow hedges:

	As at 31 March 2022			As at 31 March 2021		
Currency	**Number of contracts**	**Notional amount** (million in respective currencies)	**Fair value gain / (loss) (₹ million)**	**Number of contracts**	**Notional amount** (million in respective currencies)	**Fair value gain / (loss) (₹ million**
USD	519	804.20	1,072.74	452	599.50	947.19
GBP	65	14.37	81.89	76	14.31	(23.75)
EUR	82	29.64	177.74	100	24.33	59.46
CAD	48	6.67	3.16	53	13.25	(11.99)
AUD	52	12.06	0.83	77	17.19	(39.89)
Total			**1,336.36**			**931.02**

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forwards. As at 31 March 2022 and 31 March 2021, the notional amount of outstanding contracts aggregated to ₹ 14,151.77 million and ₹ 9,923.05 million, respectively and the respective fair value of these contracts have a net gain of ₹ 18.40 million and ₹ 67.88 million respectively.

The movement in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows:

(₹ million)

	Year ended 31 March 2022	**Year ended 31 March 2021**
Balance as per previous financial statements	606.55	(831.50)
Change in fair value of effective portion of cash flow hedges	1,408.58	2,512.52
(Gain) / loss transferred to statement of profit and loss on occurrence of forecasted hedges	(1,003.24)	(302.74)
Income tax effect on the above	(141.06)	(771.73)
Total	**870.83**	**606.55**

Sensitivity analysis

For every 1% appreciation / depreciation of the respective underlying foreign currencies, the Group's OCI will decrease / increase by approximately ₹ 645.27 million (31 March 2021: ₹ 489.00 million).

43. Additional regulatory information

Other than in the normal and ordinary course of business there are no funds that 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 and its Indian subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company and its Indian subsidiaries; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There have been no funds that have been received by the Company or any of its Indian subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of its Indian subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44. Consequent to Schedule III amendments being made effective 1 April 2021, previous year numbers pertaining to security deposits of ₹ 1,314.48 million and ₹ 547.17 million have been reclassed from current and non-current loans to current and non-current financial assets respectively.

45. SUBSEQUENT EVENTS

The Board of Directors in their meeting held on 28 April 2022 have proposed a final dividend of ₹ 46 per equity share for the year ended 31 March 2022 which is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹ 8,640.52 million.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President &
Company Secretary
Bengaluru

New Delhi
28 April 2022

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Global Economy

In its latest release in April 2022, the IMF projects global growth at 3.6 percent in 2022 and 2023—0.8 and 0.2 percentage points lower than in the January forecast, respectively. The downgrade largely reflects the war's direct impacts on Russia and Ukraine and global spillovers.

The economic effects of the war are spreading far and wide —mainly through commodity markets, trade, and financial linkages. Even prior to the war, inflation had surged in many economies because of soaring commodity prices and pandemic-induced supply-demand imbalances. Some emerging markets and developed economies' central banks, such as the US Federal Reserve and those in Latin America, had already come under pressure before the war, bringing forward the timing of their monetary policy tightening. War-related supply shortages will greatly amplify those pressures, notably through increases in the price of energy, metals, and food. Although bottlenecks are expected to eventually ease as production elsewhere responds to higher prices and new capacity becomes operational, supply shortages in some sectors are expected to last into 2023. As a result, inflation is now projected to remain elevated for much longer than in our previous forecast, in both advanced and emerging market and developing economies.

As businesses face elevated inflation, streamlining costs and redesigning supply chains will likely come to the fore; all of this requires technology to implement. The digital spending that the pandemic accelerated in 2021 is likely to sustain in 2022 as businesses view technology as integral to creating and/or retaining competitive advantage and growth. Software and IT Services industry has emerged as one of the beneficiaries of the post-pandemic adjustment. 2022 is likely to see more of the same. Themes such as cleantech/green energy, sustainable management, Environmental, Social, and Governance (ESG) have acquired heightened importance and attention.

IT Industry Outlook

After the COVID year (FY21), India IT had its strongest growth year in FY22 in recent years marked by businesses reworking their supply chains and business architectures in the post-COVID era. Technology became front and centre as clients accelerated their journey towards becoming future-ready, agile and resilient. FY22 saw record 445,000 net new hires to take the industry workforce to 5 million+ while total industry revenue is estimated to reach US$227 billion in FY22 (15.5% Y-o-Y growth). The share of Digital revenue is at 30-32% and this pie is growing at 25% p.a. The digital share in revenue has increased to over 56% for some select companies, as, post pandemic, they are re-orienting their workflows to be more digital-ready. The Top-5 digital areas for India include Cloud Computing, AI, Cybersecurity, RPA and automation and analytics.

Optimism over FY23 growth carrying over from FY22 stems from global megatrends solidifying further as businesses continue to realize value and market position from their technology investments. Notably, as per NASSCOM, 90% of corporate respondents intend to either increase or maintain their hiring in line with FY2022. Indian CXO sentiment, as assessed in NASSCOM's Enterprise CXO Survey 2022, is net positive on overall growth - 60% companies plan 6% higher technology spend in FY2022. R&D spending is back in focus, and over 75% CEOs have expressed confidence in achieving double-digit revenue growth in FY2023. Growth opportunities are likely to be driven by demand for Infrastructure and managed services, consulting services; Platform BPM, data management & RPA; ER&D will see deeper penetration of engineering cloud as ER&D firms up their Softwarization component. The software product segment will see greater offtake of productivity software, cybersecurity solutions – as enterprises further Saasify their tech portfolio, in a manner of speaking.

In terms of working model, the technology industry in India is looking at adopting hybrid work model as the default future operating model. Larger organizations are more likely to adopt a hybrid operating model as compared to organizations with relatively lower headcount. NASSCOM notes that at an overall level, 70% of tech organizations are looking at adopting hybrid work models. The industry is primed to hire significantly greater freshers in FY23 to meet demand, flatten the pyramid and manage supply-side pressures.

Gartner expects continued IT services spending in 2022 estimating 6.8% growth with Global technology services spending to exceed US$1.2 trillion in 2022. Furthermore, Gartner estimates a much above-trend 8.5% revenue CAGR over 2021-2026 for IT Services spending. Within this, Infrastructure-as-a-service (IaaS) will continue to lead growth with estimated growth CAGR of 28% (over 2021-2026) followed by IT Services with 8.9% CAGR (5-year over CY21-26). Except for hardware support, all other segments of IT Services namely consulting, application implementation and managed services, infrastructure implementation and managed services, business process service are forecasted to robustly grow. Per Gartner's market size estimation, India IT's share of the global IT Services pie is ~20%; there appears to be sufficient headroom to continue to increase this.

Mphasis Overview

Mphasis is an Information Technology solutions provider that applies next-generation technology to help enterprises transform businesses globally. The company was formed in June 2000 after the merger of Mphasis Corporation and BFL Software Limited. In June 2006, EDS purchased a controlling stake in this company. In August 2008, EDS was acquired by Hewlett-Packard (HP). On 4 April 2016, HP entered into a definitive agreement with private equity funds managed by Blackstone to sell the shares held by it in the Company. In September 2016, Blackstone Group through its fund "Marble II PTE" completed the share purchase and the Company has become a Blackstone group of Company since then. Blackstone is one of the world's leading investment and advisory firms with over US$880 billion in assets under management. In April 2021, Blackstone committed up to $2.8 billion to acquire controlling stake in Mphasis, along with Abu Dhabi Investment Authority (ADIA) and UC Investments (Office of the Chief Investment Officer of The Regents, University of California) and other long-term investors.

Mphasis has the ability to blend deep domain expertise with cutting-edge technology, which has helped cement its position with marquee clients and build momentum for the future. Its Front2Back™ and Zero Cost Transformation are proven transformation frameworks that allow it to play across the tech value chain.

Mphasis' unique tribes-led, competency-based go-to-market (GTM) and solutioning model positions it strongly in digital areas – the tribes are GTM specialists organized around high-demand tech themes that are instrumental in driving clients' next-generation tech agendas. Tribes are institutional and repeatable in their design. Mphasis continually creates new tribes or redesigns existing ones based on the what it sees as high-potential secular opportunities. Furthermore, Mphasis supports the tribes model with a smart surround- and-reinforce strategy that characterizes Mphasis' innovation DNA – including client Chief Technology Officer (CTOs) embedded in key and promising accounts, the consulting-oriented Technology Advisory Group (TAG), programmatic innovation (harnessing the start-up ecosystem), focused research and Intellectual Property (IP), (innovation from the labs to the real world), and technology vision provided by the Mphasis Technology Council (MTC).

Mphasis is organized around accounts, not by traditional vertical/horizontals. There is not the traditional matrix structure of vertical/horizontals/geos that can weigh down decision-making. This means that Mphasis' GTM is aligned along the customer as the basic unit and resource allocation is done at a granular level of the customer. This creates improved agility and responsiveness. The client-centric agile org design enables Mphasis to successfully focus on account depth reflected in an improving average revenue per client. The depth over breadth positioning also means Mphasis makes more considered choices regarding its new clients by shortlisting and targeting those clients that can scale. This is bearing fruit as can be seen in the scale-up of Top-5/10 clients over a sustained time period. The growth engine has got diversified through FY22 with clients outside the Top-10 also on a strong double-digit growth trajectory. Mphasis has four clients which contributed >US$100 million in annual revenue (FY22).

Finally, innovation in delivering technology solutions is not possible without the requisite talent transformation. Mphasis has an effective talent transformation approach appropriate with the new gen positioning. 'Talent Next' offers an established, scalable extensive training program that organically trains, certifies and deploys employees in new gen areas. This aligns delivery capability with GTM/sales and current/future client priorities. Talent Next builds up skill muscle for transformation. Talent Next nicely facilitates absorbing freshers/less experienced employees into projects. It is quite versatile in meeting the training and upgradation needs of the diverse workforce of varying skills, backgrounds, and experience.

Key building blocks that help drive Mphasis' growth and ensure its sustainability include creating and cultivating talent, executing large transformative programs, addressable market expansion (organic and inorganic), reimagining business models (e.g., migration to as-a-service provisioning models) and staying at the forefront of next gen tech using the Tribes and the surrounding ecosystem.

Revenues

We continued the growth momentum witnessed in FY'21 into FY'22 also and have registered strong growth. Reported Net revenue in FY22 was ₹ 119,614 million representing a growth of 23.0% over FY21. During the year rupee depreciated 0.6% against USD. Adjusting for the rupee depreciation, net revenue grew 21.8% in FY22.

Overall gross revenue grew 22.4% in FY22 to ₹ 118,611 million. On a constant currency basis, overall gross revenue grew 21.2% in FY22.

Direct revenue grew 35.7% on a reported basis and 34.4% in constant currency basis in FY22 to ₹ 108,882 million. The growth has largely been organic and broad based across all key portfolios of Direct business.

We successfully executed on our strategy to de-risk DXC business, the revenues from which declined 48.2% on a reported basis in FY22. Revenue declined 49.0% on a constant currency basis in FY22. Revenue from DXC was ₹ 7,659 million in FY22 and constituted only 6% of the gross revenue.

₹ Million

	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
Direct	108,882	92%	80,210	83%
DXC	7,659	6%	14,784	15%
Others	2,070	2%	1,927	2%
Total	**118,611**		**96,920**	

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Segment Revenues

A segment analysis of revenues for the year ended March 2022 is given below:

₹ Million

Segment	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
Banking and Financial Services	63,755	54%	49,861	52%
Insurance	10,771	9%	9,509	10%
Technology Media and Telecom	15,743	13%	12,925	13%
Logistics & Transportation	15,552	13%	12,681	13%
Others	12,789	11%	11,944	12%
Total Revenues	**118,611**		**96,920**	

Focus vertical of Banking and Financial Services grew 27.9% on a reported basis over FY21. Banking and Financial Services and Insurance segments comprise 63% of our overall revenue.

Revenues by Geography

₹ Million

Regions	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
AMERICAS	93,917	79%	74,626	77%
EMEA	13,643	12%	11,667	12%
INDIA	5,932	5%	4,441	5%
ROW	5,120	4%	6,187	6%
Total Revenues	**118,611**		**96,920**	

Americas continue to be our prime market and revenues grew 25.9% in FY22 on a reported basis. EMEA is also a focus region for us. The revenues from this region reported a growth rate of 17.0% in FY22.

Revenues by Service Type

₹ Million

Service Type	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
Application Services	74,580	63%	57,697	60%
Business Process Services	29,826	25%	25,108	25%
Infrastructure Services	14,206	12%	14,115	15%
Total Revenues	**118,611**		**96,920**	

Application Services include assisting customers with design and development of customized software applications and maintenance, enhancement and testing of customers developed and third-party software. Revenues grew 29.3% in FY22.

Business Process Services include customer service, transaction processing, and compliance knowledge processing including certain projects involving complete transformation and integration of processes using automation tools. Revenues grew 18.8% in FY22.

Infrastructure Services include end-to-end managed mobility solutions covering workplace management and other services, hosting services, data center services, payment managed solutions and help desk.

Revenues by Delivery Location

₹ Million

Delivery Location	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
Onsite	69,406	59%	56,543	58%
Offshore	49,205	41%	40,377	42%
Total Revenues	**118,611**		**96,920**	

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Revenues by Project Type

₹ Million

Project Type	Year ended 31 Mar 2022	%	Year ended 31 Mar 2021	%
Time and Material	66,763	56%	56,770	59%
Transaction Based*	18,924	16%	15,356	15%
Fixed Price	32,924	28%	24,795	26%
Total Revenues	**118,611**		**96,920**	

*Transaction based revenue comprises of projects where the commercials are based on unit of Output

We continue to focus on increasing the revenue from Fixed Price and Transaction Based contracts as it is an important margin lever for us. In FY22, the revenue from fixed price contracts and Transaction Based contracts increased 29.1% to ₹ 51,848 million and constituted 44% of overall revenue in FY22.

Results of Operations

₹ Million

	Year ended 31 Mar 2022	Year ended 31 Mar 2021	YoY Growth %
Gross Revenues	**118,611**	**96,920**	**22.4%**
Profit / (loss) on cash flow hedges reclassified to revenue	1,003	303	
Net Revenues	**119,614**	**97,223**	**23.0%**
Cost of revenues	86,829	69,610	24.7%
Gross profit	**32,785**	**27,613**	**18.7%**
GM%	**27.4%**	**28.4%**	**-1.0%**
Selling expenses	7,196	6,851	5.0%
SE %	6.0%	7.0%	-1.0%
General and administrative expenses	7,320	5,152	42.1%
GA %	6.1%	5.3%	0.8%
Operating profit	**18,269**	**15,611**	**17.0%**
Operating Margin	**15.3%**	**16.1%**	**-0.8%**
Foreign exchange gain, net	486	93	420.4%
Other income, net	1,119	1,236	-9.5%
Interest expenses	(744)	(634)	17.4%
Profit before taxation	**19,129**	**16,306**	**17.3%**
Income taxes	**4,820**	**4,138**	**16.5%**
- Current	4,860	4,094	18.7%
- Deferred	(40)	44	-190.3%
Net profit	**14,309**	**12,168**	**17.6%**
Earning per share (par value ₹ 10)	**76.4**	**65.2**	**17.2%**

* The above classification of expenses is based on management reporting

Cost of Revenues

Cost of revenues primarily comprise of direct costs and includes direct manpower, travel, facility expenses, network and technology costs.

Consolidated cost of revenues for FY22 was at ₹ 86,829 million. Cost of revenues was 72.6% of revenues as compared to 71.6% during the previous financial year.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Selling Expenses

Selling expenses for the year ended March 2022 was ₹ 7,196 million representing 6.0% of revenues against 7.0% of revenues in the previous year.

General and administrative Expenses

General and administrative expenses for the year ended March 2022 was ₹ 7,320 million representing 6.1% of revenues against 5.3% of revenues in the previous year.

Operating Profit

Operating profit for the year ended March 2022 was ₹ 18,269 million and grew 17.0% in FY22.

Income Taxes

Income taxes were ₹ 4,820 million for FY22 as compared to ₹ 4,138 million for FY21. The effective tax rate decreased from 25.4% in FY21 to 25.2% in FY22.

Net Profit

Net profit for FY22 grew 17.6% over FY21 to ₹ 14,309 million. Net margin for FY22 was 12.0% as against 12.5% for FY21.

Earnings per share

Earnings per share grew from ₹ 65.2 for the year ended March 2021 to ₹76.4 for the year ended March 2022, which represents a growth of 17.2%.

Ratios

Ratios	Year ended 31 Mar 2022	Year ended 31 Mar 2021
Debtors Turnover	5.8	5.5
Current Ratio	2.0	2.4
Interest Coverage Ratio*	24.6	24.6
Debt Equity Ratio	0.1	0.1
Operating Profit Margin	15.3%	16.1%
Net Profit Margin	12.0%	12.5%
Return on Equity	21.2%	19.7%
Inventory Turnover	NA	NA

* Includes interest charges on lease

The Company has delivered return of 21.2% this year as well and continues to generate strong operating cash flow. The Company continues to pay consistent dividends to its shareholders and maintain strong cash position as well.

DIRECTOR'S PROFILE

Mr. Davinder Singh Brar, Chairman

Mr. Davinder Singh Brar joined the Board of Mphasis in April 2004 and is the Chairman of the Board effective 11 December 2015. Mr. Brar graduated with a Bachelor of Engineering (Electrical) degree from Thapar Institute of Engineering and Technology, Patiala and has a Master's in Business Administration with top rank (Gold Medal) from the Faculty of Management Studies, University of Delhi. Mr. Brar started his career in 1974 with The Associated Cement Companies Limited (ACC) and has been associated with the Pharmaceutical Industry for over four decades. He spent a major part of this period (1977 – 2004) with Ranbaxy Laboratories Limited and became the CEO and Managing Director in 1999. Mr. Brar started his entrepreneurial journey in 2004 with GVK Biosciences (Now Aragen Life Sciences Private Limited) - a leading contract research organization (CRO) providing discovery and development services to global life sciences companies.

Mr. Brar holds Board positions in Maruti Suzuki India Limited, Wockhardt Limited, Punjab Innovation Mission, EPL Limited (Chairman of the Board), Konnect Agro Private Limited, Mountain Trail Foods Private Limited and acts as a senior advisor to private equity and venture funds. He is currently the Chairman of Aragen Life Sciences Private Limited and Excelra Knowledge Solutions Pvt. Ltd. He is also a member of the Advisory Board of the USA-India Chamber of Commerce (USAIC).

Mr. Brar was a director of Reserve Bank of India (RBI) and a member of the inspection and audit sub-committee of the Central Board of Directors of RBI. He has also served as a member of the Board of National Institute of Pharmaceutical Education and Research (NIPER), Punjab and as a member of the Board of Governors of the Indian Institute of Management, Lucknow. He was associated with Confederation of Indian Industry (CII) where he Chaired CII's Indian MNC Council and with Federation of Indian Chambers of Commerce and Industry (FICCI) in the past.

Mr. Brar was a member of the Prime Minister's task force on pharmaceuticals and knowledge-based industries which drafted the blueprint for the growth and global expansion of Indian Pharmaceutical Industry. For his service and contribution to the pharmaceutical industry, Mr. Brar was honoured with the Dean's Medal from the Tufts University School of Medicine, U.S.A. in 2004. The Federation of Asian Biotech Associations (FABA) conferred on Mr. Brar the "FABA Special Award 2011" for his contribution to the biopharma sector.

Mr. Nitin Rakesh, Chief Executive Officer and Managing Director

Mr. Nitin Rakesh joined the Board of Mphasis as its CEO and Executive Director in January 2017. Mr. Nitin Rakesh was appointed as Managing Director on 29 September 2021.

Mr. Nitin Rakesh is a distinguished leader in the Technology and Financial services industries. His career spans over two decades leading large transnational operations and delivering transformative digital solutions to Fortune 500 companies. A computer science engineer at heart, Mr. Nitin Rakesh's lifelong passion for Innovation and Technology is evident throughout his career. Coupled with his deep domain expertise in Banking, Financial Services and Insurance verticals, strong customer orientation and an entrepreneurial mindset, he has been able to bring cutting-edge offerings consistently to accelerate value creation for customers, shareholders and employees. Notably, it has led to the introduction of Mphasis' $C=X2C^2=1_{TM}$ formula for success, (hyper-personalization; drive n=1 powered by Cloud and Cognitive); driving multi-dimensions of business value with an integrated consumer-centric Front2Back™ Digital Transformation driven by IP assets which resulted in the remarkable turnaround of Mphasis into a leading global software services firm.

When Mr. Nitin Rakesh joined Mphasis in January 2017, the market cap was $1.7 billion; as at present, it is approx. $6.13 billion. Under his leadership, Mphasis also set a record of highest deal wins in its history, thus re-defining benchmarks and growing above industry rate.

Prior to joining Mphasis, Mr. Nitin Rakesh was the CEO and President of Syntel (NASDAQ listed IT Services Company). Before he was appointed as the CEO, he served as president, Americas for Syntel, where he headed Business Development and North American operations. Earlier, as the Founding CEO and Managing Director of Motilal Oswal Asset Management Company, he led the launch of many award-winning innovative investment products, including India's first US equities-based Exchange Traded Fund that tracks the NASDAQ-100 index. His work with companies on advising them on their transformation roadmap with an 'Applied Technology' mindset earned him the Gold Stevie for 'Executive of the Year - Computer Services', under the Management award category. He also won the '2019 American Business Awards and International Business Awards – Gold Stevie' under the 'Tech Innovator of the Year – Services' category.

Mr. Nitin Rakesh's maiden book has been recognized as 'Best Business Book' in the 'Publication Award Category' of American Business Awards and has won the International Business Book title at 2021 Business Book Awards. He is one of the first 250 CEOs globally across 26 countries who has committed to build an inclusive work environment, end disability inequality through business performance and create social and economic value of people living with disabilities across the world. He is an active member of US – India Strategic Partnership Forum (USISPF) and member of the NASSCOM executive council. Mr. Nitin Rakesh is a Nominee Director of ASK Investment Manager and Founding Trustee of Plaksha University in India, a new model of engineering education and research through collective philanthropy to transform higher education in India.

He also serves as a founding Trustee of Ashoka University in India.

Mr. Nitin Rakesh holds a Bachelor's degree in Engineering (Computer Science) from Delhi Institute of Technology, Delhi University and has received his Master's in Management from Narsee Monjee Institute of Management Studies, Mumbai and is also an alumni of Harvard Business School's CEO Workshop.

DIRECTOR'S PROFILE

Mr. Narayanan Kumar, Director

Mr. Narayanan Kumar joined the Board of Mphasis in February 2013. He is the Vice Chairman of The Sanmar Group (www.sanmargroup.com), a global billion dollar conglomerate headquartered in Chennai, India, with manufacturing and distribution facilities in the USA, Mexico, Egypt and at several locations across India. The Group is engaged in three key business sectors – Chemicals, Engineering and Shipping.

Mr. Narayanan Kumar is the Honorary Consul General of Greece in Chennai.

He is on the Board of various public companies and carries with him over four decades of experience in the spheres of Electronics, Telecommunications, Engineering, Technology, Management and Finance.

He is the Vice President and Trustee – Treasurer of WWF-India (World Wide Fund for Nature — India).

As a spokesman of Industry and Trade, he is a former President of Confederation of Indian Industry (CII) and has participated in other apex bodies.

He is the Chairman of the Indo-Japan Chamber of Commerce and Industry.

Mr. Narayanan Kumar has a wide range of public interests going beyond the confines of corporate management in areas of health, social welfare, education and sports. He is the President of Bala Mandir Kamaraj Trust and Managing Trustee of The Indian Education Trust which runs Schools. He is the chairman of Bala Mandir Foundation.

Mr. Narayanan Kumar is an Engineering Graduate from Anna University, Chennai and a fellow member of the Indian National Academy of Engineering. He is also a fellow life member of The Institution of Electronics and Telecommunication Engineers and The Institute of Electrical and Electronics Engineers Inc., New York (IEEE). He is an avid golfer and a patron of cricket and tennis.

Ms. Jan Kathleen Hier, Director

Ms. Jan Kathleen Hier joined the Board of Mphasis in December 2015.

Formerly, she was the Executive Vice President at Charles Schwab responsible for centralized support services including Schwab Technology Services, Operational Services and Offshore Services. Additionally, she held other positions including Chief Information Officer, Executive Vice President of Human Resources, and Head of Electronic Brokerage Technology that developed schwab.com.

Before joining Schwab in 1994, Ms. Jan Kathleen Hier served as a Vice President of engineering at Transaction Technology, Inc., a Citicorp subsidiary, where she was responsible for providing distributed technology to Citibank businesses worldwide. Prior to Citibank, she was an economist with the Bureau of Labor Statistics.

Ms. Jan Kathleen Hier was also a partner of a start-up (Bicycle Financial – www.bicyclefinancial.com). She is currently a Board member of privately held Blackhawk Network, a provider of value-added payments.

Ms. Jan Kathleen Hier earned her Bachelor's degree in Economics and attended Post-Graduate studies at Syracuse University, New York, USA.

Mr. David Lawrence Johnson, Director

Mr. David Lawrence Johnson (Dave Johnson) joined the Board of Mphasis in September 2016.

Mr. Dave Johnson is a Director and CFO of TLG Acquisition One Corp., a special purpose acquisition corporation focused on digital technologies and listed on the New York Stock Exchange. Mr. Dave Johnson is a Trustee in Mercy College, New York, USA.

Previously, Mr. Dave Johnson was a senior managing director at Blackstone, where he led many of their Private Equity technology investments. He joined the firm in 2013 and is based in New York. Before joining Blackstone, Mr. Dave Johnson was the Senior Vice President of Strategy at Dell Corporation, where he was responsible for corporate strategy, software, corporate development and acquisition integration. Prior to joining Dell, Mr. Dave Johnson held a number of managerial positions across IBM's business lines, including the CFO of its's $18B Technology Group and ultimately leading IBM's Corporate Development organization, responsible for the company's acquisitions, divestitures, minority investments and acquisition integration.

Mr. Dave Johnson has also served on 11 Boards, including being Chairman of Optiv, Cloudreach Inc., and Intsights.

Mr. Dave Johnson received a B.A. in English and an M.B.A. from Boston College.

Mr. Amit Dixit, Director

Mr. Amit Dixit joined the Board of Mphasis in September 2016. Mr. Amit Dixit, based in Mumbai, is Head of Asia for Blackstone Private Equity.

Since joining Blackstone in 2007, Mr. Amit Dixit has been involved with various investments and investment opportunities in South Asia and global technology-enabled services.

DIRECTOR'S PROFILE

Previously, Mr. Amit Dixit was a Principal at Warburg Pincus and started his career at Trilogy Software. He received an MBA from Harvard Business School, an MS in Engineering from Stanford University and a B.Tech. from Indian Institute of Technology Mumbai where he was awarded the Director's Silver Medal for graduating at the top of his program. Mr. Amit Dixit has established the first Chair exclusively for women faculty pursuing research in science and technology at IIT Mumbai.

He currently serves as a Director of TaskUs (NASDAQ: TASK), Aadhar Affordable Housing Finance, Essel Propack (NSE:EPL), Aakash Education, Sona BLW Precision Forgings (NSE: SONACOMS), IBS Software, Piramal Glass, Blackstone India and Nominee Director of ASK Investment Managers Limited. Mr. Amit Dixit was previously a Director of Intelenet Global Services, Trans Maldivian Airways, Jagran Media, Igarashi Motors India, S.H. Kelkar Fragrances and Emcure Pharmaceuticals.

Mr. Amit Dalmia, Director

Mr. Amit Dalmia joined the Board of Mphasis in September 2016. Mr. Amit Dalmia is a Senior Managing Director in the Corporate Private Equity group of Blackstone and heads Portfolio operations in India. Since joining Blackstone in 2010, Mr. Amit Dalmia has led significant improvement in the performance and development of Blackstone portfolio companies in India. Before joining Blackstone, Mr. Amit Dalmia had diverse operational experience of over 13 years with Hindustan Unilever India ("HUL") in various management and business leadership roles.

Mr. Amit Dalmia has undergone a management training program with the Indian Institute of Management, Ahmedabad. He received a B.Com. (Hons.) from St. Xavier's College from the University of Kolkata, India. He is also a Chartered Accountant (CA), Company Secretary (CS) and Cost Accountant (ICWA) with three Gold Medals for securing first-ranks in the country.

Mr. Marshall Jan Lux, Director

Mr. Marshall Jan Lux (Marshall Lux) joined the Board of Mphasis in August 2018. He has been a financial services consultant and practitioner for over 30 years and has been on company boards or played an advisory role for various private equity companies across industries and geographies. Currently, he works with companies across consumer credit, wealth, insurance, healthcare, technology and financial technology. Mr. Marshall Lux has a broad network of C-suite executives, with whom he has worked with on some of their most important issues.

Mr. Marshall Lux has also played an integral role in many of the largest private equity deals. In addition, he is a member of the Board of Governors of the Online Lending Policy Institute.

Beyond corporate work, Mr. Marshall Lux has also worked on 35 pro bono assignments and has served on a number of not-for-profit boards, including the Harlem Children's Zone, the New York Historical Society's Chairman's Council, the New York Tenement Museum, Junior Achievement and Reading is Fundamental. He is also a member of the Council on Foreign Relations.

Four years ago, Mr. Marshall Lux decided to broaden his focus areas. He has since been a Senior Fellow at the Mossavar-Rahmani Center for Business and Government at the Harvard Kennedy School. He is also a Senior Advisor to The Committee on Capital Markets Regulation and a Senior Fellow to The Program on International Financial Systems, both at Harvard Law School. Mr. Marshall Lux is also a Senior Fellow at Wharton and Georgetown.

As a thought leader, Mr. Marshall Lux's writings have concerned the unintended consequences of Dodd-Frank on financial services. He has written papers entitled 'The State and Fate of Community Banking,' 'What's Behind the Non-Bank Mortgage Boom,' and 'Out of Reach:Regressive Trends in Credit Card Access'. All papers have been cited in the Financial Times, Wall Street Journal, The New York Times, among others. He has also released papers entitled 'When Markets Quake: The Past, Present, and Future of Online Lending' and 'Hunting High and Low: The Decline of the Small IPO and What to Do About It.' Apart from this, he is also a speaker and has spoken at the House of Small Business Committee, the Federal Reserve and various universities and trade groups.

He began his career at McKinsey, where he served financial service firms across a variety of sub-sectors and functional areas.

Mr. Marshall Lux led McKinsey's and Boston Consulting Group's (BCG's) private equity practice. He has extensive relationships across financial services and private equity (PE) Firms. After approximately 25 years, he left McKinsey to become the Chief Risk Officer for Chase (all consumer products globally) during the financial crisis. He then joined BCG, where he was a Senior Partner for five years, and in particular, helped to build a private equity practice while serving financial institutions. For example, Mr. Marshall Lux was BCG's first Senior Partner and built the PE practice. He continues to be an active advisor to BCG.

He attended the Woodrow Wilson School at Princeton University and graduated Summa Cum Laude. Mr. Marshall Lux also attended Harvard Business School where he was a Baker and Ford Scholar (awarded to the number one student in each graduate school).

Mr. Kabir Mathur, Director

Mr. Kabir Mathur joined the Board of Mphasis in December 2021. Mr. Kabir Mathur is Head of Asia Pacific within the Private Equities Department of the Abu Dhabi Investment Authority (ADIA). He is responsible for leading all aspects of ADIAs private equity activities in the Asia Pacific region, and is a member of the Private Equity Executive Committee.

DIRECTOR'S PROFILE

Prior to joining ADIA in 2018, Mr. Kabir Mathur worked at Kohlberg Kravis Roberts & Co (KKR) where he was responsible for sourcing, executing and managing private equity investments in Asia. Mr. Kabir Mathur joined KKR in 2008, having previously worked at TPG Capital, also in their Asian private equity business. Mr. Kabir Mathur began his career in the Investment Banking division of Citigroup/ Salomon Smith Barney.

Mr. Kabir Mathur graduated from the London School of Economics and Political Science with a BSc (Hons.) in Economics.

Mr. Pankaj Sood, Director

Mr. Pankaj Sood joined the Board of Mphasis in December 2021. Mr. Pankaj Sood heads the Private Equity (Direct Investments) business of GIC Singapore ("GIC") in India and Africa. He joined GIC in 2010 and is based in the Mumbai office.

Mr. Pankaj Sood currently serves as Non Executive Director of Bandhan Financial Holdings Limited and Bandhan Financial Services Limited.

Mr. Pankaj Sood has over 23 years of experience in private equity and M&A transactions in India. Prior to GIC, Mr. Pankaj Sood was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets.

Mr. Pankaj Sood is a post-graduate from Indian Institute of Management Calcutta (1999) and has a bachelor's degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996).

Ms. Courtney Karlan della Cava, Director

Ms. Courtney Karlan della Cava (Courtney della Cava) joined the Board of Mphasis in December 2021. Ms. Courtney della Cava is a Senior Managing Director and Global Head of Portfolio Talent and Leadership. Before joining Blackstone in 2021, Ms. Courtney della Cava served as a Partner at Bain & Company in its Leadership & Talent/Organization practice. With 20 years of global management consulting experience at Bain & Company across multiple sectors and geographies, Ms. Courtney della Cava most recently advised corporate and private equity clients on CEO succession, CEO and board effectiveness and broader organizational talent strategies and solutions, and she also built and led several of the firm's global human capital teams and capabilities. She also served as a Partner and Managing Director for Russell Reynolds Associates, a global executive search and talent assessment firm, and European Marketing Director for M&M Mars. Earlier, she held product and marketing roles with Toyota/Lexus, and began her career at WPP/Hill and Knowlton. Ms. Courtney della Cava earned an MBA from The Wharton School of the University of Pennsylvania and graduated from The University of California, Los Angeles, with a B.A. in Economics.

Ms. Maureen Anne Erasmus, Director

Ms. Maureen Anne Erasmus (Maureen Erasmus) was appointed to the Board of Mphasis in December 2021 subject to approval of the members and other approvals as required. Ms. Maureen Erasmus has extensive experience in financial services including capital markets and banking having worked across developed and emerging markets for more than 35 years. Until 2017, she was a partner at Bain and Company Inc. (London), where she led major assignments across Europe, Middle East and Africa on corporate and investment banking turnaround strategies. Prior to this, she held senior executive roles at Merrill Lynch in London and New York. Ms. Maureen Erasmus was also a non- executive Director of Standard Bank Group and Standard Bank South Africa boards.

Currently, Ms. Maureen Erasmus is a non-executive director on three other corporate boards, namely Credit Suisse, UK (Chair), Mizuho International (Senior Independent Director) and Vanguard, UK, (Chair of Risk & Compliance and Remuneration). She also serves on two Global Advisory Board of African Leadership Institute, Ms. Maureen Erasmus is a graduate of the University of Cape Town.

BOARD'S REPORT

Dear Shareholders,

We have pleasure in presenting you the thirty first Annual Report of your Company for the year ended 31 March 2022.

FINANCIAL PERFORMANCE

Key aspects of the financial performance of the Company are as follows:

(₹ million)

Particulars	CONSOLIDATED		STANDALONE	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Total Income	1,21,219	98,553	75,128	56,507
Expenses	1,02,090	82,246	58,926	42,049
Profit before taxation	19,129	16,306	16,202	14,458
Net Profit	14,309	12,168	12,353	11,104
Transfer to General Reserve	Nil	Nil	Nil	Nil

Note: The figures are rounded off to the nearest Rupee.

A detailed analysis of the performance is available in the section, titled Management Discussion and Analysis of Financial Condition and Results of Operations, of this Annual Report.

OUTLOOK

The rapidly changing environment that was the backdrop to many world events in the past couple of years, continues to remain so event at present. In these two years of the global pandemic, the world has witnessed the consequences of the most widely shared economic crisis on record and a robust recovery the very next year, marking the highest growth rate in more than four decades according to the UN's World Economic Situation and Prospects 2022 report. With the emergence of new COVID variants across the globe becoming a routine, it is heartening that modern medicine, vaccinations and technology have largely helped to decouple and mitigate the link between mobility and economic growth. While the road to complete economic recovery remains fragile, people and organizations have adapted to life with the virus, bolstered by the effectiveness of vaccines with ease of living and technology enabled working, resulting in more resilient economies. While we can expect economies to shift from stimulus spending and policy supports, potentially resulting in a slower pace for global growth in 2022, a recent report from McKinsey however suggests that the growth will still be faster than the pre-pandemic levels.

As we step into the third year of the pandemic, the urgent priorities for organizations have seen a marked shift. While 2020 was the year of adapting to the 'new normal' and 2021 was seeking crisis-led opportunities, today, most enterprises are navigating persistent labor market and supply-chain challenges in the technology decade or 'techade' they find themselves in. According to McKinsey, 2022 will witness more "enterprises capitalizing on sophisticated provider offerings, including customized industry solutions and advances in digital technology, such as AI, analytics and machine learning." This analysis is echoed by NASSCOM's latest report which states that while enterprises focused on short-term digital transformation projects that had to be implemented rapidly in 2020, the focus in 2021 and beyond has been on larger initiatives with longer time frames while investing in emerging technology segments. It has become increasingly clear that all businesses will have to reinvent themselves as digital-first businesses to survive in the new world.

The new realities of this world have led to a recalibration and reimagining of your Company's purpose in the world – ***To be the Driver in the Driverless car*** – where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises. From this reinvigorated purpose, your Company has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders. The pandemic has more than ever before cast a spotlight on the importance of growth in a sustainable way which is fundamental to our strategy. With the global pandemic enhancing our role as a leading technology partner, our responsibility of being a committed corporate citizen, required us to further our formal Environmental, Social, and Governance (ESG) journey.

Having made strategic bets in next-gen technologies early on, your Company was able to capitalize on the maturity of these investments to seek out crisis-led opportunities when it mattered the most. Through the pandemic, your Company remained agile, quick to adapt and willing to go the extra mile for its clients and other stakeholders. With your Company's help, enterprises were able to accelerate their digital journeys thereby cementing Mphasis' position as a preferred technology partner for many clients. As enterprises accelerate the adoption of digital business and seek more direct digital routes to connect with their customers, the industry's future growth will be driven by three factors - growth of the tech services market, shift toward a subscription model of consumption and tech spends originating from new areas. This has resulted in a tech investing super cycle which is likely to last for the next three to five years. Acceleration in tech adoption is a great tailwind, but it brings with it a higher risk of obsolescence. For your Company, however, it represents an opportunity to engineer a better future by partnering with enterprises and enabling all stakeholders to move forward together.

BOARD'S REPORT

Your Company will continue to invest in the engines of growth – expansion of capabilities, geographic presence, leadership and creating a portfolio of IP-driven AI/ML innovation and focus on these vectors:

- **Trend and composition of Total Contract Value (TCV)** – generates over 80% of their TCV through proactive deal pursuits where win rates are much higher at ~50% compared to competitive RFP situations;
- **Sustained Pipeline growth** – growing pipeline is marked by a strong influx of new-gen tribe deals over the past two years;
- **New Client Acquisition (or NCA) program** – in each of the chosen NCA verticals, the organization has built sales and account management structures bringing to bear the optimum blend of technology leadership and domain depth in these verticals;
- **Total Addressable Market (TAM) expansion** – wallet share gains with their strategic accounts highlights the organization's ability to continually expand their addressable market within the client's technology footprint going beyond the traditional CIO domain and
- **Augmenting capabilities** – the organization is also strengthening its cloud first approach to build and partner with cloud-ready tribes and hyperscaler partnerships.

Your Company will continue to make big bets led by our engineering DNA mindset and stay ahead of technology curve, by remaining true to our renewed purpose. Together, we will continue to grow and accelerate our Hi-Tech, Hi-Touch, Hi-Trust organization for future success.

DIVIDEND

Your directors are pleased to recommend a final dividend of ₹46/- per equity share of ₹10 each for the financial year ended 31 March 2022, subject to your approval at the ensuing Annual General Meeting.

ACQUISITIONS

Your Company through its wholly owned subsidiary Mphasis Corporation, USA, acquired Blink Interactive, Inc, USA on 21 September 2021. Blink Interactive, Inc, a US based (Seattle) corporation specializing in design consultancy services around User Experience (UX), User research-based software product design and strategy and Customer Experience (CX) design for marquee brands. The synergy opportunity revolves around Product, Experience and Service design, as well as the end-to-end implementation services across the spectrum of clients and industries serviced. Consequent to this acquisition, Blink Interactive, Inc, is a subsidiary of Mphasis Corporation USA.

Your Company had announced a deal with the Specialty Broking Segment of The Ardonagh Group, UK (the "Ardonagh") in 2020. Expanding on this, during the year, Mphasis Consulting Limited, UK, a wholly owned subsidiary of the Company, ("Mphasis Consulting") and Ardonagh set up a shared services entity to service middle and back-office functions. Mphasis Consulting entered into a Business Venture Agreement with Ardonagh Services Limited, UK on 23 December 2021 and acquired 51% *(100% economic rights)* in Mrald Limited,("Mrald"), a company incorporated and registered in England and Wales. Consequent to this acquisition, Mrald, *(and its wholly owned subsidiary Mrald Services Limited, UK)* is a subsidiary of Mphasis Consulting, UK. This acquisition will enable operational services and transformation for insurance intermediary services and reinsurance including, but not limited to, client administration, payment processing, claims processing, procurement, data management and storage software management and network and security solutions.

ENTERPRISE RISK MANAGEMENT

A detailed analysis of monitored risks and their mitigation plans are available in the section headed Management Discussion and Analysis of Risks and Concerns, in this Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance along with a certificate from the Secretarial Auditors confirming the compliance for the year ended 31 March 2022 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed and forms part of this Report.

EMPLOYEES

At Mphasis we strongly believe that our employees are our most important asset and we empower them to perform their best. Our HR programs are designed on the principles of equality, fairness, collaboration and transparency to reinforce our deep-rooted winning culture. With the tectonic shifts in supply and demand of digital talents, we are focused on investing in a best-in-class, future-ready talent. Towards this end, we have been implementing efficient processes through enhancement of digital platform. We have customized hire-to-retire policies, frameworks and programs for specific talent segments and skill communities. We ensure that our talent management programs across employee lifecycle - including pay models and career progression encourage meritocracy and skill development.

Talent Next, our flagship program, has now evolved into a comprehensive HR ecosystem through robust iterations of practical application. This program has ensured alignment to the objective of hyper-specialized competency development in line with the X2C² ™ strategy (read as "Applying Cloud and Cognitive to everything": i.e., capability building in NextGen Digital skills). In FY22, this program became the basis for all strategic talent programs - integrating talent acquisition, talent development, performance management, employee productivity, engagement, total rewards, and retention efforts.

BOARD'S REPORT

Talent Next is a hyper-personalized cognitive automation platform with a 'recommendation engine for skill acquisition' that provides suggestions based on both business requirements as well as employees' aspirational needs. Further, it is powered by a host of immersive learning features, social learning ecosystem and diverse learning resources for over 1,000 skills. On the learning adoption, there has been a two-fold increase as compared to the previous year.

We have continued to invest in employee welfare through policy and budget enhancements in medical and life insurance programs across the globe. From 24/7 support on insurance during pandemic to Covid-specific policies, we put our employees' physical and mental well-being at the front and center. Instead of a bi-annual pay review, we have now implemented a continuous review mechanism that enables flexibility and skill-based intervention with speed. With the guiding principle of hyper-personalized rewards, our focus on identified talent segments like specific digital skills, campus hires, leadership etc., has helped us to secure the intended results.

With the changes brought in through accelerated adoption of hybrid work environment, we saw the need to redefine the single purpose that draws Mphasians across remote teams and geographies to work together every day. Our **'Hybrid first'** workplace model has enabled us to think beyond engagement. Our Hi-Touch, Hi-Tech and Hi-Trust proposition stays at the core of all people programs, with a keen focus on employee experience, wellness, and connections.

COMMUNITY OUTREACH

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Mphasis CSR is committed to bringing social change by applying the power of technology and disruptive solutions. Our belief is that the use of technology, tools and resources responsibly can play a transformational role for positive outcomes in the areas of education, livelihood creation and equitable development. Our 2-pronged approach to sustainability, enables us to deliver value to the community and our stakeholders, by applying tech for the good of our business and society. This has led us to undertake several CSR programs that aim to benefit socially excluded and economically disadvantaged target groups, including support towards COVID-19 relief for vulnerable communities. We have also focused on the larger goal to become a corporate technology partner of choice, for certain Indian higher educational institutions, to enable the development of demonstrable, applied research projects that are of social relevance, thereby also bridging the gap between corporate and academia.

CSR at Mphasis is implemented through Mphasis F1 Foundation (an independent registered trust). During the year, the Company spent ₹ 282.08 million on the CSR expenditure as against the mandated spend of ₹ 281.58 million. The CSR Annual Report for the year ended 31 March 2022 is annexed and forms part of this Report.

The highlights of your Company's CSR activities are described in detail on the Company's website available at: https://www.mphasis.com/home/corporate/community-social-responsibility.html.

PREVENTION OF SEXUAL HARASSMENT (POSH)

Your Company is committed to the provision of a workplace, free of Sexual Harassment ("SH") and to provide a redressal mechanism for all complaints of SH without fear or threat of reprisals in any form or manner whatsoever to all its employees irrespective of their gender and sexuality.

It is confirmed that during the year, the Company has complied with applicable provisions in relation to Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including the provisions relating to the constitution of Internal Complaints Committee under the said Act.

During FY22, 30 sexual harassment complaints were filed and all the complaints were disposed as on 31 March 2022.

ESTABLISHMENT OF VIGIL MECHANISM

Mphasis Code of Conduct requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The Company has a Whistleblower Policy to enable persons who observe unethical practices (whether or not a violation of law), to approach the Whistleblower Custodian without revealing their identity, if they choose to do so. Further the complaint can be reported to the Ombudsperson (Chairman of the Audit Committee) where the Complainant feels that the complaint has not been addressed or actioned in a timely and appropriate manner. This Policy governs reporting and investigation of allegations that are breach of Code of Business Conduct and violation under code for prevention of Insider Trading. This Policy covers all Mphasis group companies and its affiliates and further extends to all Mphasis suppliers and contractors engaged in rendering the services.

DIRECTORS AND KMP

Pursuant to provisions of Section 149 of the Companies Act, subject to approval of the shareholders, Ms. Maureen Anne Erasmus was appointed as an Independent Director (Additional Director) on the Board for a period of 5 years effective from 20 December 2021. The Company has received declarations from Ms. Maureen Anne Erasmus confirming that she meets the criterion of independence as per the law and has consented for being appointed as an Independent Director. Pursuant to Section 161 of the Companies Act, 2013, Ms. Maureen Anne Erasmus holds office until the date of ensuing Annual General Meeting. However, the Company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing her candidature to the office of the Directorship. The Board of directors recommends her appointment as an Independent Director to the members of the Company.

BOARD'S REPORT

Mr. Kabir Mathur, Mr. Pankaj Sood and Ms. Courtney della Cava were appointed as the non-executive additional directors by the Board vide its resolution dated 20 December 2021. Pursuant to Section 161 of the Companies Act, 2013, the additional directors hold office until the date of the ensuing Annual General Meeting. However, the Company has received notices under Section 160 of the Companies Act, 2013, from members proposing their candidatures to the office of directorship. Accordingly, necessary resolutions in relation to the appointment of the above directors are placed before the members at the ensuing Annual General Meeting and the Board recommends their appointment as the Directors of the Company.

In accordance with Section 152 of the Companies Act, 2013, Mr. David Lawrence Johnson [DIN:07593637] and Mr. Amit Dalmia [DIN:05313886] will retire by rotation at the ensuing Annual General Meeting and are eligible for re-election.

The Board recommends the re-appointment of the above directors for approval of the members. Necessary resolutions in connection with the above are being placed for approval of the members at the ensuing Annual General Meeting.

STATUTORY AUDITORS

The members have at the twenty seventh Annual General Meeting held on 7 August 2018, appointed M/s. B S R & Co. LLP (Registration No.101248W/W-100022), Chartered Accountants, as the Statutory Auditors of the Company under Section 139 of the Companies Act, 2013, for a period of 5 years, from the conclusion of Twenty Seventh Annual General Meeting till the conclusion of Thirty Second Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit reports on the financial statements for the year ended 31 March 2022.

SECRETARIAL AUDITOR

The Board had in its meeting held on 20 January 2022 appointed Mr. S P Nagarajan, Practicing Company Secretary (CP No. 4738), as the Secretarial Auditor for the financial year ended 31 March 2022. In addition, as required under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2019, the secretarial audit of Msource (India) Private Limited, a material subsidiary, has also been carried out.

As required under the Section 204 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2019, the secretarial audit reports of the Company and its material subsidiary for the FY22 are annexed and form part of this Report. The audit reports do not contain any qualification, reservation or adverse remarks.

DIRECTORS' RESPONSIBILITY STATEMENT

Information as per Section 134(5) of the Companies Act, 2013, is annexed and forms part of the Report. Further, based on the confirmation and certificates received, the Board confirms that the Company has complied with the Secretarial Standards on the Board Meetings issued by the Institute of Company Secretaries of India, as applicable to the Company, during the financial year ended 31 March 2022.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Sustainability and social responsibility have always been the cornerstone of your Company. As a committed corporate citizen, your Company has kickstarted its formal ESG journey. All our efforts are underpinned by our commitment to the community and building a sustainable business and is fundamental to our strategy; enabled by the power of technology and disruptive solutions. Our ESG mission focuses on reducing company-wide environmental footprint, building sustainable supply chains with diverse professional culture and transparent and ethical governance. The details of ESG initiatives are available on our website at https://www.mphasis.com/home/esg.html.

Your Company has voluntarily adopted the BRSR for the year ended 31 March 2022 and the report detailing the business responsibility and sustainability practices is uploaded on the website of the Company at www.mphasis.com and forms part of the Annual Report.

OTHER DISCLOSURES

SUBSIDIARIES

As on 31 March 2022, your Company has subsidiaries in Australia, Belgium, Canada, France, Germany, India, Ireland, Mauritius, Netherlands, People's Republic of China, Philippines, Poland, Singapore, the United Kingdom and the United States of America. In addition, the overseas subsidiaries have branches in Canada, Costa Rica, France, Hungary, Japan, Malaysia, Mexico, People's Republic of China, Sweden, Switzerland and Taiwan.

In accordance with Section 129 (3) of the Companies Act, 2013 the consolidated financial statements are attached to this Annual Report. Further, a statement containing salient features of the financial statements of subsidiaries in the prescribed Form AOC-1 is annexed to this Report. The statements provide the performance and financial position of each of the subsidiaries.

The audited financial statements of the subsidiaries are available for inspection of the members at the Registered Office of the Company and are also being uploaded on the website of the Company, www.mphasis.com. A translated copy of the financial statements have been provided where such financial statements are in the foreign language.

A copy of the above financial statements shall be sent to the members upon request.

BOARD'S REPORT

EMPLOYEES STOCK OPTION PLANS AND RESTRICTED STOCK UNIT PLANS

The Company's Employee Stock Option Plans (ESOPs) are administered through the Mphasis Employees Equity Reward Trust and the Restricted Stock Unit Plans (RSUs) are administered through the Mphasis Employees Benefit Trust. Further, all the plans are administered by the ESOP Compensation Committee of the Board.

The Company currently has two stock option plans in operation, namely, Mphasis Employees Stock Option Plan - 1998 (ESOP 1998) (Version II) and Mphasis Employees Stock Option Plan - 2016 (ESOP 2016). During the year ended 31 March 2022, the Company has allotted 775,683 equity shares pursuant to the exercise of stock options. Further, during the year ended 31 March 2022 the ESOP Compensation Committee granted 853,275 stock options to the eligible employees.

The shareholders at its Annual General Meeting held on 29 September 2021 approved institutionalisation of Restricted Stock Units Plan 2021 (RSU 2021) with the underlying shares not exceeding 3,000,000 shares. During the year, the Company obtained in-principle approval for RSU 2021 from BSE Limited and the National Stock Exchange of India Limited on 21 October 2021. Further to this, during the financial year the ESOP Compensation Committee granted 1,075,188 stock units to the eligible employees.

The information to be disclosed as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021, for the year ended 31 March 2022 is annexed to the Board's report and is also uploaded on the website of the Company at www.mphasis.com.

The Board of Directors of the Company, in its meeting held on 28 April 2022, approved an amendment to ESOP 2016 to align with Regulation 9(4) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, which exempts one-year minimum vesting requirement in the event of death/permanent disablement of an Employee.

DIRECTORS' INTEREST AND RELATED PARTY DISCLOSURES

No director was interested in any contracts or arrangements existing during or at the end of the year that was significant in relation to the business of the Company. No director holds any shares or stock options in the Company as on 31 March 2022 except Mr. Davinder Singh Brar, Chairman, who holds 28 shares and Mr. Nitin Rakesh, Chief Executive Officer and Managing Director, who holds 12,53,226 stock options (includes 274,226 stock options granted during the financial year) and 345,196 stock units (granted during the financial year). None of the directors had any other interest in the share capital of the Company as at 31 March 2022. All the transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and are at an arm's length basis.

The Company has a policy for dealing with Related Party Transactions which has been uploaded on the Company's website at www.mphasis.com. The particulars of the contract or arrangements with the Related Parties in form AOC-2 is annexed and forms part of this Report.

SHARE CAPITAL

During the year under review, the Company has allotted, on various dates, 775,683 equity shares pursuant to the exercise of stock options. The Issued Share Capital of the Company as on 31 March 2022 stood at ₹ 1,878 million and Reserves and Surplus stood at ₹ 67,553 million (consolidated basis) and ₹ 42,598 million (standalone basis) respectively.

PARTICULARS OF EMPLOYEES' REMUNERATION

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in an annexure and forms part of this report.

However, in terms of Section 136(1) of the Companies Act, 2013, the report is being sent to the Members excluding the aforesaid annexure and shall be available for inspection of the members, till the date of the Annual General Meeting, at the registered office of the Company during working hours. Any Member interested in obtaining a copy of the annexure may write to the Company Secretary at the Registered Office of the Company.

In terms of proviso to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of the employees posted and working in a country outside India is not circulated to the members, but the same shall be filed with the Registrar of Companies while filing the Financial Statements and Board's Report.

ANNUAL RETURN

The Annual Return of the Company as at 31 March 2022 in Form MGT-7 is uploaded on the website of the Company under financials and filings section at https://www.mphasis.com/home/corporate/investors.html. The Annual Return will be filed with the Registrar of Companies, after the Annual General Meeting, within the prescribed time.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 are disclosed in the financial statements of the Company.

DEPOSITS

Your Company has not accepted any deposits from the public and as such no principal or interest was outstanding as on the date of the Balance Sheet.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:

Your Company is committed towards Energy conservation. We recognize energy efficiency plays a central role in lowering our operational Green House Gas emissions. Various improvements and initiatives are implemented to enhance efficiency through technological upgrades and effective monitoring of operational and maintenance activities. We have been able to reduce our electricity consumption and carbon footprint over the years through effective energy management and sustainable initiatives including installation of LED lamps, hydrogen sensors for data rooms, occupancy sensors at the office premises and procurement of new state of art/energy efficient VRV AC units and PAC units which replaced the old and inefficient AC units.

We have been one of the early adopters of renewable energy and we strive to move towards the same. We have installed solar panels with a capacity of 10KW at Mangalore facility and solar inverters at identified facilities to promote sustainable energy usage. Year on year target has been set for reduction of Energy consumption by 5% and Carbon footprint by 1% and the set targets are consistently achieved.

One of the Company's facilities at Bengaluru has been certified LEED (Leadership in Energy and Environmental Design) Gold by United States Green Building Council (USGBC). The key facilities have been awarded with 5-star, 4-star and 3-star rating by Bureau of Energy Efficiency, Government of India (BEE) for the last 7 years. The rating is a nationally accepted industry benchmark and Mphasis is certified by BEE in India. Your Company has been awarded, by Confederation of Indian Industry, an Environment, Health and Safety (EHS) Award with a ★★★ (3 star) and ★★★★ (4 star) rating for the facilities at Bengaluru appreciating its sustainable initiatives. The Company's facilities in Bengaluru – WTC 2, WTC 3, WTC 4, Parin, Laurel, Pritech, GTP Towers "B" and "E" are certified for ISO 14001:2015 by British Standards Institution (BSI) showcasing the demonstration and competence towards the Environmental management system.

B. TECHNOLOGY ABSORPTION:

Particulars relating to technology absorption are not applicable.

C. FOREIGN EXCHANGE EARNINGS OR OUTGO:

(₹ million)

(a)	Foreign Exchange earned in terms of actual inflows during the year	67,088
(b)	Foreign Exchange outgo in terms of actual outflows during the year	26,450

D. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

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

ACKNOWLEDGMENT

Your directors acknowledge with thanks the continued support and valuable co-operation extended by the business constituents, investors, vendors, bankers and shareholders of the Company. The directors place on record their appreciation for the support from the Software Technology Parks of India, the Department of Communication and Information Technology, the Government of India, Government of Karnataka, Maharashtra, Tamil Nadu, Telangana, Uttar Pradesh, Reserve Bank of India, other governmental agencies, Trade Associations and NASSCOM. We also thank the government agencies of various other countries where we have our operations.

Your directors would like to place on record their appreciation for the Employees of the Company and its subsidiaries, at all levels, for their hard work and commitment. Their dedication and competence have ensured that the Company continues to be a significant and leading player in the industry.

Your directors specially thank the front-line employees and support staff who acted selflessly to keep the business continuity during the challenging times of pandemic and have supported to serve our clients and other stakeholders.

For and on behalf of the Board of Directors

New Delhi, India — **D S Brar**

28 April 2022 — Chairman

ANNEXURE TO THE BOARD'S REPORT

Annual Report on CSR Activities for the year ended 31 March 2022

1. **A brief outline on CSR Policy of the Company:**

   The brief of the CSR Policy is provided in the Board's Report and the policy is uploaded on the website of the Company at https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/governance/policies/mphasis-csr-policy.pdf

2. **The composition of the CSR Committee:**

   The following are the members of the CSR Committee as at the date of the report:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Narayanan Kumar	Chairman / Independent Director	3	3
2	Mr. Davinder Singh Brar	Member / Independent Director	3	3
3	Mr. Amit Dalmia	Member / Non-Executive Director	3	2
4	Mr. Nitin Rakesh	Member / Executive Director	3	3

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**

   The composition of CSR committee is uploaded on the website of the Company at:
   https://www.mphasis.com/home/corporate/community-social-responsibility/csr-team.html

   The CSR Policy is uploaded on the website of the Company at:
   https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/governance/policies/mphasis-csr-policy.pdf

   The CSR projects approved by the Board are uploaded on the website of the Company at:
   https://www.mphasis.com/home/corporate/community-social-responsibility.html

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) :**

   Project: Incubation of not for profits | Location: Pan India| CSR Partner: The /Nudge Foundation

   - Incubated and accelerated a total of 23 non-profits between 2018 and 2021;
   - More than 95% of the incubated enterprises significantly expanded their operations after incubation;
   - Average of 8 times additional funding raised by not for profits within a year of the project; and
   - Cumulative total impact of 4 million beneficiaries across sectors.

   Project: Installation of STP at Mahadevapura Lake | Location: Bengaluru, Karnataka| CSR Partner: United Way Bengaluru

   - Set up sewage treatment plant with a capacity to treat 1 million litres of water per day since 2019;
   - STP improved water quality of the lake by more than 75% as indicated by the drop in BOD (biological oxygen demand) values of the lake; and
   - Restored biodiversity in the lake premises and generated positive impact on livelihoods of communities in and around the lake.

   Project: Make India Accessible| Location: PAN India| CSR Partner: National Center of Promotion of Employment for Disabled People (NCPEDP)

   - Ensured effective implementation of the Rights of Persons with Disabilities (RPWD) Act- established 3 Disability Law Units covering 14 states to raise awareness and for grievance redressals;
   - More than 30 best practices were recognized by Mphasis NCPEDP Universal Design Awards in the period 2018-21;
   - 'Accessibility Standards for Persons with Disabilities in Television Programmes' was released by Ministry of Information and Broadcasting which mandates accessibility of TV programmes to persons that have hearing disability;
   - All the 21 categories of disabilities as per RPWD Act of 2016 to be included in Census 2021; and
   - Standardization of Indian Sign Language across the Country included in the National Education Policy

Project: Mphasis-IIITB Center of Excellence for Cognitive Computing | Location: Bengaluru, Karnataka| CSR Partner: International Institute of Information Technology (IIITB)

- Clinical Decision Support Platform to screen patients with COVID utilized by front line workers across 2,091 villages in India: more than 5 lakh screenings done;
- BelYo, a block chain platform developed for digitizing and enabling access to people's COVID-19 data by COVID tracking apps like Aarogya Setu; and
- Learning Apps, an AI assisted personalized learning platform, used to create applications for Navigated Learning and has implemented it in 3,523 schools covering 7.2 million learners.

Project: Disaster Relief during Gaja Cyclone | Location: Tamil Nadu| CSR Partner: United Way Bengaluru

- Constructed 87 cyclone resistant homes across 11 villages in Nagapatinam District; these shelters are in place for more than 2 years now; and
- Supported restoration of livelihoods of 494 people; resulted in an average increase in incomes of approx. ₹ 200 to 300 per family.

Project: Mphasis Research Chair on Digital Accessibility | Location: Bengaluru, Karnataka | CSR Partner: Indian Institute of Management Bengaluru (IIMB)

- 12 research articles and 2 book chapters on disability were published in internationally renowned journals with 345 citations between the years 2016 to 2022;
- The prolific research outputs and dissemination of knowledge on disability and digital accessibility contributed significantly to policies and procedures required for India to achieve sustainable development targets and national development indicators on disability; and
- Contributed towards policy development by three focused reports on assistive technologies and accessibility submitted to state and central government departments.

The reports on the Impact assessment of CSR projects carried out is available on the website of the Company at: https://www.mphasis.com/home/corporate/community-social-responsibility.html

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	0.31 million	Nil

6. **Average net profit of the company as per section 135(5)** : ₹ 14,094.5 Million

7.

a)	Two percent of average net profit of the company as per section 135(5)	₹ 281.89 Million
b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
c)	Amount required to be set off for the financial year, if any refer note	Nil
d)	Total CSR obligation for the financial year (7a+7b- 7c).	₹ 281.89 Million

Note: The excess CSR spend of ₹0.31 million, pertaining to FY21, is allowed to be carried forward for three financial years in terms of Companies (Corporate Social Responsibility) Rules, 2014. As the Company has exceeded the CSR obligation pursuant to the aforesaid Rule, the same is not considered for set-off in the current financial year.

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(11) (Refer Note 2 and 3 for section 9 and 10)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated For the project (in ₹ Million)	Amount spent in the current financial Year (in ₹ Million)	CSR Partners
				State	District				
1.	Accessible transportation for persons with disabilities	(x) support to persons with disabilities	Yes	Karnataka	Bengaluru	5 years	165.36	13.72	Uber India
2.	Support to Museum of Art & Photography (MAP)	(x) support to persons with disabilities (viii) social business projects	Yes	Karnataka	Bengaluru	5 years	100.00	20.00	Art & Photography Foundation
3.	The/Nudge LifeSkills Foundation	(ii) promotion of education	Yes	Karnataka	Bengaluru	4 years	168.60	60.00	The/Nudge LifeSkills Foundation
4.	English and LifeSkills training for women	(vii) employment enhancing vocational skill	Yes	Karnataka	Bengaluru	4 years	45.94	14.79	The/Nudge Life Skill Foundation
5.	Support to Plaksha University	(ii) promotion of education	No	Punjab	Mohali	5 years	100.00	10.00	Reimaging Higher Education Foundation
6.	Support to Ashoka Young Changemakers	(ii) promotion of education (x) promoting inclusion	No	PAN India	Not Applicable	2 years	25.27	2.25	Ashoka Innovators for the Public
7.	Ashoka University	(ii) promotion of education	No	New Delhi	New Delhi	2 years	100.00	50.00	International Foundation for Research & Education
	TOTAL						**705.17**	**180.76**	

Notes:

1. *The amount spent in the current financial year forms part of the total CSR Expenditure reported for FY22.*
2. *Amounts Transferred to the Unspent CSR Account for the project as per section 135(6) (in ` million) (Section 9 of the prescribed format) - Nil.*
3. *Mode of Implementation – Direct – Yes/No (Section 10 of the prescribed format) - No.*
4. *Mode of Implementation – Through Implementing Agency – Name of the implementing agency and CSR Registration Number - (a) Implementing Agency for all projects mentioned above– Mphasis F1 Foundation; (b) CSR Registration No. CSR00002471.*
5. *All the CSR activities of the Company are implemented through its Implementing agency, Mphasis F1 Foundation. The CSR Partners referred above are the agencies to whom Mphasis F1 Foundation has made grants pursuant to CSR policy of the Company.*
6. *The project duration mentioned above refers to the period of MOU executed with the CSR partners. The allocation approved for the ongoing projects shall be as per the Companies Act, 2013.*

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

(1)	(2)	(3)	(4)	(5)		(6)	Refer Note 1 and 2 for section 7 and 8
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Million)	CSR Partners
				State	District		
1.	COVID Relief	(ix) relief and socio-economic development	No	PAN India	Not Applicable	5.00	Kaushalya Foundation
2.	COVID Relief	(ix) relief and socio-economic development	Yes	Maharashtra	Pune	21.26	Give India
3.	COVID Relief	(ix) relief and socio-economic development	No	Tamil Nadu	Madurai/Coimbatore	20.00	American India Foundation
4.	COVID Relief	(ix) relief and socio-economic development	No	Karnataka	Bengaluru	9.52	NASSCOM Foundation
5.	COVID Relief	(ix) relief and socio-economic development	No	Karnataka	Bengaluru	24.94	United Way Bengaluru
6.	Support to CSMEM School Pune	(ii) promotion of education	Yes	Maharashtra	Pune	9.91	The Akanksha Foundation
	TOTAL					**90.63**	

Notes:

1. *Mode of Implementation – Direct – Yes/No (Section 7 of the prescribed format) - No.*
2. *Mode of Implementation – Through Implementing Agency – Name of the implementing agency and CSR Registration Number - (a) Implementing Agency for all projects mentioned above– Mphasis F1 Foundation; (b) CSR Registration No. CSR00002471 (Section 8 of the prescribed format).*
3. *All the CSR activities of the Company are implemented through its Implementing agency, Mphasis F1 Foundation. The CSR Partners referred above are the agencies to whom Mphasis F1 Foundation has made grants pursuant to CSR policy of Mphasis.*

(d) Amount spent in Administrative Overheads : ₹ 9.41 million

(e) Amount spent on Impact Assessment, if applicable : ₹ 1.29 million

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 282.08 million

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹ million)
(i)	Two percent of average net profit of the company as per section 135(5)	281.89
(ii)	Total amount spent for the Financial Year	282.08
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.19
(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)]	0.19

ANNEXURE TO THE BOARD'S REPORT

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Million)	Amount spent in the reporting Financial Year (in ₹ Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹ Million)
				Name of the Fund	Amount (in ₹ Million)	Date of transfer	
1.	FY 2020-21	Nil	254.54	Nil	Nil	Not Applicable	Nil
2.	FY 2019-20	Nil	208.02	Nil	Nil	Not Applicable	Nil
3.	FY 2018-19	Nil	182.20	Nil	Nil	Not Applicable	Nil
	TOTAL		**644.76**				

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount Allocated for the project (in ₹ Million)	Amount spent on the project in the reporting Financial Year (in ₹ Million)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Million)	Status of the project Completed /Ongoing
1.	FY31.03.2021_2	Museum of Art & Photography (MAP)	FY 2019-20	5 years	100.00	20.00	60.00	Ongoing
2.	FY31.03.2021_4	English and LifeSkills training for women	FY 2019-20	4 years	45.94	14.79	36.87	Ongoing
3.	FY31.03.2021_1	Accessible transportation for persons with disabilities	FY 2016-17	5 years	165.36	13.72	165.36	Completed
4.	FY31.03.2021_5	Support to Plaksha University	FY 2018-19	5 years	100.00	20.00	63.10	Ongoing
5.	FY31.03.2021_3	The/Nudge LifeSkills Foundation	FY 2020-21	4 years	168.60	60.00	70.40	Ongoing
6.	FY31.03.2021_6	Ashoka Young Changemakers	FY 2019-20	2 years	25.27	2.25	25.34	Completed
7.	FY31.03.2021_7	Ashoka University	FY 2020-22	2 years	100.00	50.00	100.00	Completed
	TOTAL				**705.17**	**180.76**	**521.07**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details)

a)	Date of creation or acquisition of the capital asset(s)	Nil
b)	Amount of CSR spent for creation or acquisition of capital asset	
c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	

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

Not Applicable

It is confirmed that the implementation and monitoring of CSR Policy is in compliance with the CSR Objectives and CSR Policy of the Company.

For and on behalf of the Board

New York, USA
28 April 2022

Nitin Rakesh
Chief Executive Officer and Managing Director

Chennai, India
28 April 2022

Narayanan Kumar
Chairman of CSR Committee

ANNEXURE TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Personnel) Rules, 2014]

To,
The Members,
MPHASIS LIMITED
Bagmane World Technology Center,
Marathahalli Outer Ring Road,
Doddanakundi Village, Mahadevapura,
Bengaluru-560048

CIN of Company : L30007KA1992PLC025294
Authorised Capital : ₹ 2,45,00,00,000/-

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MPHASIS LIMITED ("the Company"). 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, Registers, 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 conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2022 ('year under review') 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:

1. I have examined the books, papers, registers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

   i. The Companies Act, 2013 (the Act) and the rules made thereunder;

   ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder with regard to maintenance of minimum public shareholding and compliance under clause 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder with regard to dematerialisation / re-materialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company in compliance with amended clause 76(1) of the SEBI (Depositories and Participants) Regulations, 2018 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

   iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to 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.

      b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

      c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

      d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 were not applicable during the year under review;

      e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

      f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the year under review;

      g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were not applicable during the year under review; and

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 were not applicable during the year under review;

vi. The other laws to the extent applicable:

a. The Information Technology Act, 2000 and the rules made thereunder

b. The Special Economic Zones Act, 2005 and the rules made thereunder

c. The Software Technology Parks of India rules and regulations made thereunder

d. The Registration Act, 1908

e. The Indian Stamp Act, 1899

f. The Limitation Act, 1963

g. The Indian Contract Act, 1872

h. The Negotiable Instrument Act, 1881

i. The Sale of Goods Act, 1930

j. The Trade Marks Act, 1999

k. The Patents Act, 1970

l. The Copyright Act, 1957

m. The Designs Act, 2000

n. Income Tax Act, 1961

o. The Central Goods and Services Tax Act, 2017

p. The Environment Protection Act, 1986

q. The Trade Unions Act, 1926

r. The Weekly Holidays Act, 1942

s. The Telecom Regulatory Authority of India Act, 1997

t. The Insurance Act, 1938

u. General Clauses, 1897

v. Foreign Trade (Development And Regulation) Act, 1992

w. Employees' Provident Funds And Miscellaneous Provisions Act, 1952

x. Employees' State Insurance Act, 1948

y. Employees' State Insurance (Central) Rules, 1950

z. Labour Laws including ESI Act, Employee's PF & Miscellaneous Provision Act, Payment of Bonus Act, Payment of Gratuity Act, Contract Labour Act, Employees Compensation Act, Equal Remuneration Act, Maternity Benefit Act, 1961

aa. Bureau of Indian Standards Act, 1986

bb. E-waste (Management and Handling) Rules, 2011

cc. The State Acts, rules, guidelines and regulations to the extent applicable to the Company based on the location of its offices across India.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.

In my opinion and to the best of my information and according to the explanation given to me, I report that the Company has complied with all applicable Secretarial Standards issued by ICSI with respect to General and Board meetings in accordance with Section 173(3) of the Act.

b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

My examination of compliance by the Company with the applicable financial laws, including direct and indirect taxation laws are limited to extent of the compliance reporting made by the management to the Board of Directors of the Company. Further, for ascertaining compliance with applicable financial laws, I have relied on the report of the Statutory Auditors of the Company.

2. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company: -

I report that during the period under review, the Company has complied with the applicable provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the enabling provisions of the Memorandum and Articles of Association of the Company, wherever applicable with regard to:

a) maintenance of various statutory registers and documents and making necessary entries therein;

b) closure of the Register of Members;

c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies/Ministry of Corporate Affairs and the Central Government;

d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;

e) notice of Board meetings and Committee meetings of Directors;

f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;

g) the 30th Annual General Meeting held on 29th September 2021;

h) minutes of proceedings of General Meeting and of the Board and its Committee meetings;

i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

j) constitution of the Board of Directors /Committee(s) of Directors, appointment, retirement, regularization and re-appointment of Directors including the Executive Director/Whole-time Director, Key Managerial Personnel wherever applicable;

k) payment of remuneration to Executive Director/ Whole-time Director and payment of commission to Non-Executive Directors;

l) appointment of Auditors and the remuneration payable to them;

m) transfer and transmission of the Company's shares if any, issue and allotment of shares, buyback of shares, issue and delivery of share certificate(s) and duplicate share certificates wherever applicable;

n) declaration and payment of dividends;

o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;

p) investment of the Company's funds including inter-corporate loans, loans to others and investments wherever applicable;

q) the Company has an existing secured loan and during the year under review the Company has not filed any forms for creation, modification and satisfaction of charge;

r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;

s) Board's report;

t) contracts, common seal, registered office and publication of name of the Company; and

u) Generally, all other applicable provisions of the Act and the rules made under.

I further report that compliance by the Company of applicable financial laws such as direct and indirect taxation laws and maintenance of financial records and books of accounts are reviewed in a limited manner in this audit since the same have been subject to review under the statutory audit and by other designated professionals.

ANNEXURE TO THE BOARD'S REPORT

3. **I further report that**

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the year under review were carried out in compliance with the provisions of the Act.

   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 in accordance with Section 173(3) of the Act 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.

   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 including general rules like labour laws, Environmental laws, regulations and guidelines.

   All decisions at Board Meetings and Committee Meetings are carried out by requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.

4. **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.

5. **I further report that:**

   (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;

   (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, being independent and compliance with the Code of Business Conduct and Ethics for Directors and Management Personnel;

   (c) the Company has obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made thereunder, to the extent applicable; and

   (d) No prosecution was initiated by any statutory authorities and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and officers.

6. **I further report that** during the audit period

   i. BCP Topco IX Pte. Ltd. (Acquirer) had completed acquisition of 55.97% of the voting capital of the Company from Marble II Pte. Ltd. (Outgoing Promoter) on 10th August 2021 (the "Change of Control").

   ii. The Board had, vide its resolution No. 01/2021-2022 dated 10th August 2021 recorded the Change of Control.

   iii. The Board at its meeting held on 31st August 2021 approved the reappointment of Mr. Nitin Rakesh as Chief Executive Officer and appointment of Mr. Nitin Rakesh as Managing Director of the Company for a period of five years with effect from 1st October 2021 and the same was approved by the shareholders at the 30th Annual General Meeting held on 29th September 2021.

S.P.NAGARAJAN
Company Secretary
ACS Number : 10028
CP Number : 4738
UDIN : A010028D000234252
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400

Place: Bengaluru
Date : 28 April 2022

Note: *This report is to be read with my letter of even date which is annexed as 'Annexure -1' and forms an integral part of this report.*

As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 was conducted by using appropriate Information Technology tools by virtual data sharing by way of the Company's cloud-based server - 'Mike Portal' to access and examine relevant documents for completion of the audit.

ANNEXURE TO THE BOARD'S REPORT

Annexure -1

To,
The Members,
MPHASIS LIMITED
Bagmane World Technology Center,
Marathahalli Outer Ring Road,
Doddanakundi Village, Mahadevapura,
Bangalore-560048

CIN of Company: L30007KA1992PLC025294
Authorised Capital: ₹ 245,00,00,000/-

My Secretarial Audit Report for Financial Year ended on 31 March 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. 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.

S.P. NAGARAJAN
ACS:10028
CP: 4738

Place: Bangalore
Date: 28 April 2022

ANNEXURE TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 in accordance with section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
MSOURCE (INDIA) PRIVATE LIMITED
Bagmane World Technology Center, Marathahalli Outer Ring Road,
Doddanakundi Village, Mahadevapura,
Bengaluru-560048

CIN of Company : U72200KA2000PTC038931
Authorised Capital : ₹ 12,00,00,000/-

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MSOURCE (INDIA) PRIVATE LIMITED ("the Company"). 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, Registers, 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 conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2022 ('year under review') 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:

1. I have examined the books, papers, registers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

   i. The Companies Act, 2013 (the Act) and the rules made thereunder;

   ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Overseas Direct Investment;

   iii. The other laws to the extent applicable:

      a. The Information Technology Act, 2000 and the rules made thereunder
      b. The Special Economic Zones Act, 2005 and the rules made thereunder
      c. The Software Technology Parks of India rules and regulations made thereunder
      d. The Registration Act, 1908
      e. The Indian Stamp Act, 1899
      f. The Limitation Act, 1963
      g. The Indian Contract Act, 1872
      h. The Negotiable Instrument Act, 1881
      i. The Sale of Goods Act, 1930
      j. The Information Technology Act, 2000
      k. The Trade Marks Act, 1999
      l. The Patents Act, 1970
      m. The Copyright Act, 1957
      n. The Designs Act, 2000
      o. Income Tax Act, 1961

p. The Central Goods and Services Tax Act, 2017

q. The Environment Protection Act, 1986

r. The Trade Unions Act, 1926

s. The Weekly Holidays Act, 1942

t. The Telecom Regulatory Authority of India Act, 1997

u. The Insurance Act, 1938

v. General Clauses, 1897

w. Foreign Trade (Development And Regulation) Act, 1992

x. Employees' Provident Funds And Miscellaneous Provisions Act, 1952

y. Employees' State Insurance Act, 1948

z. Employees' State Insurance (Central) Rules, 1950

aa. Labour Laws including ESI Act, Employee's PF & Miscellaneous Provision Act, Payment of Bonus Act, Payment of Gratuity Act, Contract Labour Act, Employees Compensation Act, Equal Remuneration Act, Maternity Benefit Act, 1961

bb. Bureau of Indian Standards Act, 1986

cc. E-waste (Management and Handling) Rules, 2011

dd. The State Acts, rules, guidelines and regulations to the extent applicable to the Company based on the location of its offices across India.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.

   In my opinion and to the best of my information and according to the explanation given to me, I report that the Company has complied with all applicable Secretarial Standards issued by ICSI with respect to General and Board meetings in accordance with Section 173(3) of the Act.

   My examination of compliance by the Company with the applicable financial laws, including direct and indirect taxation laws are limited to extent of the compliance reporting made by the management to the Board of Directors of the Company. Further, for ascertaining compliance with applicable financial laws have relied on the Statutory Auditors of the Company.

   During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

2. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company: -

   I report that during the period under review, the Company has complied with the applicable provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

   I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the enabling provisions of the Memorandum and Articles of Association of the Company, wherever applicable with regard to:

   a) maintenance of various statutory registers and documents and making necessary entries therein;

   b) forms, returns, documents and resolutions required to be filed with the Registrar of Companies/Ministry of Corporate Affairs and the Central Government;

   c) service of documents by the Company on its Members, Auditors and the Registrar of Companies;

   d) notice of Board meetings of Directors;

   e) the meetings of Directors including passing of resolutions by circulation;

   f) the 21st Annual General Meeting held on 30th September 2021;

   g) minutes of proceedings of General Meeting and of the Board meetings;

   h) approvals of the Members, the Board of Directors and the government authorities, wherever required;

   i) constitution of the Board of Directors /appointment, retirement, regularization and re-appointment of Directors including the Executive Director/Whole-time Director, Key Managerial Personnel wherever applicable;

   j) payment of remuneration/commission to Directors, wherever applicable;

k) appointment of Auditors and the remuneration payable to them;

l) transfer and transmission of the Company's shares if any, issue and allotment of shares, buyback of shares, issue and delivery of share certificate(s) and duplicate share certificates wherever applicable;

m) investment of the Company's funds including inter-corporate loans, loans to others and investments wherever applicable;

n) the Company has availed no secured loans during the year under review and consequently there were no requirements with regard to creation, modification or satisfaction of charges;

o) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;

p) Board's report;

q) contracts, common seal, registered office and publication of name of the Company; and

r) generally, all other applicable provisions of the Act and the rules made under.

I further report that compliance by the Company of applicable financial laws such as direct and indirect taxation laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

3. **I further report that**

The Board of Directors of the Company is duly constituted. There were no changes in the composition of the Board of Directors during the year under review.

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 in accordance with Section 173(3) of the Act and in case of Board Meetings convened at shorter notice, the Company has complied with the provisions of the Act and rules made thereunder read with Secretarial Standard-1 (SS-1) on "Meetings of the Board of Directors. 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.

All decisions at Board Meetings were carried out by requisite majority as recorded in the minutes of the meetings of the Board of Directors as the case may be.

4. **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.

5. **I further report that:**

a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;

b) the Company has obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made thereunder, to the extent applicable; and

c) no prosecution was initiated by any statutory authorities and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and officers.

S.P.NAGARAJAN
Company Secretary
ACS Number : 10028
CP Number : 4738
UDIN : A010028D000234296
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400

Place: Bengaluru
Date : 28 April 2022

Note: *This report is to be read with my letter of even date which is annexed as 'Annexure -1' and forms an integral part of this report.*

As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 was conducted by using appropriate Information Technology tools by virtual data sharing by way of the Company's cloud-based server - 'Mike Portal' to access and examine relevant documents for completion of the audit.

ANNEXURE TO THE BOARD'S REPORT

Annexure -1

To,

The Members,
MSOURCE (INDIA) PRIVATE LIMITED
Bagmane World Technology Center, Marathahalli Outer Ring Road,
Doddanakundi Village, Mahadevapura,
Bangalore-560048

CIN of Company: U72200KA2000PTC038931
Authorised Capital: ₹ 12,00,00,000/-

My Secretarial Audit Report for Financial Year ended on 31 March 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. 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.

S.P. NAGARAJAN
ACS:10028
CP: 4738

Place: Bangalore
Date: 28 April 2022

ANNEXURE TO THE BOARD'S REPORT

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134(5) of the Companies Act, 2013, the directors confirm, and state as follows for the financial year ended 31 March 2022:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the directors had 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.
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the directors had prepared the annual accounts on a going concern basis;
5. That directors had devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively; and
6. That as regards Internal Financial Controls, the directors to the best of their knowledge and belief and according to the information and explanations provided, make the following statements:
    a) That they are responsible for establishing and maintaining internal financial controls to be followed by the Company that are adequate and operate effectively.

       The Company's internal financial controls are deployed through a framework that addresses material risks in your Company's operations and financial reporting objectives. The framework is a combination of entity level controls (including Enterprise Risk Management, Legal Compliance Framework, Internal audit and Anti-fraud Mechanisms such as Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), process level controls, information technology-based controls, period end financial reporting and closing controls.

       Internal financial controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

    b) The Company's management has carried out the evaluation of design and operating effectiveness of these controls and noted no significant deficiencies / material weaknesses that might impact the financial statements as at the balance sheet date.

For and on behalf of the Board of Directors

New Delhi, India
28 April 2022

D S Brar
Chairman

DECLARATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby confirmed that for the year ended 31 March 2022, the directors of Mphasis Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have also affirmed compliance with the Employee Code of Conduct as applicable to them.

New York, USA
28 April 2022

Nitin Rakesh
Chief Executive Officer and Managing Director

FORM AOC - 1

Statements containing salient features of the financial statement of subsidiaries / associate companies / joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rule, 2014)

(₹ Million)

Sl. No	Name of the subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital			Reserves & Surplus	Total assets	Total liabilities	Details of investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
					Equity	Preference	Total				(Other than in subsidiaries)		Profit / (Loss)	Expense / (Credit)	Profit / (Loss)		
1	Mphasis Corporation	01-04-2021 to 31-03-2022	USD	75.793	-	-	-	9,395.93	27,195.91	17,799.98	-	41,290.23	1,503.95	506.08	997.87	-	100
2	Mphasis Deutschland GmbH	01-04-2021 to 31-03-2022	EUR	84.220	2.23	-	2.23	(345.76)	369.35	712.88	-	296.28	(213.36)	(84.39)	(128.97)	-	91
3	Mphasis Australia Pty Limited	01-04-2021 to 31-03-2022	AUD	56.743	0.05	-	0.05	(125.42)	570.47	695.84	-	2,833.76	(132.96)	18.79	(151.75)	-	100
4	Mphasis (Shanghai) Software & Services Company Limited	01-01-2021 to 31-12-2021	CNY	11.938	238.76	-	238.76	(107.74)	288.37	157.35	-	368.74	(67.48)	(12.29)	(55.19)	-	100
5	Mphasis Consulting Limited	01-04-2021 to 31-03-2022	GBP	99.455	1.34	-	1.34	657.55	1,250.19	591.29	-	(0.18)	5.31	(3.26)	8.57	-	100
6	Mphasis Belgium BV	01-04-2021 to 31-03-2022	EUR	84.220	0.43	-	0.43	864.21	1,683.91	819.28	-	1,970.14	97.02	50.93	46.09	-	100
7	Mphasis Europe BV	01-04-2021 to 31-03-2022	EUR	84.220	477.01	-	477.01	11,301.65	12,137.62	358.97	-	823.67	37.73	7.84	29.89	-	100
8	Mphasis Pte Limited	01-04-2021 to 31-03-2022	SGD	55.970	152.86	-	152.86	586.23	1,005.18	266.10	-	828.01	54.26	10.85	43.41	-	100
9	Mphasis UK Limited	01-04-2021 to 31-03-2022	GBP	99.455	0.24	-	0.24	10,350.53	13,913.81	3,563.04	-	5,874.80	(303.12)	(114.55)	(188.57)	-	100
10	Mphasis Software and Services (India) Private Limited	01-04-2021 to 31-03-2022	INR	1.000	100.00	-	100.00	1,765.41	1,899.09	33.68	1,150.77	79.65	76.79	16.09	60.70	-	100
11	Msource Mauritius Inc.	01-04-2021 to 31-03-2022	USD	75.793	592.35	-	592.35	34.10	629.18	2.73	-	-	(0.83)	-	(0.83)	-	100
12	Msource (India) Private Limited	01-04-2021 to 31-03-2022	INR	1.000	66.85	-	66.85	9,832.33	10,828.05	928.87	8,195.59	1,503.36	161.35	31.77	129.58	-	100
13	Mphasis Ireland Limited	01-04-2021 to 31-03-2022	EUR	84.220	0.56	-	0.56	60.78	65.32	3.98	-	45.51	6.22	1.02	5.20	-	100
14	Mphasis Lanka (Private) Limited	01-04-2021 to 31-03-2022	LKR	0.262	55.49	-	55.49	(55.49)	-	-	-	-	-	-	-	-	100
15	Mphasis Infrastructure Services Inc.	01-04-2021 to 31-03-2022	USD	75.793	0.05	-	0.05	(1,462.58)	51.50	1,514.04	-	212.06	(37.09)	62.73	(99.82)	-	100
16	Mphasis Poland s.p.z.o.o.	01-04-2021 to 31-03-2022	PLN	18.111	1.99	-	1.99	(8.02)	119.38	125.42	-	128.01	(0.76)	1.46	(2.22)	-	100
17	PT. Mphasis Indonesia	01-04-2021 to 31-03-2022	IDR	0.005	4.60	-	4.60	(6.05)	0.12	1.57	-	(0.01)	(0.07)	-	(0.07)	-	100
18	Mphasis Wyde Inc.	01-04-2021 to 31-03-2022	USD	75.793	-	-	-	11,694.30	15,682.71	3,988.41	-	2,298.33	2,242.27	542.49	1,699.78	-	100
19	Wyde Corporation Inc.	01-04-2021 to 31-03-2022	USD	75.793	3.11	-	3.11	(975.20)	1,016.06	1,988.15	-	2,015.32	27.58	(32.57)	60.15	-	100
20	Mphasis Wyde SASU	01-04-2021 to 31-03-2022	EUR	84.220	2.53	-	2.53	(906.81)	553.67	1,457.96	-	708.43	(89.14)	-	(89.15)	-	100
21	Wyde Solutions Canada Inc.	01-04-2021 to 31-03-2022	CAD	60.490	0.05	-	0.05	(71.23)	21.47	92.65	-	131.54	44.48	8.90	35.58	-	100
22	Mphasis Philippines Inc	01-04-2021 to 31-03-2022	PHP	1.463	11.34	-	11.34	(6.13)	7.03	1.81	-	(0.08)	(6.81)	-	(6.81)	-	100
23	Digital Risk LLC	01-04-2021 to 31-03-2022	USD	75.793	942.62	-	942.62	(220.14)	4,544.65	3,822.17	-	9,088.11	3,247.01	-	3,247.01	-	100
24	Digital Risk Mortgage Services, LLC	01-04-2021 to 31-03-2022	USD	75.793	1,062.64	-	1,062.64	4,275.28	7,854.43	2,516.50	-	14,404.65	3,197.96	80.55	3,117.41	-	100
25	Investor Services, LLC	01-04-2021 to 31-03-2022	USD	75.793	-	-	-	744.83	744.83	-	-	-	(0.02)	-	(0.02)	-	100

ANNEXURE TO THE BOARD'S REPORT

Sl. No	Name of the subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital			Reserves & Surplus	Total assets	Total liabilities	Details of investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
					Equity	Preference	Total				(Other than in subsidiaries)		Profit / (Loss)	Expense / (Credit)	Profit / (Loss)		
26	Digital Risk Valuation Services, LLC	01-04-2021 to 31-03-2022	USD	75.793	-	-	-	(1,283.89)	5.75	1,289.64	-	0.00	(0.02)	-	(0.02)	-	100
27	Stelligent Systems, LLC	01-04-2021 to 31-03-2022	USD	75.793	-		-	(186.23)	373.54	559.77	-	820.21	(23.86)	(7.00)	(16.86)	-	100
28	Datalytyx Limited	01-04-2021 to 31-03-2022	GBP	99.455	14.37	-	14.37	125.55	762.00	622.08	-	942.24	(253.84)	(64.06)	(189.78)	-	100
29	Datalytyx MSS Limited	01-04-2021 to 31-03-2022	GBP	99.455	0.83	-	0.83	14.34	38.15	22.97	-	15.83	(0.74)	(0.50)	(0.24)	-	100
30	Dynamyx Limited	01-04-2021 to 31-03-2022	GBP	99.455	10.72	-	10.72	(2.12)	26.84	18.23	-	40.81	(17.07)	(3.32)	(13.75)	-	100
31	Blink Interactive, Inc	01-04-2021 to 31-03-2022	USD	75.793	183.23	-	183.23	268.93	1,668.65	1,216.49	-	1,720.07	54.99	(47.05)	102.04	-	100
32	Mphasis Solutions Services Corporation	01-04-2021 to 31-03-2022	USD	75.793	3.79	-	3.79	-	3.79	-	-	-	-	-	-	-	100
33	Mrald Limited	01-04-2021 to 31-03-2022	GBP	99.455	-	-	-	(0.02)	-	0.02	-	-	(0.02)	-	(0.02)	-	51
34	Mrald Services Limited	01-04-2021 to 31-03-2022	GBP	99.455	-	-	-	(46.35)	45.42	91.77	-	35.92	(46.62)	-	(46.62)	-	100
35	Mphasis Digi Information Technology Services (Shanghai) Limited	01-01-2021 to 31-12-2021	CNY	11.938	23.00	-	23.00	(1.01)	23.95	1.96	-	0.08	(1.87)	-	(1.87)	-	100
	Total				**3,953.04**	**-**	**3,953.04**	**56,161.76**	**1,05,380.40**	**45,265.60**	**9,346.36**	**88,475.50**	**9,561.23**	**970.51**	**8,590.72**	**-**	

Notes:

1 On 22 July 2013, the Board of Directors of Mphasis Lanka (Private) Limited, a wholly owned subsidiary of Mphasis Limited, resolved to close down its operations.

2 On 31 March 2017, the management of Digital Risk LLC resolved to close the operations of Digital Risk Europe, OOD.

3 On 16 April 2018, the shareholders of PT. Mphasis Indonesia resolved to dissolve and liquidate the entity.

4 On 26 May 2021, Mphasis Digi Information Technology Services (Shanghai) Limited was incorporated as a wholly owned subsidiary under Mphasis (Shanghai) Software & Services Company Limited.

5 On 23 December 2021, the Company through its wholly owned subsidiary, Mphasis Consulting Limited, entered into a business venture agreement with Ardonagh Services Limited ("Ardonagh"). Pursuant to this agreement, the Group owns 51% voting interest in Mrald Limited and the remaining voting interest is owned by Ardonagh. However, the Group is entitled to 100% economic benefits in Mrald Limited.

6 On 28 December 2021, Mphasis Solutions Services Corporation was incorporated as a wholly owned subsidiary under Mphasis Corporation. This entity is yet to commence its operation.

7 On 23 March 2022, the Board of Directors of Mphasis Corporation resolved to merge its wholly owned subsidiary, Mphasis Infrastructure Services Inc. with itself.

8 Exchange rate applied is at 31 March 2022.

9 There are no dividend proposed from any of the Subsidiaries.

10 The reporting period of the Subsidiaries is 31 March of every year except for Mphasis (Shanghai) Software & Services Company Limited and Mphasis Digi Information Technology Services (Shanghai) Limited, which is 31 December of every year.

For and on behalf of the Board of Directors

Nitin Rakesh
Chief Executive Officer and Managing director
New York, USA

Narayanan Kumar
Director
Chennai, India

Bengaluru
28 April 2022

Manish Dugar
Chief Financial Officer
New Delhi, India

Subramanian Narayan
Senior Vice President and Company Secretary
Bengaluru, India

ANNEXURE TO THE BOARD'S REPORT

DISCLOSURE UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Stock Options granted to employees of Mphasis Limited and its subsidiaries:

Particulars	ESOP 1998		ESOP 2016	RSU 2021
	Version I	Version II		
Date of Shareholders' Approval	31 July 1998		4 Nov 2016	29 Sep 2021
Total Number of Stock Options approved under the Plan	465,000 note 1		8,400,000	3,000,000
Vesting Requirements	Time Based Vesting			
Maximum term of Stock Options (refers to Exercise Period)	Until exercise	10 years	5 years	5 years
Source of shares (Primary, Secondary or Combination) *(Combination involves primary market issuance as well as transfer of shares acquired from secondary market to the extent such shares have been acquired).*	Primary			
Pricing formula	Refer table below Note 4			
Total number of Stock Options outstanding at the beginning of the year (i.e. 1 April 2021)	47,000	-	3,803,951	-
Number of Stock Options granted during the year	-	-	853,275	1,075,188
Number of Stock Options lapsed and forfeited during the year	-	-	91,243	38,370
No. of Stock Options vested during the year	-	-	873,210	-
No. of Stock Options exercised during the year	-	-	775,683	-
Total number of shares arising as a result of exercise of Stock Options	-	-	775,683	-
Money realized by exercise of options during the year (In ₹)	-	-	441,696,050	-
Number of Stock Options outstanding as at the end of the year (i.e. 31 March 2022)	47,000	-	3,790,300	1,036,818
Total number of options exercisable at the end of the year	47,000	-	2,420,910	-
Loan repaid by the Trust during the year from the exercise price received	NA			
Employee Wise details of Options granted to (a) Senior Managerial Personnel refer Note 2	Nil	Nil	423,408	532,993
(b) Other Employees, who were granted, during any one year, options amounting to 5% or more of options granted during the year refer Note 5	Nil			
(c) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (exceeding outstanding warrants and conversion) of the company at the time of grant.	Nil			
Valuation of Stock Options and their related impact on Profits and EPS	The Company computes Employee Compensation Cost using the fair value method of accounting except for Employee Stock Option 1998 Plan (ESOP 1998 Plan) wherein the Employee Compensation Cost is computed based on intrinsic value method. The differential value is Nil for the year ended 31 March 2022 if the fair value of the ESOPs were considered for ESOP 1998 Plan instead of the intrinsic value. Consequently, there is no impact on the Profits and Earnings Per Share (EPS) of the Company.			
Weighted Average exercise price and weighted average fair value of options during the year whose exercise price either equals or exceeds or is less than the market price (₹) during the year.	Refer to the additional disclosures given below refer Note 6			

Notes:

1. Refers to Options as approved by shareholders and accordingly excludes adjustment for Bonus Issues.
2. The term senior managerial personnel include officers and personnel considered as senior management as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The diluted EPS of Mphasis Group for the financial year ended 31 March 2022, pursuant to issue of shares on exercise of options, is ₹ 75.61 per share.

4. Pricing Formulae for the stock option/RSU schemes:

Schemes	Pricing Formulae /Exercise Price
ESOP 1998 (version I)	No options have been granted under this Scheme during the financial year 2021-22. Earlier, under this plan the options were granted at a strike price of ₹ 275 per share. The price of ₹ 275 was arrived at based on SEBI Guidelines on Pricing for Preferential Allotment.
ESOP 1998 (version II)	No options have been granted under this Scheme during the financial year 2021-22. Earlier, for employees in service as on 10 January 2000, the market price prevalent on the 15th day from the Board Meeting held on 10 January 2000 i.e. ₹ 795 per share and for all the recruits thereafter, market price prevalent on the date of joining, unless the ESOP Compensation Committee decides otherwise, was taken as the grant price. For options granted from September 2003, the grant price was calculated as per sub clause 10 of clause 2.1 of the amendment to SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, dated 30 June 2003, which was the average of the two weeks high and low price of share preceding the date of grant of option on the stock exchange on which the shares of the Company are listed.
ESOP 2016	During the year, 853,275 stock options have been granted at an exercise price of ₹ 3,397 per option under this plan. Each option entitles the holder thereof with an option to apply for and be issued one equity share of the Company. As per the ESOP 2016 Plan, the stock options are granted at the Market Price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee at the time of Grant.
RSU 2021	During the year, 1,075,188 Restricted Stock Units have been granted at an exercise price of ₹ 10 per RSU under this plan. Each RSU entitles the holder thereof with an option to apply for and be issued one equity share of the Company.

**The present SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 defines 'Market Price' as the "latest available closing price on a recognized stock exchange on which the shares of the company are listed on the date immediately prior to the relevant date".*

5. The Details of options/restricted stock units granted to Senior Managerial Personnel as on 31 March 2022 is as follows and there were no other employees who received grant of options equivalent to 5% or more of the total options granted during the financial year ended 31 March 2022.

Name	Designation	Total Options Granted under the ESOP 2016 and RSU 2021 Plan
Mr. Nitin Rakesh	CEO and Managing Director	The aggregate of stock options and RSUs granted to the senior managerial personnel is 956,401. The individual details of options/RSUs granted are not made available on account of the confidentiality restrictions on the Company with respect to each such grant, as well as such details being commercially and competitively sensitive, and would be made available to any shareholders who specifically requests for this information.
Mr. Elango R	President – North Americas – New Client Acquisition	
Mr. Manish Dugar	Chief Financial Officer	
Mr. Eric Winston	EVP, General Counsel and Chief Ethics and Compliance Officer	
Mr. Srikanth Karra	Chief Human Resources Officer	
Mr. Ravi Vasantraj	Global Delivery Head	
Mr. Ramanathan Srikumar	Chief Solutions Officer	
Mr. Rohith Jayachandran M K	SVP and Head – Strategic Accounts	
Mr. Anurag Bhatia	SVP and Head of Europe	
Ms. Veda Iyer	Global Chief Marketing Officer, And Head Hyper scalers & Strategic Partnerships, Head Sales– APAC	
Mr. Subramanian Narayan	SVP and Company Secretary	

Note: The stock units under Restricted Stock Units Plan 2021 were granted at ₹ 10 per RSU and stock options under Employee Stock Option Plan 2016 were granted at ₹ 3,397 per option.

ANNEXURE TO THE BOARD'S REPORT

6. ADDITIONAL DISCLOSURES

1) Weighted average exercise price and weighted average fair value of options:

(₹ Million)

Plan	Weighted Average Exercise Price (₹)	Weighted Average Fair Value (₹)
ESOP 1998 Version I	-	-
ESOP 1998 Version II	-	-
RSU 2021 Plan	-	-
ESOP 2016	569.43	2,817.05

Note: Stock Options issued under ESOP 1998 Version I and ESOP 1998 Version II and stock units issued under RSU 2021 Plan were not exercised during the financial year ended 31 March 2022. Accordingly, the Weighted Average Exercise Price and the Weighted Average Fair Value have not been provided.

2) Method and significant assumptions:

The Company has adopted the Black Scholes option pricing model to determine the fair value of stock options with the following significant assumptions:

Sno.	Particulars	Assumptions	
1	Risk free interest rate	6.34% to 6.36%	
2	Expected Option life	1 to 10 years	
3	Expected volatility	34.47% to 35.97%	
4	Expected dividend yield %	2.07%	
5	Market price on date of grant (Weighted Average value of share) (₹)	ESOP 1998 Version I	-
		ESOP 1998 Version II	-
		ESOP 2016	3,306.18
		RSU 2021	3,306.24
6	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	NA	
7	How expected volatility was determined, and explanation of the extent to which expected volatility was based on historical volatility.	Volatility based on daily closing price for last 12 months from the date of Grant	

Note: Stock Options issued under ESOP 1998 Version I and ESOP 1998 Version II and stock units issued under RSU 2021 Plan were not exercised during the financial year ended 31 March 2022.

DETAILS RELATED TO TRUSTS

i. General Information on all Schemes:

Name of the Trust	Details of the Trustee(s)	Amount of Loan disbursed by the Company during the year	Amount of loan outstanding (repayable to Company) as at the end of the year	Amount of loan, if any, taken from any other source for which company/any company in the group has provided any security or guarantee	Any other contribution made to the Trust during the year
Mphasis Employees Equity Reward Trust	Ms. Saraswathy Srikanth Mr. Kannan Sriraman Mr. K V Rama Kishore	Nil	Nil	Nil	Nil
Mphasis Employees Benefit Trust	Ms. Saraswathy Srikanth Mr. Kannan Sriraman Mr. K V Rama Kishore	Nil	Nil	Nil	Nil

ANNEXURE TO THE BOARD'S REPORT

ii. Brief details of transactions in shares by the Trust

Description	Mphasis Employees Equity Reward Trust	Mphasis Employees Benefit Trust
Number of shares held as at 1 April 2021	2,520	Nil
Number of shares acquired during the year through		
a. Primary Issuance	775,683	NIL
b. Secondary acquisition	Nil	Nil
- %age of paid-up share capital as at 31 March 2021	NA	NA
- Weighted Average cost of acquisition (₹)	NA	NA
Number of shares transferred to the employees against exercise of Stock Options/ Restricted Stock Units	775,683	NIL
Number of shares sold along with the purpose thereof	Nil	Nil
Number of shares held at 31 March 2022	2,520	Nil

iii. Disclosures in case of secondary acquisition of shares by the Trust: NIL

For and on behalf of the Board of Directors

New Delhi, India
28 April 2022

D S Brar
Chairman

ANNEXURE TO THE BOARD'S REPORT

FORM - AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

   (a) Name(s) of the related party and nature of relationship:

   Subsidiaries of Mphasis Limited.

   (b) Nature of contracts/arrangements/transactions:

   i. Availing and rendering of IT/ITES services;

   ii. Payment and Receipt of Sub-lease rent to/from subsidiaries; and

   iii. Contracts in relation to Placing and Receipt of Inter Corporate Deposits with/from the subsidiaries.

   (c) Duration of the contracts/arrangements/transactions:

   The services are availed and provided based on the agreements entered into and amended from time to time.

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

   The value of the transactions with the subsidiaries of the Company are disclosed under the Related Party schedule to the financial statements for the year ended 31 March 2022. Please refer to Note 33 of the consolidated financial statements and Note 31 of the standalone financial statements of the Company.

   (e) Date(s) of approval by the Board, if any:

   Nil as the contracts is in Ordinary Course of Business and at Arm's length basis

   (f) Amount paid as advances, if any:

   Please refer to related party schedule in the financial statements.

Note: The term material related party transaction is as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

New Delhi, India
28 April 2022

D S Brar
Chairman

CORPORATE GOVERNANCE

COMPANY'S POLICY ON CORPORATE GOVERNANCE

Governance at Mphasis encompasses structures, practices and processes adopted in every sphere of the Company's operations to provide long-term value to its stakeholders and are designed (reviewed and updated) to support and promote accountability, transparency and ethical behaviour. It is reflective of the core value system, which encompasses practices and relationships which the Company has with its stakeholders. Mphasis believes that responsible governance practices coupled with its next-gen solutions will be the core to create an enabling environment for the stakeholders to accelerate their digital transformation.

The Company, as a responsible corporate citizen, believes that the spirit of Corporate Governance stretches beyond statutory compliance to meet the ethical, legal, economic and social values, which are central to stakeholders' trust and confidence. While the letter of the law is paramount in all its activities, the spirit in which it is followed keeps in view the interests of the stakeholders, viz, shareholders, clients, employees, suppliers, society and regulatory bodies.

The Company has complied with the governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and presents the Corporate Governance Report for the financial year ended 31 March 2022.

I. BOARD OF DIRECTORS

Mphasis believes that an effective Board requires an optimum combination of professionals with a broad range of experience, diversity and independence. The primary responsibility of the Board is to provide effective governance over the Company's affairs and take care of the stakeholders' interest. The Company's business is conducted by its employees under the overall supervision of the Chief Executive Officer and Managing Director, who is assisted by a council of senior managerial personnel in different functions.

(a) Composition of the Board:

As of 31 March 2022, the Board comprised of twelve directors (including two woman independent directors) of which, one is an Executive Director, seven directors are nominated by BCP Topco IX Pte. Ltd., the Promoter (forming a part of the Blackstone Group of companies) and four are Independent Directors. The maximum tenure of the Independent Directors is as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Independent Directors have confirmed that they meets the criteria of independence as laid out under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto. As required under the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have registered themselves on the online data bank maintained by the Indian Institute of Corporate Affairs. Mr. Davinder Singh Brar, Mr. Narayanan Kumar and Ms. Maureen Anne Erasmus are exempted from the online proficiency self - assessment test and Ms. Jan Kathleen Hier has completed the test.

The Board confirms that in its opinion the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. It is further confirmed that none of the directors have been debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. The said affirmation is confirmed by the Practicing Company Secretary in the compliance certificate which is appended hereto.

(b) Board Procedure:

i. Meetings of the Board:

The Board meets at regular intervals with an annual calendar and formal schedule of matters specifically reserved for its consideration to ensure that the matters in relation to strategy, operations, governance, finance, risk and compliance are reviewed. The calendar of meetings on a rolling two-year basis is communicated to the directors in advance to ensure maximum participation. The Board is apprised on the performance of the Company and is provided with necessary information and presentations on matters concerning business, Industry, compliance and quarterly financials to ensure effective discharge of its responsibility. In addition to its meetings, the Board holds telecon meetings to discuss matters requiring immediate attention. The Directors of the Company, provide inputs to the management from their relevant fields of their knowledge and expertise, viz. information technology, technology consulting and operations, emerging areas of technology such as digital and cloud, other next gen technologies, business process outsourcing, finance, accounting, marketing and management sciences.

The important decisions taken at the meetings are promptly communicated to the respective functionaries for their action. Further, the action items, arising out of the decisions of the Board are followed up, reviewed and updated at the Board meeting.

The Chairmen/Chairperson of the respective Committees updates the Board regarding Committee meetings held since the date of the last Board meeting and records the recommendations. During the year under review, all the recommendations made by the Committees were accepted by the Board.

Primarily, the Board oversees and provides policy guidance on the business and affairs of Mphasis, while balancing the interests of different stakeholders. Among other things, the Board undertakes the following functions:

1. reviews and assesses the business and operational strategy and plans developed by management;
2. is responsible for CEO succession, evaluation and compensation;
3. satisfies itself that the Company is governed effectively in accordance with good corporate governance practices;
4. oversees the functioning of sub-committees of the Board;
5. monitors management performance and directs corrections;
6. balances the interests of different stakeholders;
7. reviews and assesses the risks facing Mphasis and management approach to address such risks;
8. oversees the reliability of external communications, especially to shareholders;
9. oversees the process for compliance with laws and regulations; and
10. monitors and reviews the Board Evaluation framework.

ii. Orientation for Directors:

The Company believes that it is pertinent for the Board members to know what is expected from them and equip them with necessary skills, materials and knowledge which aids in making informed decisions. Thoughtful and thorough orientation is key for the directors to leverage their full potential and enable them to contribute to the collective mindset of the Board and avoid wastage of opportunities.

A director orientation program begins when a person is appointed as a director and continues along his / her tenure. Upon appointment, a director is provided with a joining kit containing the charters of the Board and Committees, profiles of his/her colleagues on the Board and senior management, Board calendar etc. These details are also hosted on a secured electronic platform which is available for the Director's reference throughout his/her tenure. Also, in-depth details of the Company are provided to the new directors, covering organization history and current set up, business offerings, budgets, board culture and process, duties, responsibilities and liabilities, to list a few.

The orientation involves educating the directors on an on-going basis. The continued orientation program involves a review of the market units, update on changes in the competitive landscape, enterprise risk minimization overview and regulatory compliance. The directors step back and assist the senior management and provide effective guidance on select topic areas. This process provides an effective mechanism for the director to acquire specialized orientation. The Company conducts annual Board strategy meeting, which discusses topics inter-alia covering Company's strategies, Industry landscape, Investors and Customers perspective etc. which helps the director to orient himself/herself with the Industry, Company's operations, governance, strategy and perspective of stakeholders.

The adequacy perception of the orientation is ingrained into the Board evaluation parameters, which helps the Company to build the orientation process further. The orientation process is uploaded on the website at https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/governance/Mphasis%20-Orientation%20to%20Directors.pdf.

Further, at the time of the appointment of the Independent Directors, the Company issues a formal letter of appointment inter-alia setting out his/her roles, duties and responsibilities. The format of the appointment letter of the Independent Director is hosted on the website of the Company at www.mphasis.com under the Investors section.

During the year ended 31 March 2022, an onboarding session for the directors appointed during the year was conducted, wherein all the new directors appointed participated. The Independent Directors of the Board were familiarized on the business models, industry trends, leadership development and compliances in relation to the Company. As on 31 March 2022, the number of hours spent on the aforesaid activities aggregates to 4.5 hours except for Ms. Maureen Anne Erasmus, who had joined the board on 20 December 2021 and attended the orientation session for 2.5 hours. The cumulative hours spent by Independent Directors on the above programs, from 1 April 2016 to 31 March 2021 is 45.5 hours.

(c) Board Meetings held during the year, attendance of the Directors and details of the Directorships, Committee Membership/ Chairmanship:

During FY22, six meetings of the Board were held on 1 April 2021, 13 May 2021, 22 July 2021, 31 August 2021, 20 and 21 October 2021 and 20 January 2022. The details of the attendance at the meetings of the Board and the last Annual General Meeting, together with the particulars of other directorship, committee membership/chairmanship, are as follows:

- Present - Present on VC - Absent

Name and Category	Attendance During 2021-22			Other Directorship, Committee Membership / Chairmanship			
	Board Meetings		Attendance at the Last AGM	Other Director- ships (Director in Public Limited Companies)[1]	Independent Directorships in other Listed Companies	Committee Memberships [2]	Committee Chairmanships [2]
	Number of meetings held during tenure	No. of meetings attended					
Executive Director							
Mr. Nitin Rakesh Chief Executive Officer and Managing Director	6	6		1(1)	Nil	1	Nil
Independent Directors							
Mr. Davinder Singh Brar, Chairman	6	6		15(3)	3	7	2
Ms. Jan Kathleen Hier	6	6		Nil	Nil	1	Nil
Mr. Narayanan Kumar	6	6		11(6)	5	7	3
Ms. Maureen Anne Erasmus [refer note 4]	1	Nil	NA	Nil	Nil	Nil	Nil
Non-Executive Directors (Non-Independent Directors)							
Mr. David Lawrence Johnson	6	6		Nil	Nil	Nil	Nil
Mr. Amit Dixit	6	6		8(5)	Nil	1	Nil
Mr. Amit Dalmia	6	6		1(1)	Nil	2	Nil
Mr. Marshall Lux	6	6		Nil	Nil	Nil	Nil
Mr. Pankaj Sood [refer note 4]	1	1	NA	3(2)	Nil	1	Nil
Mr. Kabir Mathur [refer note 4]	1	1	NA	Nil	Nil	Nil	Nil
Ms. Courtney della Cava [refer note 4]	1	1	NA	Nil	Nil	Nil	Nil

Notes:

1. *Does not include directorships in foreign companies and membership in governing councils, chambers and other bodies.*
2. *Includes membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee of public limited companies, including Mphasis Limited.*
3. *There are no relationships inter-se directors as on 31 March 2022.*
4. *Appointed on the Board during the year effective 20 December 2021.*
5. *NA = Not Applicable.*

(d) Details of Other Directorships

None of the directors hold directorship in excess of the limits permitted under the law. Given below is the list of other Directorship of the directors in listed entities as of 31 March 2022.

- Independent Director - Whole time Director - Non-Independent Director

Name of the Companies	**Mr. Davinder Singh Brar** Chairman	**Mr. Nitin Rakesh** CEO and Managing Director	**Ms. Jan Kathleen Hier** Independent Director	**Mr. Narayanan Kumar** Independent Director	**Mr. David Lawrence Johnson** Non-Executive Director	**Mr. Marshall Lux** Non-Executive Director	**Mr. Amit Dixit** Non-Executive Director	**Mr. Amit Dalmia** Non-Executive Director	**Ms. Maureen Anne Erasmus** Independent Director	**Mr. Kabir Mathur** Non-Executive Director	**Mr. Pankaj Sood** Non-Executive Director	**Ms. Courtney della Cava** Non-Executive Director
Mphasis Limited	Independent Director	Whole time Director	Independent Director	Independent Director	Non-Independent Director	Non-Independent Director	Non-Independent Director	Non-Independent Director	Independent Director	Non-Independent Director	Non-Independent Director	Non-Independent Director
Maruti Suzuki India Limited	Independent Director											
Wockhardt Limited	Independent Director											
EPL Limited (formerly Essel Propack Limited)	Independent Director						Non-Independent Director					
Indus Towers Limited (formerly Bharti Infratel Limited)				Independent Director								
Entertainment Network (India) Limited				Independent Director								
Take Solutions Limited				Independent Director								
Larsen & Toubro Limited				Independent Director								
L&T Technology Services Limited				Independent Director								
SH Kelkar Company Limited								Non-Independent Director				
Jagran Prakashan Limited							Non-Independent Director					
Sona BLW Precision Forgings Limited							Non-Independent Director					

(e) Independent Directors Meeting:

In accordance with Section 149 read with Schedule IV to the Companies Act, 2013 ("the Act") and Listing Regulations, the Independent Directors of the Company meet without the presence of management to discuss the Company's operations and performance. During the year, the Independent Directors meeting have inter-alia:

1. Reviewed the performance of the Non-Independent Directors and Board as a whole;
2. Reviewed the performance of the Chairperson of the Board by other Independent Directors considering the views of Executive Director and Non-Executive Directors; and
3. Assessed the flow of information between the Management and the Board.

In addition to the above, a meeting of the Independent Directors Committee was also held to consider its written reasoned recommendations, pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, on the open offer made by BCP Topco IX Pte. Ltd. (the "Acquirer") together with Blackstone Capital Partners Asia NQ L.P. ("PAC 1"), and Blackstone Capital Partners (CYM) VIII AIV – F L.P. ("PAC 2") to acquire upto 26% of the total voting equity capital of the Company.

(f) Material Subsidiaries

In accordance with Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Jan Kathleen Hier, Independent Director of the Company, serves as a Director on the boards of unlisted material subsidiaries of the Company, viz, Mphasis Corporation, USA, Mphasis Wyde Inc., USA, Mphasis UK Limited, UK and Mphasis Europe BV, Netherlands, effective 1 April 2019.

(g) Board Skill Matrix

The Board of Directors had at its meeting held on 21 January 2021, approved a revised skill matrix as given below. The skill matrix sets out the skills which are required to be possessed by the Board of the Company. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is confirmed that the Board has the required skills defined in the matrix. The Directors appointed are drawn from diverse backgrounds and possess special skills, competence and expertise depending on the Industries/field they are associated with.

Board skill-set matrix	Description
Technology	Expert experience in the information technology business, technology consulting and operations, emerging areas of technology such as digital, cloud and cyber security, intellectual property and knowledge of technology trends.
Global Experience / Domain experience	• Knowledge and understanding of applicable key geographies. • Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory framework. • Business expertise in at least one of the Mphasis verticals.
Strategy	• Ability to critically assess the strategic opportunities and threats and guide the Company to develop effective strategies. • Experience in Mergers and Acquisitions transactions.
Functional and Managerial experience	Knowledge and skills in business judgment, general management practices and processes, crisis response and management, human resources, labour laws, sales and marketing.
Financial	Qualifications and experience in accounting and/or finance and the ability to: • analyze key financial statements; • assess financial viability and performance; • analyze the governance over financial reporting and disclosures; • critically assess the Internal Controls; • assess and provide guidance over Investments, borrowing and hedging approach of the Company.
Governance, Risk and Compliance	• Experience in the application of corporate governance principles and setting up corporate governance practices to support the Company's legal, risk and compliance systems and governance policies/practices and enhance the stakeholder values. • Ability to identify key risks associated with the operations of the Company including broad legal and regulatory frameworks and mitigation plans.
Leadership	• Leadership experience and skills including ability to set appropriate Board and Company culture. • Commitment to assisting executive management in strategic initiatives, board focus areas and challenging management assumptions. • Mentor the leadership team of the Company.

Based on the confirmation received from the directors on the skill matrix, the directors are mapped to the skill matrix as follows:

Board skill-set matrix	Details of Directors mapped to the skill sets
Technology	Mr. Davinder Singh Brar, Mr. Narayanan Kumar, Ms. Jan Kathleen Hier, Mr. Nitin Rakesh, Mr. David Lawrence Johnson, Mr. Marshall Lux, Mr. Amit Dixit and Mr. Amit Dalmia.
Global Experience /Domain experience	Mr. Davinder Singh Brar, Ms. Jan Kathleen Hier, Mr. Nitin Rakesh, Mr. Marshall Lux, Mr. Amit Dixit, Mr. Amit Dalmia, Mr. Kabir Mathur, Mr. Pankaj Sood, Ms. Courtney della Cava and Ms. Maureen Anne Erasmus.
Strategy	Mr. Davinder Singh Brar, Mr. Narayanan Kumar, Mr. Nitin Rakesh, Mr. David Lawrence Johnson, Mr. Marshall Lux, Mr. Amit Dixit, Mr. Amit Dalmia, Mr. Kabir Mathur, Mr. Pankaj Sood, Ms. Courtney della Cava and Ms. Maureen Anne Erasmus.
Functional and Managerial experience	All Directors
Financial	Mr. Davinder Singh Brar, Mr. Narayanan Kumar, Ms. Jan Kathleen Hier, Mr. Nitin Rakesh, Mr. David Lawrence Johnson, Mr. Marshall Lux, Mr. Amit Dixit, Mr. Amit Dalmia, Mr. Kabir Mathur, Mr. Pankaj Sood, and Ms. Maureen Anne Erasmus.
Governance, Risk and Compliance	All Directors
Leadership	All Directors

CORPORATE GOVERNANCE

II. COMMITTEES

(a) Audit Committee

The primary function of the Audit Committee, as per its Charter, is to provide assistance to the Board of Directors in fulfilling their responsibilities to the shareholders and others, inter-alia, relating to:

- overseeing the processes of ensuring the integrity of the Company's financial statements;
- overseeing the processes for compliance with laws and regulations;
- overseeing the process by which anonymous complaints pertaining to financial or commercial matters are received and acted upon;
- reviewing the process for entering into related party transactions and disclosures relating thereto;
- satisfying itself regarding the conformance of CEO's remuneration, expense reimbursements and use of Company assets in terms of his employment and Company's rules and policies;
- evaluating the internal financial controls and risk management systems;
- overseeing the process of inter-corporate transactions and scrutinizing the inter-corporate loans and investments;
- reviewing the utilization of loans, and/or advances to the subsidiaries, investments in the subsidiaries exceeding ₹ 100 crores or 10% of the asset size of the respective subsidiary, whichever is lower; and
- approving the appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.

During the year ended 31 March 2022, six meetings of the Audit Committee were held on 13 May 2021, 21 July 2021, 31 August 2021, 20 October 2021, 17 November 2021 and 19 January 2022. The composition of the Committee and the attendance of the members at each of the meetings held during the year ended 31 March 2022 are given below:

- Present - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Narayanan Kumar, Chairman	Present, Present, Present, Present, Present, Present	Present, Present, Present, Present, Present, Present
Mr. Davinder Singh Brar	Present, Present, Present, Present, Present, Present	Present, Present, Present, Present, Present, Present
Ms. Jan Kathleen Hier	Present, Present, Present, Present, Present, Present	Present, Present, Present, Present, Present, Present
Mr. Amit Dixit	Present, Present, Present, Present, Present, Present	Present, Absent, Present, Present, Present, Present

Note: the attendance of the members is reported in the chronology of the meetings.

(b) Share Transfer Committee

In order to expedite the requests of the shareholders, in connection with transfers, demat and other related processes, the Board constituted a Share Transfer Committee. The Share Transfer Committee of the Board is authorized inter-alia to approve physical transfers/transmissions/ transpositions/dematerialization/re-materialization requests, issue of duplicate share certificates, issue of fresh share certificates, release of stop transfer cases etc.

The present composition of the Committee is as follows:

Mr. Nitin Rakesh	-	Chairman
Mr. Davinder Singh Brar	-	Member
Mr. Amit Dalmia	-	Member

During the year ended 31 March 2022, the Share Transfer Committee passed resolutions on 1 April 2021, 5 August 2021, 15 September 2021 and 30 March 2022, for approval of transfer of equity shares to Investor Education and Protection Fund, transfer of shares pursuant to open offer made by Blackstone Group and issue of a duplicate share certificate.

In terms of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, request for effecting transfer of shares is not processed unless such shares are held in the dematerialized form. Further the requests for transmission, transposition, issue of duplicate share certificates etc. are processed only in dematerialized form. The Company ensures that the transmission of shares and other requests are effected within the statutory time of their due lodgment. The Company has appointed Integrated Registry Management Services Private Limited, a SEBI registered Share Registrar and Transfer Agent, as its Share Transfer Agent.

(c) Nomination and Remuneration Committee

i. Brief description of terms of reference of the Committee, composition and attendance:

In order to oversee the functioning of the compensation and Benefit Plans and to provide for fair and transparent nomination process for the directors, the Board of Directors of the Company have constituted a Nomination and Remuneration Committee.

The primary function of the Nomination and Remuneration Committee is to provide assistance to the Board of Directors in fulfilling its responsibility with respect to oversight of the establishment, administration and appropriate functioning of compensation and benefit plans, related matters and to review and recommend to the Board, the appointment and removal of the Directors and Key Managerial Personnel.

The Committee meets based on the business to be transacted. During the year ended 31 March 2022, three meetings of the Nomination and Remuneration Committee were held on 5 May 2021, 31 August 2021 and 21 October 2021. The composition of the Committee and the attendance at each of the meetings held during the year ended 31 March 2022 are given below:

👤 - Present 👤 - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Ms. Jan Kathleen Hier, Chairperson	👤 👤 👤	👤 👤 👤
Mr. Davinder Singh Brar	👤 👤 👤	👤 👤 👤
Mr. Amit Dixit	👤 👤 👤	👤 👤 👤
Mr. David Lawrence Johnson*	👤 👤 👤	👤 👤 👤

Notes:

(1) The attendance of the members is reported in the chronology of the meetings.

(2) Mr. David Lawrence Johnson ceased a member of the Committee effective 20 December 2021.*

ii. Remuneration Policy

The remuneration policy of the Directors is aligned towards rewarding participation in meetings and is in consonance with industry benchmarks and provisions of the law. The objective of the policy is to attract and retain excellent talent while delivering optimal value to the business. The executive remuneration policy is aligned with an objective to recognize the need to be competitive in the industry by ensuring fair and reasonable rewards for high levels of performance. The remuneration policy is uploaded on the website of the Company in the Investors section under the Corporate Governance page. The key points of the remuneration policy for the directors and executives are given below:

(a) Non-Executive Directors

The Company pays commission to its Non-Executive Directors and Independent Directors as per the remuneration matrix approved by the shareholders of the Company. The amount of such commission, taken together for all Non-Executive Directors and Independent Directors, does not exceed 1% of the net profits of the Company in any financial year.

The remuneration matrix for the Non-Executive Directors for FY22 is set out below:

Particulars	Factor	Max Remuneration (₹ Lacs)
Fixed Remuneration	Flat Fee p.a.	44.00
Variable Remuneration determined based on the following:		
– Board Chairmanship	Flat Fee p.a.	10.00
– Board Meeting Attendance	Per Meeting	0.75
– General Body Meeting Attendance	Per Meeting	0.50
– Audit Chairmanship	Flat Fee p.a.	5.00
– Audit Membership	Per Meeting	0.40
– Nomination and Remuneration Committee Chairmanship	Flat Fee p.a.	1.00
– Nomination and Remuneration Committee Membership Attendance	Per Meeting	0.25
– Strategy Committee Chairmanship	Flat Fee p.a.	1.00
– Strategy Committee Membership Attendance	Per Meeting	0.25

Note: The portions of the remuneration denominated as "Per Meeting" are applicable in respect of the meetings actually held and participated by the Non-Executive Directors and Independent Directors which is statutorily counted for quorum.

None of the directors were paid any sitting fees for attending the meetings of the Board and Committees thereof on which they are members. There was no pecuniary relationship or transaction with any director other than that reported under this section.

The Company's Non-Executive Directors are professionals with extensive expertise and experience in functional areas such as technology, innovation, strategy, financial, governance, amongst others. The directors have been steering the Company's strategy and have made indispensable contribution to the success of the Company. Increase in the complexities of technology business coupled with enhanced regulatory and governance responsibilities for the Board requires additional time and devotion of the directors to the Company. In view of the foregoing, based on a remuneration benchmarking study, the Board of Directors, in its meeting held on 28 April 2022, approved an increase in the fixed remuneration from ₹ 44 lakhs per annum to ₹ 60 lakhs per annum effective 1 April 2022. The increase is within 1% of net profits of the Company, which was approved by the members at the Annual General Meeting held on 4 November 2016.

(b) Executive Director

Mr. Nitin Rakesh is the Chief Executive Officer and Managing Director ((hereinafter referred to as Executive Director)) of the Company. During the year under review, Board of Directors in its meeting held on 31 August 2021, on the recommendation of the Nomination and Remuneration Committee, approved re-appointment of Mr. Nitin Rakesh as the Chief Executive Officer (CEO) and appointment as the Managing Director of the Company, effective 1 October 2021, for a period of 5 (five) years including terms and conditions thereof (the "Re-appointment"). The Re-appointment was also approved by the members at the 30th Annual General Meeting held on 29 September 2021.

The Board of Directors / Nomination and Remuneration Committee of Board is authorized to decide the remuneration of the Executive Director, subject to the approval of the members. The remuneration structure comprises of Salary, Perquisites, Retirement benefits, Variable Pay and Equity based compensation. Annual increments are decided by the Nomination and Remuneration Committee within the limits approved by the members of the Company.

The variable-pay compensation and equity-based compensation constitute remuneration other than the fixed pay. Variable pay is computed on the basis of specific targets set for the Executive Director every year which is linked to the Company's performance. Variable pay is payable to the Executive Director on the achievement of the said targets and is paid as per the agreement entered with such Executive Director. The equity-based compensation will be in accordance with the stock options/ restricted stock units plan of the Company, which aligns with the long-term interests of the Company and stakeholders.

(c) Other Employees

The Company's executive remuneration policy for other senior executives including the Key Managerial Personnel, is guided by the Mphasis Compensation and Benefits Manual. The Policy is aligned with an objective to recognize the need to be competitive in the Industry by ensuring fair and reasonable rewards for high levels of performance, enabling stable leadership and governance in the Company. The remuneration policy aims to attract, retain and motivate skilled executives keeping in mind the short term and long-term objectives of the Investors. The remuneration of executives comprises of fixed and variable compensation and equity-based compensation in the form of Restricted Stock Units and Stock Options in order to align with the long-term interests of the Company and stakeholders.

The remuneration policy for the executives is hosted on the website of the Company at www.mphasis.com in the Investors section.

iii. Details of Remuneration to the Directors for the year 2021-22:

(₹ million)

Name of Director	Salary[2]	Bonus	Benefits / Perquisite	Commission	Total
Mr. Nitin Rakesh	112.12	-	239.28	-	351.40
Mr. Davinder Singh Brar	-	-	-	6.22	6.22
Mr. Narayanan Kumar	-	-	-	5.64	5.64
Ms. Jan Kathleen Hier	-	-	-	5.32	5.32
Mr. David Lawrence Johnson	-	-	-	4.98	4.98
Mr. Marshall Lux[3]	-	-	-	4.90	4.90
Mr. Amit Dixit	-	-	-	-	-
Mr. Amit Dalmia	-	-	-	-	-
Ms. Maureen Anne Erasmus[4]	-	-	-	1.24	1.24
Mr. Kabir Mathur	-	-	-	-	-
Mr. Pankaj Sood	-	-	-	-	-
Ms. Courtney della Cava	-	-	-	-	-
Total	**112.12**	**-**	**239.28**	**28.30**	**379.70**

Notes:

(1) There is no provident fund contributed for Mr. Nitin Rakesh.

(2) Represents remuneration paid from Mphasis Corporation, wholly owned Subsidiary of the Company, for the year ended 31 March 2022, pursuant to secondment of Mr. Nitin Rakesh to Mphasis Corporation..

(3) Excludes ₹ 7.08 million paid from Mphasis Corporation, wholly owned subsidiary of the Company, to Mr. Marshall Lux in terms of exercise of incentive units granted to him pursuant to the independent contractor agreement entered with him by Mphasis Corporation.

(4) The remuneration paid to Ms. Maureen Anne Erasmus is effective 20 December 2021.

Mr. Nitin Rakesh employment with the Company may be immediately terminated by the Company at any time upon delivery of written notice to him, without prior notice or pay in lieu of notice, in the event of "Dismissal for Cause" (as such term is defined in the employment agreement).

In addition, the Employee's employment with the Company may be terminated by the Company as a "Dismissal for Convenience" (as such term is defined in the employment agreement), without prior notice or pay in lieu of notice, effective on the date on which the written notice of termination has been issued by the Company (or such later date as may be set forth in the termination notice).

Mr. Nitin Rakesh may terminate his employment with the Company at any time by serving a written notice of resignation to the Company, which resignation will not be effective until the expiry of 90 (ninety) days from the date of such resignation notice.

The severance fees will be as per the employment agreement entered with Mr. Nitin Rakesh on 27 September 2021.

Mr. Nitin Rakesh, CEO and Managing Director, exercised 131,000 shares on 4 February 2022 and holds 11,22,226 stock options under the Employee Stock Option Plan 2016. In terms of the scheme, upon exercise, each of the stock options is eligible for issuance of one equity share of ₹ 10 each.

In addition, Mr. Nitin Rakesh holds 345,196 RSUs under Restricted Stock Units Plan 2021. In terms of the scheme, upon exercise, each of the stock unit is eligible for issuance of one equity share of ₹ 10 each.

The Independent Directors of the Company are not eligible for any stock options and none of the other non-executive directors were granted any stock options of Mphasis Limited during the year ended 31 March 2022.

Mr. Marshall Lux, Non-Executive Director, held 50,000 stock-based incentive units of Mphasis Corporation ("Units"), a wholly owned subsidiary of the Company, which were granted on 11 October 2016. The incentive units vested over 5 equal tranches and could be exercised any time upto 6 months from the date of termination by either party. The amount to be paid by Mphasis

Corporation, upon exercise of the Incentive Units will be the difference between ₹ 544.50 (being the market price of the Company's shares on the date of signing of the contract) and price of the Company's shares as at the date of exercise of the incentive units. During the year, Mr. Marshall lux exercised 2,500 Units and was paid ₹ 7.08 million (US$ 93,430) towards the same. Mr. Marshall Lux has advised the Company that he will not exercise 40,000 Units, which vested after his appointment as a director of the Company and has waived his rights thereunder. Accordingly, as at the date Mr. Marshall Lux holds 7,500 Units, which could be exercised further.

v. Remuneration Report

The remuneration to the employees and directors is paid as per the Remuneration Policy of the Company. The following is a report on the Remuneration for the year ended 31 March 2022:

Remuneration to Non-Executive Directors

Name of the Director	Remuneration (₹ Million)		Ratio of Remuneration
	2021-22	MR (in times)	NP (in %)
Mr. Davinder Singh Brar	6.22	8	0.04
Mr. Narayanan Kumar	5.64	8	0.04
Ms. Jan Kathleen Hier	5.32	7	0.04
Mr. David Lawrence Johnson	4.98	7	0.03
Mr. Marshall Lux	4.90	7	0.03
Ms. Maureen Anne Erasmus [Refer note 4]	1.24	7	0.03
Mr. Kabir Mathur	-	-	-
Mr. Pankaj Sood	-	-	-
Ms. Courtney della Cava	-	-	-

Notes:

1. *MR = Median Remuneration, NP = consolidated Net Profit.*
2. *As per the remuneration policy, the Independent directors are not eligible for Stock Options of the Company.*
3. *No other non-executive and Independent directors were paid any remuneration.*
4. *The ratio of remuneration is calculated based on annualized remuneration.*

Remuneration to Key Managerial Personnel (KMPs) as at 31 March 2022:

Name of the KMP	Remuneration (₹ Million)		Ratio of Remuneration	
	2021-22 (₹ Million)	% Increase	MR (in times)	NP (in %)
Mr. Nitin Rakesh, CEO and Managing Director [Refer Note 4]	351.40	28	476	2.46
Mr. Manish Dugar, Chief Financial Officer	44.96	6.67	61	0.31
Mr. Subramanian Narayan, Company Secretary	8.17	16.61	11	0.06

Notes:

1. *MR = Median Remuneration, NP= Consolidated Net Profit.*
2. *Remuneration is calculated as per Section 197 of the Companies Act, 2013.*
3. *The variable component of the Salary of CEO is linked to the performance targets for the overall Mphasis Group in terms of Revenue and EPS, and for other employees, the Company has a defined performance targets linked to the consolidated Statement of Profit and Loss account, in addition to their performance.*
4. *The remuneration of Mr. Nitin Rakesh represents remuneration paid from Mphasis Corporation, wholly owned subsidiary of the Company, for the year ended 31 March 2022, pursuant to his secondment to Mphasis Corporation.*

During the year, in line with the industry standards, key talent retentions and to remain competitive in the marketplace, the Company had awarded 9% increase in the remuneration of the employees. The details of increment given to Key Managerial Personnel have been disclosed above. The median remuneration of employees increased by 9% during the year. There are no employees receiving remuneration in excess of remuneration received by the CEO and Managing Director of the Company. As at 31 March 2022, there were 14,098 permanent employees on the rolls of the Company. The Company pays remuneration in accordance with its remuneration policy.

vi. Details of shares held by the Directors

As on 31 March 2022, Mr. Davinder Singh Brar, Chairman, holds 28 equity shares of the Company. None of the other directors hold any equity shares in the Company.

vii. Board Assessment

Performance assessment of the Board involves directors undertaking a critical review as a collective body, identifying Board's strengths and weaknesses and is initiated towards enhancement of the Board's performance. The assessment is carried annually by means of a structured questionnaire with rankings.

During the year, the performance evaluation of Independent Directors, was carried out by the entire Board (wherein the Independent Director being evaluated did not participate) based on the framework recommended by the Nomination and Remuneration Committee. The criteria included evaluation of the Board Culture, Sub-committees, Board Management, evaluation of directors' abilities in terms of understanding the Business of the Company, engaging with the management, participation at the meetings, evaluation of their skills-sets to the Board skill matrix etc. The criteria for evaluation of Independent Directors inter-alia included evaluation of fulfilment of Independence criteria and their evaluation of independence from the management. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors.

viii. Board Diversity

Diversity is intrinsically woven into the philosophy of Mphasis. The Company has always been committed to ensure that the workplace is free from any form of discrimination based on gender, age, race, religion, disability or sexual orientation. Mphasis respects each of its stakeholders associated with it and values their differences. The Board of the Company has adopted a Board Diversity Policy as per the requirements of law with an emphasis to recognize inclusion of woman director on the Board.

All Board appointments are based on meritocracy and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board. The Board Diversity Policy has been uploaded on the website of the Company at https://www.mphasis.com/content/dam/mphasis-com/global/en/investors/governance/Board%20Diversity%20Policy.pdf in the Investors section.

Ms. Jan Kathleen Hier (DIN: 07360483) and Ms. Maureen Anne Erasmus (DIN: 09419036), Independent Directors and Ms. Courtney della Cava (DIN: 09380419), Non-Executive Director, are the woman Directors on the Board of the Company.

(d) CSR Committee

As required under Section 135 of the Companies Act, 2013, the Board of Directors have constituted a CSR Committee. The primary function of the committee is to assist the Board of Directors in formulating a Corporate Social Responsibility (CSR) Policy and review its implementation and progress from time to time.

During the year ended 31 March 2022, three meetings of the CSR Committee were held on 5 May 2021, 26 October 2021 and 19 January 2022.

The composition of the Committee and the attendance of the members at each of the meetings held during the year ended 31 March 2022 are given below:

- Present - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Narayanan Kumar, Chairman	Present Present Present	Present Present Present
Mr. Davinder Singh Brar	Present Present Present	Present Present Present
Mr. Nitin Rakesh	Present Present Present	Present Present Present
Mr. Amit Dalmia	Present Present Present	Present Absent Present

Note: the attendance of the members is reported in the chronology of the meetings.

(e) ESOP Compensation Committee

The Board of Directors of the Company has constituted an ESOP Compensation Committee in line with the requirements of the applicable SEBI Regulations.

During the year ended 31 March 2022, the ESOP Compensation Committee has, on a periodic basis, approved exercise of 775,683 equity shares of ₹10 each under various Employee Stock Options Scheme, ESOP 2016 Plan in force. The said shares have been duly credited to the employees and have been listed with the Stock Exchanges.

The primary function of the Committee is to administer Stock Option Plans and Restricted Stock Units of the Company including the grants made thereunder. The present composition of the Committee is as below:

Mr. Narayanan Kumar	-	Chairman
Mr. Davinder Singh Brar	-	Member
Mr. Amit Dixit	-	Member

During the year, the Committee approved a grant of 853,275 and 1,075,188 stock options under Employees Stock Option Plan 2016 and Restricted Stock Unit Plan-2021 (RSU Plan 2021) respectively.

(f) Stakeholders Relationship Committee

The Company attaches paramount importance to the investor relations and is committed on redressal of grievances such as non-receipt of balance sheet, non-receipt of dividends and other investor related grievances on a timely manner.

The responsibilities of the Committee are as follows:

a. oversee the resolution of the grievances of the shareholders, debenture-holders and other security-holders including the grievances relating to transfer/transmission of shares, non-receipt of annual reports, non-receipt of dividends, issue of new/duplicate share certificates, General Meetings etc.;

b. review measures taken for effective exercise of voting rights by the Shareholders;

c. review the adherence to the service standards adopted by the Company in respect of services rendered by the Registrars and Share Transfer Agent; and

d. review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and measures taken for ensuring timely receipt of dividend warrants, annual reports, statutory notices by the shareholders of the Company.

The details of the correspondence with the shareholders including the details of the Investor Grievances, if any, are placed before the Committee members on a monthly basis.

The status of Investor Complaints during the year ended 31 March 2022, is as under:

Complaints as on 1 April 2021	Nil
Complaints received during the year	3
Complaints resolved during the year	3
Complaints pending as on 31 March 2022	Nil

Note: The Company has not received any grievances in respect of the resolved Investor Complaints.

During the year ended 31 March 2022, a meeting of the Stakeholders Relationship Committee was held on 26 October 2021. The present composition of the Committee and the attendance of the members at the meeting held during the year ended 31 March 2022 are given below:

- Present - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Davinder Singh Brar, Chairman	Present	Present
Mr. Nitin Rakesh	Present	Present
Mr. Amit Dalmia	Present	Absent

Name, Designation and Address of the Compliance Officer

Mr. Subramanian Narayan
Senior Vice President and Company Secretary,
Mphasis Limited
Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village,
Mahadevapura, Bengaluru - 560048.

(g) Treasury and Operations Committee

The Board has constituted a "Treasury and Operations Committee" considering the desired focus on the treasury and business operations. The powers and functions of the Committee include, oversight of liquidity management and banking operations, forex risk management, investment portfolio/interest rate risk management, approval for capital expenditure/hardware resale and settlement of legal cases beyond certain limits.

During the year ended 31 March 2022, meetings of the Committee were held on 5 May 2021 and 26 October 2021.

The present composition of the Committee and the attendance of the members at each of the meetings held during the year ended 31 March 2022 are given below:

- Present - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Davinder Singh Brar, Chairman	Present Present	Present Present
Mr. Nitin Rakesh	Present Present	Present Present
Mr. Amit Dalmia	Present Present	Present Absent

Note: the attendance of the members is reported in the chronology of the meetings.

(h) Strategy Committee

The primary function of the Committee is to oversee the Company's strategic planning process, review and advice on strategic proposals, evaluate potentials for the growth opportunities of the Company etc. and make appropriate recommendations to the Board. During the year, there was no meeting of the Strategy Committee held.

The present composition of the Committee is as follows:

Mr. Davinder Singh Brar	-	Member
Mr. Nitin Rakesh	-	Member
Ms. Jan Kathleen Hier	-	Member
Mr. David Lawrence Johnson	-	Member
Mr. Amit Dixit	-	Member
Mr. Marshall Lux	-	Member

(i) Risk Governance and Management Committee

The Board has constituted a Risk Governance and Management Committee (RGMC) with a primary function to review and approve annually, an Enterprise Risk Management framework (ERM Framework), review and recommend changes to the approved ERM Framework, evaluate the significant risk exposures to the Company and review the management actions to mitigate such risks, evaluate the Cyber – Security preparedness of the Company. During the year ended 31 March 2022, meetings of the Committee were held on 5 May 2021 and 26 October 2021.

The present composition of the Committee is as below:

Mr. Amit Dalmia	–	Chairman
Mr. Narayanan Kumar	–	Member
Mr. Nitin Rakesh	–	Member
Mr. David Lawrence Johnson	–	Member
Mr. Marshall Lux	–	Member
Mr. Manish Dugar	–	Member
Chief Financial Officer		
Mr. Eric Winston	-	Member
EVP, General Counsel, Chief Ethics and Compliance Officer		

The present composition of the Committee and the attendance of the members at each of the meetings held during the year ended 31 March 2022 are given below:

- Present - Absent

Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Amit Dalmia, Chairman	Present Present	Present Absent
Mr. Narayanan Kumar	Present Present	Present Present
Mr. Nitin Rakesh	Present Present	Present Present
Mr. David Lawrence Johnson	Present Present	Present Present
Mr. Marshall Lux	Present Present	Present Present
Mr. Manish Dugar	Present Present	Present Present
Mr. Eric Winston	Present Present	Present Present

III. MEETINGS OF THE SHAREHOLDERS

(a) Location and time of last three AGMs:

Following is the summary of the last three Annual General Meetings (AGM) of the Company:

AGM	Date and Time	Venue
Twenty eighth Annual General Meeting	25 July 2019 10:30 AM	Taj MG Road, 41/3, Mahatma Gandhi Road, Bengaluru 560001, Karnataka.
Twenty ninth Annual General Meeting (conducted through Video Conference)	23 July 2020 09:00 AM	Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560048, Karnataka.
Thirtieth Annual General Meeting (conducted through Video Conference)	29 September 2021 09:00 AM	Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560048, Karnataka.

(b) Special resolutions transacted at the Annual General Meetings held in the last three years:

Date of AGM	Special Resolutions transacted
25 July 2019	• Re-appointment of Mr. Davinder Singh Brar as an Independent Director
23 July 2020	• Re-appointment of Ms. Jan Kathleen Hier as an Independent Director • Amendments to Employee Stock Option Plan 2016 (ESOP 2016) • Extending benefits of amendments to ESOP 2016 to the eligible employees of the subsidiary companies
29 September 2021	• Approval for RSU Plan 2021 • Extension of RSU Plan 2021 to the subsidiary company employees

(c) Special resolutions transacted through Postal Ballot last year:

During the year, no special resolution was transacted through Postal Ballot.

IV. DISCLOSURES

There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The details of applicable related party transactions are filed with the stock exchanges every quarter. Related party transactions are reported in the financial statements of the Company. The Board of Directors of the Company has approved a Policy on the materiality of related party transactions which is hosted on the website of the Company in the Investors section under the Corporate Governance page. The Audit Committee of the Board has delegated the powers to approve the routine non-material related party transactions as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 severally to the Chief Executive Officer and Chief Financial Officer and the details of such transactions are placed before the Committee on a quarterly basis.

The code of conduct of the Board of Directors and senior management has also been disclosed on the website.

No penalty has been imposed on the Company on any matter relating to Capital Markets by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority from the date of inception of the Company.

At Mphasis, we have a free and fair channel of communication for concerns about integrity, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

The objective of the Whistleblower Policy is to provide anyone observing an illegal or unethical practice within the organization, secure means to raise that concern, without fear of retaliation. All companies of the Mphasis Group and people associated with the Company viz., Customers, Vendors etc. can raise such concerns through written complaints deposited in drop-boxes at any of our offices, through emails or through the whistleblower hotline numbers. The Audit Committee Chairman is the Whistleblower Ombudsperson.

The Company has complied with all mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required under the provisions of the law, the following disclosures are uploaded on the website of the Company at https://www.mphasis.com/home/corporate/investors.html. Investors are encouraged to visit the website of the Company to access such documents:

1. Quarterly Shareholding Pattern
2. Disclosures of Voting Results
3. Format of letter of appointment /re-appointment of Independent Directors
4. Mphasis Related Party Policy
5. Corporate Social Responsibility Policy
6. Board Diversity Policy
7. Policy on material subsidiaries
8. Code of Conduct for Prevention of Insider Trading
9. Code of Conduct for Directors and employees of the Company
10. Orientation process for the Directors
11. Remuneration Policy for executives and directors
12. Correspondence with Stock Exchanges

13. Dividend Distribution Policy
14. Document Retention and Archival Policy
15. Policy for fair disclosure of UPSI
16. Mphasis Prevention of Sexual Harassment (POSH) Policy
17. Mphasis IP Policy
18. Mphasis Anti-Slavery Policy
19. Anti- Bribery and Corruption Policy
20. Confidentiality Notice to Covered Persons

V. DETAILS OF FEES PAID TO THE STATUTORY AUDITORS

The details of total fees paid by the Company and its subsidiaries to BSR & Co., LLP (including its network firms), the Statutory Auditors of the Company, during the year is as follows:

(Amount in ₹)

Total fees paid by the Company	18,609,659
Total fees paid by the subsidiaries of the Company	993,040

VI. INTERNAL CONTROLS

The Company has adequate internal control systems in place and reasonable assurance on authorizing, recording and reporting transactions of its operations in all material respects and in providing protection and safeguard against misuse or loss of assets of the Company. The Company has in place, well documented procedures covering critical financial and operational functions commensurate with the size and complexities of the organization.

Some of the salient features of the internal control system in place are:-

1. Adherence to applicable Accounting Standards and Policies.
2. ERP system connecting all offices enabling seamless data and information flow. This is constantly reviewed to enhance the internal control check points.
3. Preparation of annual budget for operation and service functions and monitoring the same with actual performance at regular intervals.
4. Ensuring that assets are properly recorded, and procedures have been put in place to safeguard against any loss or unauthorized use or disposal.
5. Internal audit is carried based on the audit universe coverage and Internal Audit Plan approved by the Audit Committee.
6. The observations arising out of internal audit are periodically reviewed at the Audit Committee meetings along with follow up action.
7. Quarterly presentations are made to the Audit Committee on enterprise risks faced by the Company and action plan to mitigate such risks.

In addition, the Company uses the services of an external firm to periodically review various aspects of the internal control system to ensure that such controls are operating in the way expected and whether any modification is required.

The Internal Audit function develops an audit plan for the Company, which includes a mix of financial, operational, compliance and IT areas. The audit coverage includes corporate, core business operations, as well as support function. The internal audit reports and the recommended management actions are presented to the Audit Committee on a half year basis. The status of the management actions is followed by the Internal Audit function and the progress of the implementation of the action is reported to the Audit Committee on a quarterly basis.

The Company's internal financial controls are deployed through an internally evolved framework that addresses material risks in the Company's operations and financial reporting objectives, through a combination of Entity Level Controls (including Enterprise Risk Management, Legal Compliance Framework and Anti-fraud Mechanisms such as an Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), Process Controls (both manual and automated), Information Technology based controls, period end financial reporting and closing controls and Internal Audit.

CORPORATE GOVERNANCE

VII. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the audited financial quarterly results and the results are announced to all the Stock Exchanges where the shares of the Company are listed and to various news agencies. Further, the quarterly and annual audited financial results are also published in leading newspapers within 48 hours of the conclusion of the meetings of the Board in which they are taken on record. Generally, the quarterly results are published in various editions of The Business Standard and Samyukta Karnataka-Kannada. The quarterly and annual results are hosted on the Company's website at www.mphasis.com. The website also contains a copy of presentations on the financial results of the Company. The Company's website has in it a separate page for Investor's section, wherein the financial results, shareholding pattern and share price information are hosted for the knowledge of the Investors.

In addition to the above, the Company participates in the earnings call with various Investors, Analysts and Broking Houses. The Company also makes a presentation at the various Investors and Analysts meets, the particulars of which are disclosed to the Stock Exchanges before such participation.

The recordings and transcripts of the earnings call are hosted on the Company's website for information of the Investors as required under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Press briefings are held after important occasions viz., announcement of quarterly results, acquisition of a new entity etc. The press releases issued from time to time are informed to the Stock Exchanges where the equity shares of the Company are listed and are also hosted on the Company's website.

Social media today is identified as an important means of communication among investors, shareholders, employees and other stakeholders. Therefore, all Mphasis announcements are communicated through the corporate social pages on Twitter, LinkedIn and Facebook. Yammer is also a tool through which Mphasis communicates with its employees. In case of any emergency these channels are leveraged depending on the crisis at hand. Investors may use the following links to follow Mphasis on the social media:

- https://www.facebook.com/MphasisOfficial/
- https://www.linkedin.com/company/mphasis
- https://twitter.com/mphasis

In line with the circulars of the Ministry of Corporate Affairs (MCA) on 'Green Initiative' allowing paperless compliances by companies, the Company serves documents like Notices, Annual Reports and other statutory communications to its shareholders through e-mail at the registered e-mail addresses. The physical copies of the Annual Report for such shareholders are sent upon request. Members are requested to note that documents sent through the electronic mode will also be available on the Company's website– www.mphasis.com. The Company would like to urge shareholders to support this initiative of the MCA and contribute towards greater sustainability by registering their e-mail addresses, if not already registered.

The Financial Results of the Company, shareholding pattern and the Corporate Governance Report filed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre respectively.

VIII. GENERAL SHAREHOLDERS INFORMATION

(a) Details of the AGM

Date

Thursday, 21 July 2022

Time

9:00 AM

Venue

The Company is conducting the meeting through Video Conferencing pursuant to the circular of Ministry of Corporate Affairs dated 5 May 2022 read with circulars dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021 and 14 December 2021 (collectively referred to as "MCA Circulars") and hence there is no requirement for physical venue for the meeting.

CORPORATE GOVERNANCE

Schedule of events for the voting and declaration of voting results

Events	Planned dates
Dispatch of Annual Report	Monday, 27 June 2022 (Latest date)
Advertisement regarding dispatch of Notice and public notice regarding e-voting in English and Kannada	Monday, 27 June 2022
Cut-off date for remote e-voting	Thursday, 14 July 2022
Commencement of remote e-voting	Saturday, 16 July 2022
Closing of the e-voting	Wednesday, 20 July 2022
Voting at AGM	Thursday, 21 July 2022
Declaration of results of voting	Friday, 22 July 2022

Voting Results

The results declared along with the report of the Scrutinizer shall be placed on the website of the Company, www.mphasis.com and on the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of the results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the shares of the Company are listed. The results shall also be displayed on the notice board of the Company at the registered office and the corporate office.

(b) Financial Calendar

Financial Year	1 April 2021 to 31 March 2022
Results Announced	28 April 2022
Book Closure Dates	7 July 2022 to 21 July 2022 (both days inclusive)
Posting of Annual Reports	By 27 June 2022 (latest Date)
Annual General Meeting	21 July 2022
Dividend Payment Date	On or before 20 August 2022

(d) Listing

Equity shares of the Company are listed and traded on the following Stock Exchanges:

Exchange	Address	Scrip Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. Telephone: 022-22721233/34 Fax No.: 022-22721062	526299
The National Stock Exchange of India Limited	Kurla Complex, Bandra (E) Mumbai - 400 051. Telephone: 022-26598100-8114 Fax Nos. 022-26598237-38	MPHASIS
Metropolitan Stock Exchange of India Limited (MSEI)*	Vibgyor Towers, 4th floor, Plot No.C 62, G-Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai-400 098, India. Telephone: 022-6112 9000 Fax No.022-2654 4000	MPHASIS

** Traded as permitted security on the exchange.*

The Company has paid the listing fees for the year ending 31 March 2023.

(e) Dematerialization of Equity Shares

The Equity Shares of the Company are admitted in the following depositories of the Country under the International Securities Identification Number (ISIN) INE356A01018. This number is required to be quoted in each transaction relating to the dematerialized equity shares of the Company.

CORPORATE GOVERNANCE

Name of the Depository	Address
National Securities Depository Limited	Trade World, A wing, 4th & 5th Floors, Kamala Mills Compound, Senapathi Bapat Marg, Lower Parel, Mumbai - 400 013.
Central Depository Services (India) Limited	Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street Mumbai – 400 001.

The Company has paid the custodial charges to the respective depository participants for the year ending 31 March 2023.

The Securities and Exchange Board of India has specified that the shares of the Company would be traded only in demat form effective 29 November 1999. Further, the Securities and Exchange Board of India, had vide its notification No. SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018 and a press release dated 3 December 2018, have restricted transfer of shares in physical form effective 1 April 2019.

In view of the above and considering the benefits of holding shares in electronic form, the shareholders holding physical share certificates are requested to dematerialize their holding at the earliest. As on 31 March 2022, 99.88% shareholders held 99.97% of shares in demat form.

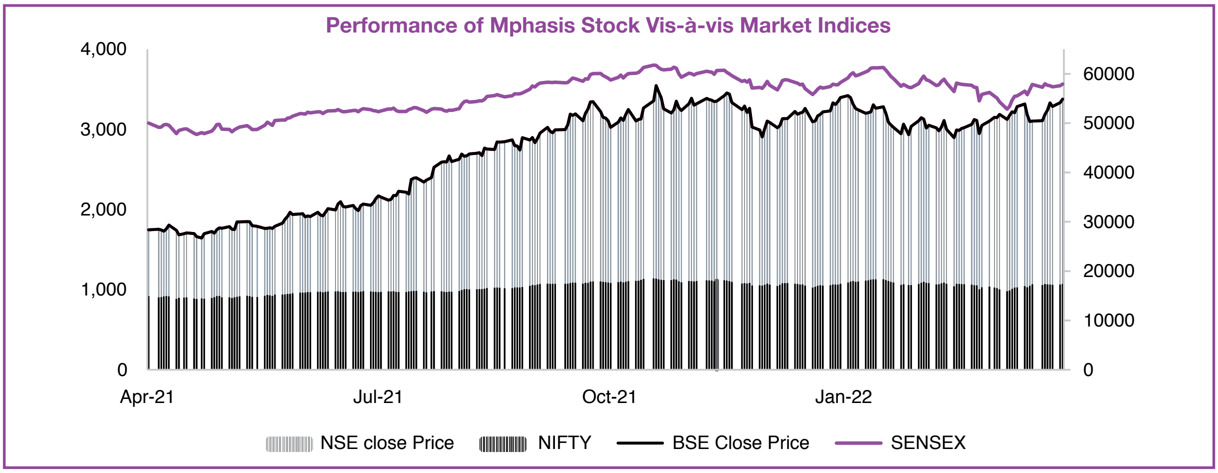
(f) Market Quotation

The month wise high, low and closing prices and the volume of shares of the Company traded for the period 1 April 2021 to 31 March 2022 on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) are given below:

Month	NSE				BSE			
	High (₹)	Low (₹)	Close (₹)	Volume for the Month (Shares)	High (₹)	Low (₹)	Close (₹)	Volume for the Month (Shares)
Apr-21	1,837	1,603	1,765	11,384,451	1,836	1,603	1,765	462,065
May-21	2,010	1,728	1,944	12,339,777	2,009	1,729	1,944	377,657
Jun-21	2,144	1,875	2,134	13,626,272	2,142	1,876	2,136	620,316
Jul-21	2,678	2,104	2,600	21,418,268	2,692	2,105	2,598	913,198
Aug-21	3,001	2,602	2,898	16,287,650	3,002	2,602	2,899	783,149
Sep-21	3,535	2,811	3,104	18,940,169	3,534	2,813	3,106	1,060,826
Oct-21	3,660	2,946	3,236	20,409,797	3,660	2,949	3,235	755,670
Nov-21	3,495	2,825	2,895	22,954,785	3,495	2,826	2,906	441,172
Dec-21	3,419	2,851	3,397	13,246,328	3,420	2,850	3,396	372,802
Jan-22	3,479	2,845	3,107	13,295,911	3,477	2,847	3,107	544,841
Feb-22	3,195	2,863	3,109	8,403,895	3,191	2,868	3,104	232,034
Mar-22	3,466	3,023	3,377	12,375,153	3,466	3,025	3,377	382,334

Note: The prices have been rounded off to the nearest rupee

Based on the closing quotation of ₹ 3,377 per share as of 31 March 2022 at the National Stock Exchange of India Limited (NSE), the market capitalization of the Company is ₹ 634 billion (market capitalisation as of 31 March 2021 was ₹ 332 billion).



(g) Members' Profile

The shareholding pattern of the members of the Company as on 31 March 2022 is as follows:

Category	No. of shareholders	Shares held in demat form	Shares held in physical form	Total No. of shares	% to total capital
Promoter	1	104,799,642	-	104,799,642	55.80
Foreign Portfolio Investors	591	39,613,388	100	39,613,488	21.09
Alternate Investment Funds	23	1,144,578	-	1,144,578	0.61
Financial Institutions and Banks	2	373,039	-	373,039	0.20
Mutual Funds	167	25,210,750	-	25,210,750	13.42
Insurance Companies	47	6,673,879	-	6,673,879	3.55
Bodies Corporate	1,236	1,087,371	1,000	1,088,371	0.58
NBFC's registered with RBI	2	172	-	172	0.00
Non-Resident Indians	3,351	1,560,718	-	1,560,718	0.83
Resident Indians	121,318	6,620,063	63,493	6,683,556	3.56
QIB Pension Fund-Corpus	18	479,046	-	479,046	0.26
Others	139	190,477	-	190,477	0.10
Total	**126,895**	**187,753,123**	**63,493**	**187,817,716**	**100.00**

(h) Distribution of Shareholding as on 31 March 2022

Category	Shareholders		Shares held	
	Number	Percentage	Number	Percentage
Upto 500	124,259	97.92	3,597,450	1.92
501 - 1000	992	0.78	745,523	0.40
1001 - 2000	469	0.37	690,996	0.37
2001 - 3000	182	0.14	462,362	0.25
3001 - 4000	128	0.10	445,589	0.24
4001 - 5000	93	0.07	422,056	0.22
5001 - 10000	222	0.17	1,616,321	0.86
10001 & above	550	0.43	179,837,419	95.75
Total	**126,895**	**100.00**	**187,817,716**	**100.00**

(i) Details regarding the shares in the Unclaimed Suspense Account:

Sno.	Particulars	No. of shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as of 1 April 2021	6	3,000
2	Transfer of Shares to Investor Education and Protection Fund during the year, pursuant to Section 124(6) of the Companies Act, 2013 [Refer Note 1]	-	-
3	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year and the shares were subsequently transferred	-	-
4	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as of 31 March 2022	6	3,000

Notes:

Pursuant to Section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares, held by Shareholders who have not claimed dividend for the last seven consecutive years, are required to be transferred to Investor Education and Protection Fund.

The voting rights on the shares outstanding in the suspense account shall remain frozen till the rightful owner of such shares claims the shares.

(k) Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF):

As required under Section 124(5) of the Companies Act, 2013, read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company is required to transfer the dividend remaining unclaimed for a period of 7 years, from the date of transfer of funds to unclaimed dividend account, to the Investor Education and Protection Fund (IEPF). Further the shares in respect of which the dividend is unclaimed for a consecutive period of 7 years is also required to be transferred to IEPF.

The Company has transferred ₹16,48,184 and ₹8,11,356 being the unclaimed dividend of FY13 and FY14, to IEPF on 9 April 2021 and 16 September 2021 respectively. Further, the Company has also transferred 915 equity shares held by 18 shareholders and 950 equity shares held by 14 shareholders to IEPF on 9 April 2021 and 21 September 2021, respectively.

Particulars of shareholders entitled to claim the unclaimed dividends are uploaded on the Company's website www.mphasis.com and claims in respect thereof may be lodged through www.iepf.gov.in by following requisite procedures under the IEPF Rules.

The IEPF remittances liable for the next seven years with the details of unpaid dividend as at 31 March 2022 is as follows:

Financial Year to which the dividend relates	Amount of unpaid dividend as on 31 March 2022 (₹ Million)	Due date for transfer of dividend to IEPF
2014-15	2.10	14 October 2022
2015-16	2.86	10 December 2023
2016-17	2.54	30 August 2024
2017-18	2.11	11 September 2025
2018-19	2.99	29 August 2026
2019-20	4.00	28 August 2027
2020-21	5.90	3 November 2028

The shareholders are requested to claim the unpaid dividend to avoid transfers of such dividend and applicable shares to IEPF. Mr. Subramanian Narayan, Company Secretary, is the nodal officer appointed by the Company under IEPF Rules. The contact details of the Nodal officer are given below and is also available at https://www.mphasis.com/home/corporate/investors.html.

(l) Furnishing of KYC by Physical Shareholders:

Considering the ease of doing business for Investors in the securities market, the Securities and Exchange Board of India (SEBI) vide its circular dated 3 November 2021 mandated Investors holding securities of listed companies in physical mode to furnish PAN and Nomination (the "**KYC**") in the prescribed form in addition to furnishing the Bank Account and contact details of such shareholders. The shareholders holding shares of the Company in physical form are requested to refer to the letter dated 11 January 2022 sent by the Company for detailed instructions in this regard and provide the KYC and other details to the Company's Registrar and Share Transfer Agent.

Failure to furnish KYC and other details would result in freezing of folios effective 1 April 2023. The frozen folios shall be eligible for payment of dividend electronically only upon furnishing the KYC and other details. As per aforesaid Circular, the folios which are frozen till 31 December 2025, are required to be referred by RTA / Listed Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

In view of the above, the shareholders holding shares in physical form are requested to furnish the KYC and other details and also dematerialize their holdings at the earliest.

(m) Issue of shares in demat mode:

Securities and Exchange Board of India ('SEBI'), vide its circular dated 25 January 2022, considering the enhanced measures to ease dealings in securities market by the Investors, has mandated listed companies to issue shares in dematerialized form only, when such shares are required to be issued pursuant to the following requests:

i. While processing issue of duplicate securities certificate;

ii. Claim from Unclaimed Suspense Account;

iii. Renewal /Exchange of securities certificate, Endorsement, Sub-division/Splitting of securities certificate, Sub-division/ Splitting of securities certificates/folios; and

iv. Transmission and Transposition received from the Members of the Company holding shares in physical form.

The prescribed process for dealing with the above requests have been advised to the shareholders holding shares in physical form vide our letter dated 12 March 2022 and the shareholders are requested to refer to the same. In view of the above circular, we would like to urge the shareholders holding shares in physical form to dematerialize their holdings at the earliest. Dematerialization of shares ensures quick, error-free and seamless transactions. It is a safe and convenient way to trade or invest and enables to monitor portfolio from anywhere across the Globe. It also enables faster settlement and disbursement of corporate benefits including dividends.

(n) Address for Communication

Company Contact	RTA Contact
Mr. Subramanian Narayan Senior Vice President and Company Secretary Mphasis Limited, Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048, India Phone: +91 (080) 6750 1000	**Mr. S Vijayagopal** Vice President Integrated Registry Management Services Private Limited (Unit: Mphasis Limited) 30, Ramana Residency, 4th Cross Sampige Road, Malleswaram, Bengaluru - 560 003 Phone: +91 (080) 2346 0815-818

For and on behalf of the Board of Directors

New Delhi, India
28 April 2022

D S Brar
Chairman

Compliance Certificate on Corporate Governance

To,

The Members of Mphasis Limited

I have examined the compliance of the conditions of Corporate Governance by Mphasis Limited ('the Company') for the financial year ended on 31 March 2022, as stipulated under the provisions of Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V) and amendments thereof.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

I have examined the books of account and other relevant records maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. My examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), issued by The Institute of Company Secretaries of India (ICSI) and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of Company.

Based on the information, explanations given to me and according to the examination of the relevant records, the representations and all material disclosures made by the Directors and the Management, the Company has complied with the provisions of Corporate Governance as stipulated under the provisions of Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V) during the year ended March 31, 2022. It is further stated that no investor grievance is pending for the said financial year as per the records of the Company.

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

S.P. NAGARAJAN
Company Secretary ACS Number : 10028
CP Number: 4738
UDIN: A010028D000234263
Peer reviewed Unit -bearing Unique Identification Number: I2002KR300400

Place: Bengaluru
Date: 28 April 2022

Note: As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Compliance Certificate on Corporate Governance in term of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V) was conducted by using appropriate Information Technology tools by virtual data sharing by way of the Company's cloud-based server - 'Mike Portal' to access and examine relevant documents for completion of the audit.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) of Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

To,
The Members,
MPHASIS LIMITED
Bagmane World Technology Center,
Marathahalli Outer Ring Road,
Doddanakundi Village, Mahadevapura,
Bengaluru-560048

CIN of Company : L30007KA1992PLC025294
Authorised Capital : ₹ 2,45,00,00,000/-

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MPHASIS LIMITED** (hereinafter referred to as 'the Company'), a Company incorporated under the Companies Act, 1956 vide Corporate Identity Number (CIN) L30007KA1992PLC025294 and having its Registered Office at Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakundi Village, Mahadevapura, Bangalore - 560048, produced before me for issuance of this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal - www.mca.gov.in) and on the basis of the written representation/declaration received from the directors to be taken on record by the Board of Directors and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	DIN	Name	Designation	Date of Appointment
1.	00007848	NARAYANAN KUMAR	Independent Director	15/02/2013
2.	00042261	NITIN RAKESH	Managing Director	26/07/2017
3.	00068502	DAVINDER SINGH BRAR	Independent Director	11/12/2015
4.	01798942	AMIT DIXIT	Director	01/09/2016
5.	05313886	AMIT DALMIA	Director	01/09/2016
6.	07360483	JAN KATHLEEN HIER	Independent Director	11/12/2015
7.	07593637	DAVID LAWRENCE JOHNSON	Director	01/09/2016
8.	08178748	MARSHALL JAN LUX	Director	07/08/2018
9.	05185378	PANKAJ SOOD	Additional Director	20/12/2021
10.	08635072	KABIR MATHUR	Additional Director	20/12/2021
11.	09380419	COURTNEY KARLAN DELLA CAVA	Additional Director	20/12/2021
12.	09419036	MAUREEN ANNE ERASMUS	Independent Director	20/12/2021

Ensuring the eligibility of/for the appointment/continuity of every Director on the Board, is the responsibility of the management of the Company. My responsibility is to express an opinion on the eligibility of/for the appointment/continuity of every Director on the Board, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S.P. NAGARAJAN
Company Secretary ACS Number : 10028
CP Number: 4738
UDIN: A010028D000234285
Peer reviewed Unit -bearing Unique Identification Number: I2002KR300400

Place: Bengaluru
Date: 28 April 2022

Note: As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Certificate of Non-Disqualification of Directors in term of Regulation 34(3) of Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 was conducted by using appropriate Information Technology tools by virtual data sharing by way of the Company's cloud-based server - 'Mike Portal' to access and examine relevant documents for completion of the audit.

INDEPENDENT AUDITORS' REPORT

To the Members of Mphasis Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mphasis Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Description of Key Audit Matter

Evaluation of tax positions **See note 30(a) to the standalone financial statements**	
The key audit matter	**How the matter was addressed in our audit**

The Company's operations in India are subject to periodic challenges by local tax authorities on a range of tax matters arising in the normal course of business including direct tax and transfer pricing matters. Estimating the income tax expense also requires the Company to determine the probability of tax authorities accepting a particular tax treatment for potential tax exposures. These involve significant judgment by the Company to determine the possible outcome of the tax litigations and potential tax exposures, consequently having an impact on related accounting and disclosures in the standalone financial statements.	Our audit procedures on taxation include the following:
	• Obtained an understanding of key tax litigations and potential tax exposures.
	• Evaluated the design, implementation and operating effectiveness of the internal controls relating to the Company's assessment of the possible outcome of tax litigations, potential tax exposures and related disclosures in the standalone financial statements.
	• The audit team, along with our internal tax experts:
	  • read and analyzed select key correspondences and consultations carried out by the Company including with external tax experts for key tax litigations and potential tax exposures.
	  • inquired with the Company and external tax experts to evaluate key assumptions and grounds of appeal considered by the Company in estimating the current tax balances.
	  • evaluated the status of the recent tax assessments / inquiries, results of previous tax assessments, legal precedence / judicial rulings and changes in the tax environment. This is performed to assess and challenge the Company's estimate of the possible outcome of key tax litigations and potential tax exposures.
	  • assessed and tested the adequacy and accuracy of the presentation and disclosures in the standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 standalone financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting in preparation of standalone financial statements 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 auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Continued)

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

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

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

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

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements. Refer note 30 to the standalone financial statements.

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

   c) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

   d) (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note 38b to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 38b to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITORS' REPORT (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

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

e) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 43 to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABCV9207

Bengaluru
28 April 2022

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2022, we report the following:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology solutions services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has provided guarantees, granted loans and advances in the nature of loans during the year to companies and other parties, details of which are stated below. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

(a) (A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans to subsidiaries as below:

Particulars	Loans (₹ In millions)
Aggregate amount during the year - Subsidiary*	2,825
Balance outstanding as at the balance sheet date - Subsidiary*	1,971

*As per the Companies Act, 2013

(B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided guarantees and granted advances in the nature of loans to other parties as below:

Particulars	Guarantees (₹ In millions)	Advances in the nature of loans – Employee advances (₹ In millions)
Aggregate amount during the year - Other parties	8,918	414
Balance outstanding as at the balance sheet date - Other parties	9,551	209

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

Annexure A to the Independent Auditors' Report (Continued)

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute, except as mentioned below:

Name of the statue	Nature of dues	Amount* (₹ In millions)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income tax	3,824	2004-05, 2006-07, 2008-09, 2009-10, 2012-13, and 2013-14	Income Tax Appellate Tribunal
		5,667	2009-10, 2010-11, 2011-12, 2014-15, 2016-17 and 2018-19	Commissioner of Income Tax, Appeals
		169	2000-01 to 2005-06	Supreme Court
		2,549	2017-18	High Court
Income Tax Act, 1961	Withholding taxes	4,957	2005-06 to 2011-12	Income Tax Appellate Tribunal
		2,043	2012-13, 2013-14 and 2014-15	Commissioner of Income Tax, Appeals
Finance Act, 1994	Service tax	133	2004-05 to 2008-09	CESTAT, Karnataka
		19	October 2011 to March 2015	Commissioner (Appeals), Karnataka
Tennessee Sales and Use Tax Regulations, USA	Sales and Use Tax	423	December 2011 to April 2015	Department of Revenue, Tennessee
Provident Fund Act, 1952	Provident Fund	298	April 2017 to March 2019	Provident Fund Act, 1952
* Net of amounts paid under protest amounting to ₹ 3,470 million.				

Annexure A to the Independent Auditors' Report (Continued)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

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

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

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

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, 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) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors 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. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

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

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

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

INDEPENDENT AUDITORS' REPORT (Continued)

Annexure A to the Independent Auditors' Report (Continued)

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABCV9207

Bengaluru
28 April 2022

Annexure B to the Independent Auditors' report on the standalone financial statements of Mphasis Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Mphasis Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

INDEPENDENT AUDITORS' REPORT (Continued)

Annexure B to the Independent Auditors' report on the standalone financial statements of Mphasis Limited for the year ended 31 March 2022 (Continued)

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
UDIN: 22060154AIABCV9207

Bengaluru
28 April 2022

STANDALONE FINANCIAL STATEMENTS

STANDALONE BALANCE SHEET

(₹ million)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,789.65	1,583.53
Capital work-in-progress		-	6.57
Right-of-use assets	4	3,993.44	4,298.72
Other intangible assets	5	46.35	75.42
Financial assets			
Investments	6	15,355.97	16,061.89
Loans	13	1,970.61	-
Other financial assets	7	916.32	789.92
Deferred tax assets (net)	22	933.71	931.26
Income tax assets (net)	22	4,532.22	4,585.79
Other assets	8	553.75	585.59
Total non-current assets		**30,092.02**	**28,918.69**
Current assets			
Financial assets			
Investments	9	7,593.91	7,739.73
Trade receivables			
Billed	10	8,328.53	5,944.53
Unbilled		8,793.81	4,984.52
Cash and cash equivalents	11	4,856.65	4,891.44
Bank balances other than cash and cash equivalents	12	468.50	1,646.58
Loans	13	208.64	128.78
Other financial assets	7	2,717.11	2,531.02
Other assets	8	6,126.15	2,655.77
Total current assets		**39,093.30**	**30,522.37**
TOTAL ASSETS		**69,185.32**	**59,441.06**

STANDALONE FINANCIAL STATEMENTS

STANDALONE BALANCE SHEET

(₹ million)

	Notes	As at 31 March 2022	As at 31 March 2021
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	1,878.25	1,870.49
Other equity	15	42,598.26	41,229.97
Total equity		**44,476.51**	**43,100.46**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		4,011.20	4,359.31
Other financial liabilities	16	76.01	35.52
Employee benefit obligations	17	1,150.76	703.68
Other liabilities	18	-	4.63
Total non-current liabilities		**5,237.97**	**5,103.14**
Current liabilities			
Financial liabilities			
Borrowings	19	3,520.00	1,881.10
Lease liabilities		826.93	786.83
Trade payables	20		
- outstanding dues to micro and small enterprises		17.60	12.55
- outstanding dues to creditors other than micro and small enterprises		8,376.18	5,030.82
Other financial liabilities	16	2,643.54	909.85
Other liabilities	18	825.30	711.94
Employee benefit obligations	17	359.02	257.76
Provisions	21	732.82	408.42
Income tax liabilities (net)	22	2,169.45	1,238.19
Total current liabilities		**19,470.84**	**11,237.46**
TOTAL EQUITY AND LIABILITIES		**69,185.32**	**59,441.06**

Summary of significant accounting policies. 2

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President & Company Secretary
Bengaluru

New Delhi
28 April 2022

STANDALONE FINANCIAL STATEMENTS

STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ million)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	23	73,895.54	55,612.51
Other income	24	1,232.20	894.59
Total income (I)		**75,127.74**	**56,507.10**
Expenses			
Employee benefits expense	25	23,973.16	17,745.41
Finance costs	26	587.11	520.52
Depreciation and amortization expense	27	1,493.96	1,505.51
Other expenses	28	32,871.38	22,278.02
Total expenses (II)		**58,925.61**	**42,049.46**
Profit before tax (III) [(I)-(II)]		**16,202.13**	**14,457.64**
Tax expenses	22		
Current tax		3,908.69	3,367.03
Deferred tax		(59.09)	(13.01)
Total tax expenses		**3,849.60**	**3,354.02**
Profit for the year (A)		**12,352.53**	**11,103.62**
Other comprehensive income ('OCI')			
Items to be reclassified to profit or loss in subsequent periods			
Net change in fair value of derivatives designated as cash flow hedges		399.96	2,205.21
Income tax effect on the above		(139.75)	(770.59)
Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined employee benefit plans		(237.83)	(77.08)
Income tax effect on the above		83.11	26.94
Total OCI for the year, net of tax (B)		**105.49**	**1,384.48**
Total comprehensive income for the year (A+B)		**12,458.02**	**12,488.10**
Earnings per equity share (par value ₹ 10 per share)	29		
Basic (₹)		65.93	59.48
Diluted (₹)		65.27	58.79

Summary of significant accounting policies. 2

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

New Delhi
28 April 2022

Subramanian Narayan
Senior Vice President & Company Secretary
Bengaluru

STANDALONE STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in million	₹ million
As at 1 April 2020	**186.54**	**1,865.43**
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2020	**186.54**	**1,865.43**
Issue of shares (refer note 15)	0.50	5.06
As at 31 March 2021	**187.04**	**1,870.49**
As at 1 April 2021	**187.04**	**1,870.49**
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2021	**187.04**	**1,870.49**
Issue of shares (refer note 15)	0.78	7.76
As at 31 March 2022	**187.82**	**1,878.25**

b. Other equity

(₹ million)

	Attributable to the equity owners of the Company								Total
	Reserves and surplus							Items of OCI	
	a	b	c	d	e	f	g	h	
	Securities premium	General reserve	Retained earnings	Capital reserve	Capital redemption reserve	Special Economic Zone re-investment reserve	Share based payments reserve	Hedging reserve	
As at 1 April 2020	**266.18**	**1,984.38**	**30,636.93**	**265.16**	**246.91**	**1,760.52**	**581.21**	**(834.70)**	**34,906.59**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2020	**266.18**	**1,984.38**	**30,636.93**	**265.16**	**246.91**	**1,760.52**	**581.21**	**(834.70)**	**34,906.59**
Profit for the year	-	-	11,103.62	-	-	-	-	-	11,103.62
Other comprehensive income / (losses), net of tax	-	-	(50.14)	-	-	-	-	1,434.62	1,384.48
Dividends	-	-	(6,529.88)	-	-	-	-	-	(6,529.88)
Transferred to Special Economic Zone re-investment reserve	-	-	(598.93)	-	-	598.93	-	-	-
Transferred from Special Economic Zone re-investment reserve	-	-	519.50	-	-	(519.50)	-	-	-
Share based expenses	-	-	-	-	-	-	102.19	-	102.19
Allotment of bonus shares earlier held in abeyance (refer note 14(a))	-	-	(0.01)	-	-	-	-	-	(0.01)
Issue of shares on exercise of stock options	330.22	27.51	-	-	-	-	(94.75)	-	262.98
As at 31 March 2021	**596.40**	**2,011.89**	**35,081.09**	**265.16**	**246.91**	**1,839.95**	**588.65**	**599.92**	**41,229.97**
As at 1 April 2021	**596.40**	**2,011.89**	**35,081.09**	**265.16**	**246.91**	**1,839.95**	**588.65**	**599.92**	**41,229.97**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2021	**596.40**	**2,011.89**	**35,081.09**	**265.16**	**246.91**	**1,839.95**	**588.65**	**599.92**	**41,229.97**
Profit for the year	-	-	12,352.53	-	-	-	-	-	12,352.53
Other comprehensive income / (losses), net of tax	-	-	(154.72)	-	-	-	-	260.21	105.49
Dividends	-	-	(12,175.40)	-	-	-	-	-	(12,175.40)
Transferred to Special Economic Zone re-investment reserve	-	-	(650.66)	-	-	650.66	-	-	-
Transferred from Special Economic Zone re-investment reserve	-	-	933.87	-	-	(933.87)	-	-	-
Share based expenses	-	-	-	-	-	-	651.72	-	651.72
Issue of shares on exercise of stock options	559.21	0.30	-	-	-	-	(125.56)	-	433.95
As at 31 March 2022	**1,155.61**	**2,012.19**	**35,386.71**	**265.16**	**246.91**	**1,556.74**	**1,114.81**	**860.13**	**42,598.26**

Loss of ₹ 154.72 and ₹ 50.14 on re-measurement of defined employee benefit plans (net of tax) is recognised as part of retained earnings for the years ended 31 March 2022 and 31 March 2021, respectively.

STANDALONE FINANCIAL STATEMENTS
STANDALONE STATEMENT OF CHANGES IN EQUITY

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

a. **Securities premium -** Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

b. **General reserve -** General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

c. **Retained earnings -** Retained earnings comprises of prior and current year's undistributed earnings after tax.

d. **Capital reserve -** Represents receipts, during the year ended 31 October 2012 upon termination of Mphasis Employee Welfare Trust, in accordance with the Declaration of Trust made for administration of share-based payment plan in relation to erstwhile employees of Mphasis Corporation. The net assets of the Trust were transferred to the Company upon completion of its objectives in accordance with the provisions of the said Declaration of Trust. The same will be utilised for the purposes as permitted by the Companies Act, 2013.

e. **Capital Redemption Reserve ('CRR') -** Capital Redemption Reserve is created to the extent of the nominal value of the share capital extinguished on buyback of Company's own shares in accordance with Section 69 of the Companies Act, 2013. The reserve will be utilized in accordance with the provisions of section 69 of the Companies Act, 2013.

f. **Special Economic Zone re-investment reserve –** The Special Economic Zone Re-investment Reserve has been created out of the profits of eligible SEZ units in accordance with the provisions of section 10AA(1)(ii) of Income Tax Act,1961. The reserve is required to be utilized by the Company for acquiring eligible plant and machinery for the purpose of its business.

g. **Share based payments reserve -** Share based payments reserve is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

h. **Hedging reserve -** Cumulative changes in the fair value of financial instruments designated and effective as a hedge are recognized in this reserve through OCI (net of taxes). Amounts recognized in the hedging reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

Summary of significant accounting policies. (Note 2)

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President &
Company Secretary
Bengaluru

New Delhi
28 April 2022

STANDALONE FINANCIAL STATEMENTS

STANDALONE STATEMENT OF CASH FLOWS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit before tax	**16,202.13**	**14,457.64**
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	1,493.96	1,505.51
Profit on sale of property, plant and equipment and intangible assets	(5.12)	(4.30)
Net gain on investments carried at fair value through profit and loss	(348.79)	(369.72)
Share based payment expenses	147.68	35.14
Provision for expected credit loss	77.92	107.59
Finance costs	587.11	520.52
Interest income	(258.16)	(177.57)
Gain on lease modifications	-	(31.83)
Unrealized exchange loss/(gain), net	(22.21)	(104.21)
Operating profit before changes in operating assets and liabilities	**17,874.52**	**15,938.77**
Changes in operating assets and liabilities		
Trade receivables	(6,188.07)	275.64
Loans	(196.16)	17.19
Other financial assets	613.79	231.11
Other assets	(3,438.54)	(390.07)
Trade payables	3,350.41	10.30
Other financial liabilities	1,798.20	(1,066.80)
Other liabilities	108.73	168.18
Provisions and employee benefit obligations	634.91	362.62
Total changes in operating assets and liabilities	**(3,316.73)**	**(391.83)**
Income tax paid (net of refunds)	(2,923.86)	(2,647.55)
Net cash flows generated from operating activities (A)	**11,633.93**	**12,899.39**

STANDALONE FINANCIAL STATEMENTS

STANDALONE STATEMENT OF CASH FLOWS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Investing activities		
Purchase of property, plant and equipment and intangible assets	(773.91)	(710.98)
Proceeds from sale of property, plant and equipment and intangible assets	6.01	4.93
Purchase of investments	(44,671.13)	(50,553.58)
Sale of investments	45,871.66	45,286.39
Loans given to related party	(2,820.74)	-
Loans repaid by related party	908.28	-
Interest received	233.75	77.04
Investments in bank deposits	(402.37)	(1,584.69)
Redemption / maturity of bank deposits	1,501.89	81.09
Net cash flows used in investing activities (B)	**(146.56)**	**(7,399.80)**
Financing activities		
Proceeds from issue of shares	441.71	268.03
Repayment of borrowings	(5,733.95)	(6,134.29)
Availment of borrowings	7,370.00	5,728.91
Interest paid	(202.75)	(66.87)
Repayment of lease liabilities	(836.13)	(903.98)
Repayment of interest on lease liabilities	(384.26)	(437.69)
Dividends paid	(12,176.78)	(6,526.78)
Net cash flows used in financing activities (C)	**(11,522.16)**	**(8,072.67)**
Net decrease in cash and cash equivalents (A+B+C)	**(34.79)**	**(2,573.08)**
Cash and cash equivalents at the beginning of the year	4,891.44	7,464.52
Cash and cash equivalents at the end of the year (refer note 11)	**4,856.65**	**4,891.44**

Refer note 19 for supplementary information on cash flow movements

Summary of significant accounting policies. (Note 2)

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Narayanan Kumar
Director
Chennai

Manish Dugar
Chief Financial Officer

Subramanian Narayan
Senior Vice President & Company Secretary
Bengaluru

New Delhi
28 April 2022

STANDALONE FINANCIAL STATEMENTS

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mphasis Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are listed on two recognised stock exchanges in India. The registered office of the Company is in Bengaluru, India.

Mphasis Limited, a global Information Technology (IT) solutions provider specializing in providing cloud and cognitive services, applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized digital experience to clients and their end customers.

The standalone financial statements for the year ended 31 March 2022 have been approved by the Board of Directors on 28 April 2022.

The standalone financial statements comprise the financial statements of the Company and its controlled employee benefit trusts.

Mphasis Limited is the sponsoring entity of Employee Stock Option Plan ('ESOP') trusts. Management of the Company can appoint and remove the trustees and provide funding to the trust for buying the shares. Basis assessment by the management, it believes that the ESOP trusts are designed to be controlled by the Company as an extension arm of the Company and are hence included in these standalone financial statements.

List of Trusts that are consolidated.

- Mphasis Employees Benefit Trust.
- Mphasis Employees Equity Reward Trust.

Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been measured at fair value.

- Derivative financial instruments.
- Investments classified as Fair Value Through Profit or Loss ('FVTPL').
- Fair value of plan assets less present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items where the Company does not have an unconditional right to defer settlement beyond a period of 12 months, the period of 12 months being reckoned from the reporting date.

The standalone financial statements are presented in INR ('₹ ') and all the values are rounded off to the nearest million (INR 000,000) except when otherwise indicated.

The statement of cash flows have been prepared under the indirect method.

The Company has consistently applied the following accounting policies to all periods presented in these standalone financial statements.

Impact of the Global Pandemic ('Covid-19')

The Company has taken into account the possible impacts of Covid-19 in preparation of the standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information, both internal and external, upto the date of approval of the standalone financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

Use of estimates, assumptions, and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate change in estimates are made as management become aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognised in the year in which the estimates are revised.

Application of accounting policies that require critical accounting estimates involving judgments and the use of assumptions in the standalone financial statements have been disclosed below:

- **Impairment of non-financial assets**

  Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a discounted cash flow ('DCF') model. The cash flows are derived from the internal forecast for future years. These do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested for impairment. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the long-term growth rates.

- **Taxes**

  The Company's major tax jurisdictions is in India. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income of the Company's operations in India. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates and reflects uncertainties relating to income taxes, if any. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile. A tax assessment could involve complex issues, which can only be resolved over extended time periods.

  Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

- **Defined benefit plans**

  The cost of the defined benefit gratuity plan, compensated absences and the present value of the defined benefit obligation are determined based on an actuarial valuation carried out by an independent actuary using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, future attrition rates and mortality rates. Due to the complexities involved in the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

  The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

  The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Fair value measurement of financial instruments**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Useful lives of property, plant, and equipment**

  The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- **Revenue recognition**

  Use of the percentage-of completion method in accounting for fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

- **Expected credit loss ('ECL') on trade receivables**

  The impairment provisions are based on an evaluation of the risk of default over the expected life of the receivables and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Provisions and contingent liabilities.**

  A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Judgements include estimating the probability of the cash outflows for the present obligations and accordingly provisions are determined and reviewed at the end of each reporting period and are adjusted to reflect current best estimates.

  The Company uses significant judgement to identify and measure 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 liabilities in relation to assessment/litigations can involve complex issues, which can only be resolved over extended time periods.

- **Leases**

  The Company evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals), and the applicable discount rate. Management estimates the lease term based on the non-cancellable lease-term, options for future renewals if the Company is reasonably certain to exercise and options to terminate the lease if the Company is reasonably certain not to exercise. In performing this assessment, the discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The Company derives its revenues primarily from rendering application development and maintenance services, infrastructure outsourcing services, call centre and business & knowledge process outsourcing operations and licensing arrangements.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from time-based, unit-priced and fixed price contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions where customers are given a right to use intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third-party goods are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer. Sales tax / Value Added Tax (VAT) / Goods and Services Tax ('GST') is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity / service rendered by the seller on behalf of the Government. Accordingly, it is excluded from revenues.

The Company recognises an onerous contract provision when it is probable that the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

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. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications: 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 standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition.

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

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

- Use of the percentage-of completion method in accounting for fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

Interest income is recognized as it accrues in the standalone statement of profit and loss using effective interest rate method.

Dividend income is recognized when the right to receive the dividend is established.

The Company disaggregates revenue from contracts with customers by segment, geography, services rendered, delivery location and project type.

Property, plant and equipment and intangible assets

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Cost includes expenditure directly attributable to the acquisition. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the statement of profit and loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component / part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the assets. Leasehold land is amortised over the lease term. Freehold land is not depreciated.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed under 'other assets'. The cost of property, plant and equipment not ready to use before the balance sheet date is disclosed under 'Capital work in progress'.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss when the property, plant and equipment is derecognized.

Depreciation and amortization

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by management. Intangible assets are amortised on a straight-line basis over the estimated useful economic life. Depreciation / amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. The useful lives estimated by management are given below:

(In years)

Asset	Useful life as per Companies Act, 2013	Useful life estimated by management
Computer equipment	3	3
Furniture and fixtures	10	5
Building	20	20 or remaining lease term whichever is less
Lease hold improvements	Not Applicable	10 or remaining lease term whichever is less
Office equipment	5	5
Plant and equipment	15	4 to 7
Server and networks	6	6
Vehicles	8	5
Computer Software	As per Ind AS 38	3

In respect of plant and equipment, furniture and fixtures and vehicles, management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets. Hence the useful lives in respect of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Project specific assets are depreciated over the period of contract or useful life of the asset, whichever is lower.

Leases

Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company for the nature of asset taken on lease. Generally, the Company uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the standalone statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short -term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains a lease and non-lease components, the Company applies Ind AS 115-Revenue to allocate the consideration in the contract.

Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

Impairment

a. Financial assets (other than at fair value)

For financial assets measured at amortised cost, debt instruments at fair value through other comprehensive income, trade receivables, contract assets and other financial assets, the Company assesses at each date of balance sheet whether the asset is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.

b. Non-financial assets

- **Tangible and intangible assets**

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

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

➢ financial assets, which include cash and cash equivalents, deposits with banks, trade receivables, investments in equity and debt securities and eligible current and non-current assets;

➢ financial liabilities, which include loans and borrowings, finance lease liabilities, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non-derivative financial instruments are recognised when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

a. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks with an original maturity of less than or up to three months. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b. Financial assets at amortised cost

Financial assets (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition) are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through other comprehensive income

Financial assets (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition) are measured at fair value through other comprehensive income ('FVTOCI') if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognized in the standalone statement of profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to the standalone statement of profit and loss.

d. Financial assets at fair value through profit or loss

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in standalone statement of profit and loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in the standalone statement of profit and loss. The gain or loss on disposal is recognized in the standalone statement of profit and loss.

Interest income is recognized in the standalone statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Company's right to receive dividend is established.

e. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in standalone statement of profit and loss as expenses.

Subsequent to initial recognition, derivative financial instruments are measured as described below.

a. Cash flow hedges

The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable cashflow forecast transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the standalone statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the standalone statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to the standalone statement of profit and loss.

b. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the standalone statement of profit and loss and reported within foreign exchange gains, net.

Changes in fair value and gains/(losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded as foreign exchange gains/ (losses).

c. De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Trade receivables which are subject to non-recourse factoring arrangements are derecognized in accordance with Ind AS 109 and are offset in accordance with Ind AS 32.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are presented in the standalone balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e. Fair value of financial instruments

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When a quote is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

f. Fair value hierarchy

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

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Employee benefits

a. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Compensated absences

The Company has a policy on compensated absences that is both accumulating and non-accumulating in nature. Non-accumulating compensated absences are measured on an undiscounted basis and are recognized in the period in which absences occur. The cost of short term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by actuarial valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefits for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the standalone statement of profit and loss. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

c. Defined contribution plans

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company. Contributions to defined contribution schemes such as Provident Fund, Employee State Insurance Scheme, 401(k) and other social security schemes are charged to the standalone statement of profit or loss on an accrual basis.

d. Provident fund

Mphasis Limited has established a Provident Fund Trust to which contributions towards provident fund are made on a monthly basis. The Provident Fund Trust guarantees a specified rate of return on such contributions on a periodical basis. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the Government specified minimum rates of return.

e. Gratuity

The Company has a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment in accordance with "The Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Company.

Gratuity, which is a defined benefit plan, is determined based on an independent actuarial valuation, which is carried out based on the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to standalone statement of profit and loss. As required under Ind AS read with Schedule III to Companies Act, 2013, the Company transfers it immediately to retained earnings. The discount rate is based on the yield of securities issued by the Government of India.

Share based payments

The Company measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a graded basis. The units generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes valuation model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of share price of the Company. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

The cost of equity settled transactions is recognised, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Debit or credit in standalone statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected in the computation of diluted earnings per share.

Foreign Currencies

Transactions and balances

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date.

Gains and losses arising on restatement of foreign currency denominated monetary assets and liabilities are included in the standalone statement of profit and loss. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at an exchange rate that approximates the rate prevalent on the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Income taxes

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

- **Current income tax**

  Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period and reflects the uncertainty related to income tax, if any. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- **Deferred income tax**

  Deferred income tax assets and liabilities is recognised using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

  Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

  Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as an income or expense in the period that includes the enactment or substantive enactment date.

  Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

  For operations carried out in SEZ facilities, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that do not reverse during the tax holiday period(s).

  Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity.

Provisions and contingent liabilities

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow embodying economic benefits of resources will be required to settle the obligation. Provisions are determined based on best estimates required to settle each obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts are recognized 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. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the Company's owners for the year by the weighted average number of equity shares outstanding during the year adjusted for treasury shares held.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

Cash dividend to the equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Government grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. When the grant relates to a capital asset, it is presented by deducting the grant in arriving at the carrying amount of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the standalone statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Recent pronouncements

Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide Notification dated 23 March 2022. Following amendments and annual improvements to Ind AS are applicable from 1 April 2022.

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities 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.

Ind AS - 16 Property Plant and Equipment

The amendment clarifies that sale proceeds of items produced in the process of making PPE available for its intended use cannot be deducted from the cost of PPE. Instead, such proceeds shall be recognized in the statement of profit or loss.

Ind AS - 37 Provisions

The amendment clarifies that the 'costs to fulfil' a contract include both incremental costs (direct labour and material) and an allocation of other direct costs (e.g: depreciation charge for an item of PPE used in fulfilling the contract).

Annual improvements to Ind AS 109 - Financial instruments

The amendment clarifies while performing the '10 percent test' for derecognition of financial liabilities, borrower includes only fees paid or received between borrower and lender directly or on behalf of the other's behalf.

The Company does not expect the above amendments / improvements to have any significant impact on its standalone financial statements.

STANDALONE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

(₹ million)

	Plant and equipment	Computer equipment	Servers and networks	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Cost								
At 1 April 2020	**133.23**	**960.35**	**523.24**	**172.74**	**106.53**	**37.71**	**555.31**	**2,489.11**
Additions	16.66	391.59	121.14	51.91	26.08	-	137.01	**744.39**
Disposals	(4.86)	(1.67)	(4.57)	(0.27)	(0.13)	(15.51)	(1.46)	**(28.47)**
At 31 March 2021	**145.03**	**1,350.27**	**639.81**	**224.38**	**132.48**	**22.20**	**690.86**	**3,205.03**
Additions	14.37	690.28	65.13	25.36	1.94	-	5.27	**802.35**
Disposals	(5.87)	(0.02)	(1.26)	(0.61)	(2.09)	(10.61)	(0.01)	**(20.47)**
Translation exchange differences	0.02	-	-	0.04	0.01	-	-	**0.07**
At 31 March 2022	**153.55**	**2,040.53**	**703.68**	**249.17**	**132.34**	**11.59**	**696.12**	**3,986.98**
Depreciation								
At 1 April 2020	**72.24**	**583.22**	**242.28**	**78.30**	**37.46**	**29.47**	**139.19**	**1,182.16**
Charge for the year	16.07	241.12	86.24	34.35	21.34	5.78	62.28	**467.18**
Disposals	(4.82)	(1.40)	(4.53)	(0.26)	(0.12)	(15.25)	(1.46)	**(27.84)**
At 31 March 2021	**83.49**	**822.94**	**323.99**	**112.39**	**58.68**	**20.00**	**200.01**	**1,621.50**
Charge for the year	**16.66**	**353.50**	**93.65**	**38.10**	**22.88**	**2.20**	**68.42**	595.41
Disposals	(5.77)	(0.02)	(0.65)	(0.58)	(1.94)	(10.61)	(0.01)	**(19.58)**
At 31 March 2022	**94.38**	**1,176.42**	**416.99**	**149.91**	**79.62**	**11.59**	**268.42**	**2,197.33**
Net block								
At 31 March 2021	**61.54**	**527.33**	**315.82**	**111.99**	**73.80**	**2.20**	**490.85**	**1,583.53**
At 31 March 2022	**59.17**	**864.11**	**286.69**	**99.26**	**52.72**	**-**	**427.70**	**1,789.65**
Capital work-in-progress*								
At 31 March 2022								-
At 31 March 2021								6.57

* ₹ 6.57 million (31 March 2021: ₹ 71.73 million) has been capitalsed and transferred to Property, Plant & Equipment.

CWIP ageing schedule

Particulars (31 March 2021)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.63	0.94	-	-	**6.57**
Projects temporarily suspended	-	-	-	-	**-**
	5.63	**0.94**	**-**	**-**	**6.57**

4. LEASES

RIGHT-OF-USE ASSETS

	Buildings	Plant and equipment	Servers and networks	Furniture and fixtures	Vehicles	Total
Cost						
At 1 April 2020	**5,296.53**	**592.19**	**18.35**	**27.41**	**25.46**	**5,959.94**
Additions	630.92	-	-	-	4.58	**635.50**
Modifications / terminations	(372.00)	-	-	-	(2.49)	**(374.49)**
Retirement on completion of lease term	(17.72)	(366.71)	(17.04)	(14.42)	(0.87)	**(416.76)**
At 31 March 2021	**5,537.73**	**225.48**	**1.31**	**12.99**	**26.68**	**5,804.19**
Additions	531.83	-	-	-	10.82	**542.65**
Retirement on completion of lease term	(49.72)	(207.88)	(0.36)	**-**	(8.65)	**(266.61)**
At 31 March 2022	**6,019.84**	**17.60**	**0.95**	**12.99**	**28.85**	**6,080.23**

Continued

STANDALONE FINANCIAL STATEMENTS

4. LEASES (Continued)

(₹ million)

	Buildings	Plant and equipment	Servers and networks	Furniture and fixtures	Vehicles	Total
Depreciation						
At 1 April 2020	**636.37**	**342.67**	**16.45**	**17.43**	**7.35**	**1,020.27**
Charge for the year	747.23	224.71	1.71	4.59	8.40	**986.64**
Modifications / terminations	(82.99)	-	-	-	(1.69)	**(84.68)**
Retirement on completion of lease term	(17.72)	(366.71)	(17.04)	(14.42)	(0.87)	**(416.76)**
At 31 March 2021	**1,282.89**	**200.67**	**1.12**	**7.60**	**13.19**	**1,505.47**
Charge for the year	813.96	22.37	0.19	3.10	8.31	**847.93**
Retirement on completion of lease term	(49.72)	(207.88)	(0.36)	-	(8.65)	**(266.61)**
At 31 March 2022	**2,047.13**	**15.16**	**0.95**	**10.70**	**12.85**	**2,086.79**
Net block						
At 31 March 2021	**4,254.84**	**24.81**	**0.19**	**5.39**	**13.49**	**4,298.72**
At 31 March 2022	**3,972.71**	**2.44**	**-**	**2.29**	**16.00**	**3,993.44**

During the year ended 31 March 2022, the Company incurred expenses amounting to ₹ 203.70 million (31 March 2021: ₹ 352.35 million) towards short-term leases and leases of low-value assets. For the year ended 31 March 2022, the total cash outflows for leases, including short-term leases and low-value assets amounted to ₹ 1,424.09 million (31 March 2021: ₹ 1,694.02 million).

Lease contracts entered into by the Company primarily pertains to buildings taken on lease to conduct its business in the ordinary course.

The following table presents the various components of lease costs:

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation	847.93	986.64
Interest on lease liabilities	384.26	437.69
	1,232.19	**1,424.33**

The Company has also subleased office space under cancellable operating lease agreements. The total sublease rental income under cancellable operating leases amounted to ₹ 54.77 million for the year ended 31 March 2022 (31 March 2021: ₹ 50.06 million).

5. OTHER INTANGIBLE ASSETS

	As at 31 March 2022	As at 31 March 2021
Computer Software		
Cost		
Balance as per previous financial statements	445.36	415.54
Additions	21.55	29.84
Disposals	-	(0.02)
	466.91	**445.36**
Amortization		
Balance as per previous financial statements	369.94	318.27
Amortization	50.62	51.69
Disposals	-	(0.02)
	420.56	**369.94**
Net block	**46.35**	**75.42**

6. NON-CURRENT INVESTMENTS

	As at 31 March 2022			As at 31 March 2021		
	Shares	Per Share	₹ million	Shares	Per Share	₹ million
Investments measured at cost						
Investments in unquoted equity instruments						
Investments in subsidiaries						
Mphasis Corporation	3,187	US $ 0.01	3,724.38	3,187	US $ 0.01	3,724.38
Mphasis Australia Pty Limited	2,000	AUD 1	0.05	2,000	AUD 1	0.05
Mphasis Consulting Limited	7,953,393	€ 0.002	685.65	7,953,393	€ 0.002	685.65
Mphasis Ireland Limited	10,000	€ 1	0.59	10,000	€ 1	0.59
Mphasis Belgium BV	62	€ 100	0.39	62	€ 100	0.39
Mphasis Poland s.p.z.o.o.	200	PLN 500	2.07	200	PLN 500	2.07
Mphasis Lanka Private Limited	1,095,584	LKR112.10	55.78	1,095,584	LKR112.10	55.78
Less: Provision for impairment in value of investment			(55.78)			(55.78)
PT Mphasis Indonesia	99,000	US $ 1	4.38	99,000	US $ 1	4.38
Less: Provision for impairment in value of investment			(4.38)			(4.38)
Mphasis Deutschland GmbH (Nominal capital of 91,000 Deutche Mark)	-	-	2.52	-	-	2.52
Less: Provision for impairment in value of investment			(2.52)			(2.52)
Mphasis (Shanghai) Software & Services Company Limited(100% equity interest)	-	-	105.35	-	-	105.35
Mphasis Europe BV	3,381,654	€ 1	9,647.64	3,381,654	€ 1	9,647.64
Investment in subsidiaries (A)			**14,166.12**			**14,166.12**
Investments measured at amortized cost						
Quoted bonds						
7.19% India Infrastructure Finance Company Limited	-	-	-	599,500	1,000.00	599.50
Investments measured at FVTPL						
Quoted debentures						
Rural Electricity Corporation Limited	250	1,100,000.00	275.00	250	1,053,100.00	263.27
HDB Non- Convertible Debentures - 2023	500	1,023,700.00	511.85	-	-	-
KMPL - Non-convertible Debentures	400	1,007,500.00	403.00	-	-	-
ICICI Home Finance Company Limited	-	-	-	2,000	516,500.00	1,033.00
Investments other than subsidiaries (B)			**1,189.85**			**1,895.77**
Total non-current investments (A+B)			**15,355.97**			**16,061.89**
Aggregate value of unquoted non-current investments in subsidiaries			14,228.80			14,228.80
Aggregate value of quoted non-current investments			1,189.85			1,895.77
Market value of quoted non-current investments			1,189.85			1,937.31
Aggregate amount of impairment in value of investments in subsidiaries			(62.68)			(62.68)

7. OTHER FINANCIAL ASSETS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Bank deposits (refer note 12)*	159.67	0.05	0.03	81.09
Accrued interest	-	-	43.12	55.41
Recoverable from subsidiaries (refer note 31)	-	-	366.39	80.23
Derivative assets	344.44	335.00	1,042.42	761.81
Deposits	412.21	454.87	1,249.05	1,229.90
Others	-	-	16.10	322.58
	916.32	**789.92**	**2,717.11**	**2,531.02**

* Includes restricted deposits of ₹ 11.18 million (31 March 2021: ₹ 81.14 million) placed as a lien against bank guarantees/ statutory registration purposes/ claims.

8. OTHER ASSETS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Contract assets	286.21	99.89	578.86	121.75
Contract fulfilment cost	3.98	7.17	3.19	3.19
Contract acquisition cost	29.07	130.11	76.19	104.77
	319.26	**237.17**	**658.24**	**229.71**
Less: Loss allowance	-	-	-	-
	319.26	**237.17**	**658.24**	**229.71**
Unsecured - considered good				
Travel advances	-	-	1.88	1.00
Prepaid expenses	28.12	30.94	610.60	443.00
Advances to suppliers	-	111.11	384.25	520.74
Indirect tax recoverable	206.37	206.37	4,471.18	1,461.32
	234.49	**348.42**	**5,467.91**	**2,426.06**
	553.75	**585.59**	**6,126.15**	**2,655.77**

9. CURRENT INVESTMENTS

	As at 31 March 2022			As at 31 March 2021		
	Units	NAV (₹)	₹ million	Units	NAV (₹)	₹ million
Investments measured at FVTPL						
Quoted mutual funds						
Kotak Equity Arbitrage Fund Direct Growth	34,899,252	31.67	1,105.23	40,617,809	30.28	1,229.95
IDFC Arbitrage Fund	19,457,628	27.91	543.13	27,711,816	26.76	741.58
Kotak Savings Fund - Direct Plan - Growth	27,753,107	36.03	999.95	23,048,366	34.68	799.37
Nippon India Arbitrage Advantage Fund	26,557,921	22.83	606.26	44,032,314	21.83	961.09
Nippon India Money Market	298,442	3,350.56	999.95	2,047	3,220.75	6.59
Kotak Money Market Fund - Direct Plan - Growth	168,663	3,620.71	610.68	-	-	-
HDFC Overnight Fund - Direct Plan - Growth	217,103	3,157.45	685.49	-	-	-
UTI Money Market Fund - Direct Growth Plan	25,807	2,490.77	64.28	-	-	-
SBI Overnight Fund	-	-	-	38	3,351.78	0.13
IDFC Low Duration Fund	-	-	-	29,319,653	30.66	898.88
Aditya Birla Life Savings Fund - Growth Direct Plan	-	-	-	456,827	426.84	194.99
ABSL Overnight Fund - Direct Plan - Growth	-	-	-	75	1,112.93	0.08
Axis Treasury Advantage Fund	-	-	-	330,091	2,481.49	819.12
L&T Liquid Fund - Direct Plan Growth	-	-	-	177,384	2,818.93	500.03
Nippon India Overnight - Direct Growth Plan	-	-	-	3,077,769	110.47	340.01
Quoted debentures						
ICICI HFC - NCD	700	542,050.00	379.44	-	-	-
Investments measured at amortized cost						
Quoted bonds						
7.19% India Infrastructure Finance Company Limited	599,500	1,000.00	599.50	-	-	-
Quoted fixed maturity plan securities						
Aditya Birla Sun Life FTP – Series PH Direct growth	-	-	-	20,000,000	12.40	247.91
Unquoted inter corporate deposit						
HDFC Limited*			1,000.00	-	-	1,000.00
			7,593.91			**7,739.73**
Aggregate value of quoted current investments			6,593.91			6,739.73
Market value of quoted current investments			6,617.31			6,743.45
Aggregate value of unquoted current investments			1,000.00			1,000.00

* These deposits earn a fixed rate of interest.

10. TRADE RECEIVABLES - BILLED

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Trade receivables *	-	-	8,380.94	6,001.07
Allowance for doubtful receivables	-	-	(52.41)	(56.54)
	-	**-**	**8,328.53**	**5,944.53**
Credit impaired				
Trade receivables	-	-	535.60	524.54
Allowance for doubtful receivables	-	-	(535.60)	(524.54)
	-	**-**	**-**	**-**
	-	**-**	**8,328.53**	**5,944.53**

* Includes receivables from subsidiaries (refer note 31).

Trade receivables ageing schedule

(₹ million)

Particulars (31 March 2022)	Outstanding for following periods from due date of payment: Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	2,831.02	4,652.31	782.29	94.27	8.72	8.55	**8,377.16**
Undisputed Trade receivables – credit impaired	-	-	-	3.12	3.26	183.77	**190.15**
Disputed Trade receivables considered good	0.51	3.27	-	-	-	-	**3.78**
Disputed Trade receivables credit impaired	-	-	-	0.30	19.63	325.52	**345.45**
	2,831.53	**4,655.58**	**782.29**	**97.69**	**31.61**	**517.84**	**8,916.54**
Allowance for doubtful receivables							(588.01)
	2,831.53	**4,655.58**	**782.29**	**97.69**	**31.61**	**517.84**	**8,328.53**

Particulars (31 March 2021)	Outstanding for following periods from due date of payment: Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	3,705.20	2,141.84	117.49	11.86	1.83	2.12	**5,980.34**
Undisputed Trade receivables – credit impaired	-	-	3.16	5.79	9.75	171.99	**190.69**
Disputed Trade receivables considered good	2.82	6.33	-	11.52	0.06	-	**20.73**
Disputed Trade receivables credit impaired	-	0.29	-	8.11	73.40	252.05	**333.85**
	3,708.02	**2,148.46**	**120.65**	**37.28**	**85.04**	**426.16**	**6,525.61**
Allowance for doubtful receivables							(581.08)
	3,708.02	**2,148.46**	**120.65**	**37.28**	**85.04**	**426.16**	**5,944.53**

Relationship with struck off companies

Name of struck off company (31 March 2022)	Nature of transactions	Transactions during the year	Balance outstanding	Relationship
Metadata Technologies Private Limited*	Receivables	-	25.28	Customer
Name of struck off company (31 March 2021)				
Metadata Technologies Private Limited*	Receivables	-	25.28	Customer

* The above amount have been fully provided for.

11. CASH AND CASH EQUIVALENTS

	As at 31 March 2022	As at 31 March 2021
In current accounts	4,175.65	4,481.30
Deposits with original maturity of less than 3 months	681.00	410.14
	4,856.65	**4,891.44**

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Deposits with remaining maturity of more than 12 months	159.67	0.05	-	-
Deposits with remaining maturity of less than 12 months	-	-	446.03	1,703.79
Unclaimed dividend	-	-	22.50	23.88
	159.67	**0.05**	**468.53**	**1,727.67**
Disclosed under other financial assets (refer note 7)	(159.67)	(0.05)	(0.03)	(81.09)
	-	-	**468.50**	**1,646.58**

13. LOANS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured - considered good				
Loans given to related party*	1,970.61	-	-	-
Employee advances	-	-	208.64	128.78
	1,970.61	**-**	**208.64**	**128.78**

* Loan given to related party carries interest @ 180 days average SOFR (Secured overnight financing rate) + 4.40%. The loan was given for the purposes of the acquisition of Blink Interactive, Inc. The loan is repayable on or before 14 September 2023. (Refer note 31)

14. EQUITY SHARE CAPITAL

	As at 31 March 2022	As at 31 March 2021
Authorised share capital		
245,000,000 (31 March 2021: 245,000,000) equity shares of ₹ 10 each	2,450.00	2,450.00
Issued, subscribed and fully paid-up shares		
187,817,716 (31 March 2021: 187,042,033) equity shares of ₹ 10 each fully paid-up	1,878.18	1,870.42
Add: Amount originally paid-up on forfeited shares	0.07	0.07
Total issued, subscribed and fully paid-up share capital	**1,878.25**	**1,870.49**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ million	Number of shares	₹ million
At the beginning of the year	187,042,033	1,870.42	186,535,807	1,865.36
Issue of shares upon exercise of employee stock options	775,683	7.76	505,526	5.05
Issue of bonus shares	-	-	700	0.01
Outstanding at the end of the year	**187,817,716**	**1,878.18**	**187,042,033**	**1,870.42**

* Consequent to resolution of a dispute over the title of shares, 700 bonus shares, which were earlier held in abeyance was released and allotted to the claimant during the year ended 31 March 2021.

(b) Terms/rights and restrictions attached to equity shares.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	As at 31 March 2022	As at 31 March 2021
BCP Topco IX Pte. Ltd (subsidiary of the ultimate holding company) *		
104,799,642 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid	1,048.00	-
Marble II Pte Ltd. (subsidiary of the ultimate holding company) **		
Nil (31 March 2021: 104,799,577) equity shares of ₹ 10 each fully paid	-	1,048.00

* The ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd (refer note 31 for change in control)
** The ultimate holding company was Blackstone Capital Partners (Cayman II) VI L.P. (refer note 31 for change in control)

Shares held by promoters at the beginning of the year			
Promoter name	**No. of shares**	**% of total shares**	
Marble II Pte Ltd.	104,799,577	56.03	
Shares held by promoters at the end of the year			**% of change during the year**
Promoter name	**No. of shares**	**% of total shares**	
BCP Topco IX Pte. Ltd	104,799,642	55.80	100.00%

(d) Equity shares movement during five years immediately preceding 31 March 2022.

(i) Aggregate number of bonus shares and shares issued for consideration other than cash:

	As at 31 March 2022	As at 31 March 2021
Equity shares allotted as fully paid bonus shares by capitalization of securities premium / retained earnings	1,400	1,400

(ii) Equity shares extinguished / cancelled on buy back

a. On 2 June 2017, the Company completed the buyback of 17,370,078 fully paid-up equity shares of face value of ₹ 10 each ("equity shares"), representing 8.26% of the total paid-up equity share capital of the Company, at a price of ₹ 635 per equity share for an aggregate consideration of ₹ 11,030.00 million. The shares accepted by the Company under the buyback scheme were extinguished on 7 June 2017 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of buyback, the Company has transferred ₹ 173.70 million to Capital Redemption Reserve representing face value of equity shares bought back.

b. On 28 December 2018, the Company completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75 million. In line with the requirements of the Companies Act, 2013, an amount of ₹ 176.59 million, ₹ 743.89 million and ₹ 8,962.27 million has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.21 million to the Capital Redemption Reserve representing face value of equity shares bought back.

(iii) Number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash: 31 March 2022: nil (31 March 2021: nil)

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

	As at 31 March 2022		As at 31 March 2021	
Name of the shareholder	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
BCP Topco IX Pte. Ltd	104,799,642	55.80	-	-
Marble II Pte Ltd.	-	-	104,799,577	56.03

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the ESOP and RSU plan of the Company, refer note 15.

15. OTHER EQUITY

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Securities premium		
Balance as per previous financial statements	596.40	266.18
Premium received on issue of shares on exercise of options	433.95	262.98
Transferred from share based payment reserve, on exercise of options	125.26	67.24
Closing balance	**1,155.61**	**596.40**
General reserve		
Balance as per previous financial statements	2,011.89	1,984.38
Reversal on lapse of options granted	0.30	27.51
Closing balance	**2,012.19**	**2,011.89**
Retained earnings		
Balance as per previous financial statements	35,081.09	30,636.93
Re-measurement gains / (losses) on defined benefit plans	(154.72)	(50.14)
Profit for the year	12,352.53	11,103.62
Allotment of bonus shares held in abeyance	-	(0.01)
Transferred to Special Economic Zone re-investment reserve	(650.66)	(598.93)
Transferred from Special Economic Zone re-investment reserve	933.87	519.50
Less: Appropriations		
Dividends	12,175.40	6,529.88
Total appropriations	**12,175.40**	**6,529.88**
Closing balance	**35,386.71**	**35,081.09**
Capital reserve		
Balance as per previous financial statements	265.16	265.16
Closing balance	**265.16**	**265.16**
Capital redemption reserve		
Balance as per previous financial statements	246.91	246.91
Closing balance	**246.91**	**246.91**
Share based payments reserve		
Balance as per previous financial statements	588.65	581.21
Expense for the year	651.72	102.19
Transferred to securities premium on exercise of options	(125.26)	(67.24)
Reversal on lapse of options granted	(0.30)	(27.51)
Closing balance	**1,114.81**	**588.65**

Continued

15. OTHER EQUITY (Continued)

(₹ million)

	As at 31 March 2022	As at 31 March 2021
Special Economic Zone re-investment reserve		
Balance as per previous financial statements	1,839.95	1,760.52
Transfer from retained earnings	650.66	598.93
Utilization during the year	(933.87)	(519.50)
Closing balance	**1,556.74**	**1,839.95**
Hedging reserve		
Balance as per previous financial statements	599.92	(834.70)
Transactions during the year	1,385.86	2,523.61
Transfer to statement of profit and loss	(985.90)	(318.40)
Income tax effect on the above	(139.75)	(770.59)
Closing balance	**860.13**	**599.92**
Total other equity	**42,598.26**	**41,229.97**

Dividend on equity shares paid during the year ended 31 March 2022

The Board of Directors, at its meeting held on 13 May 2021 had proposed the final dividend of ₹ 65 per share for the year ended 31 March 2021.which was approved by the shareholders at the Annual General meeting held on 29 September 2021. This resulted in a cash outflow of ₹ 12,175.40 million.

Dividend on equity shares paid during the year ended 31 March 2021

The Board of Directors, at its meeting held on 13 May 2020 had proposed the final dividend of ₹ 35 per share for the year ended 31 March 2020. The dividend proposed by the Board of Directors was approved by the shareholders in the Annual General meeting held on 23 July 2020. This resulted in a cash outflow of ₹ 6,529.88 million.

Employee Stock Option Plans - Equity settled

Employees Stock Option Plan-1998 (the 1998 Plan)

The Company instituted the 1998 Plan for all eligible employees in pursuance of the special resolution approved by the shareholders in the Annual General Meeting held on 31 July 1998. The 1998 Plan provides for the issuance of 3,720,000 options to eligible employees as recommended by the ESOP Committee constituted for this purpose. In accordance with the 1998 Plan, the Committee has formulated 1998 Plan – (Version I) and 1998 Plan - (Version II) during the years 1998 -1999 and 1999 - 2000 respectively.

1998 Plan (Version I): Each option granted under the 1998 Plan - (Version I), entitles the holder thereof with an option to apply for and be issued one equity share of the Company at an exercise price of ₹ 34.38 per share. The equity shares covered under these options vest at various dates over a period ranging from six to sixty-six months from the date of grant based on the length of service completed by the employee to the date of grant. The options are exercisable any time after their vesting period irrespective of continued employment with the Group.

The movements in the options granted under the 1998 Plan - (Version I) are set out below:

	Year ended 31 March 2022		Year ended 31 March 2021	
1998 Plan (Version I)	**No. of options**	**Weighted Average Exercise Price (₹)**	**No. of options**	**Weighted Average Exercise Price (₹)**
Options outstanding at the beginning	47,000	34.38	47,000	34.38
Options outstanding at the end	**47,000**	**34.38**	**47,000**	**34.38**
Exercisable at the end	**47,000**	**34.38**	**47,000**	**34.38**

The options outstanding as at 31 March 2022 have an exercise price of ₹ 34.38 (31 March 2021: ₹ 34.38).

Employees Stock Option Plan - 2016 (the 2016 Plan)

Effective 4 November 2016, the Company instituted the 2016 Plan. The Board of Directors of the Company and shareholders approved the 2016 Plan at its meeting held on 27 September 2016 and 4 November 2016 respectively. The 2016 plan provides for the issue of options to certain employees of the Company and its subsidiaries.

The 2016 Plan is administered by the Mphasis Employees Equity Reward Trust. As per the ESOP 2016 Plan, the stock options are granted at the market price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee at the time of Grant. The equity shares covered under these options vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting or within six months from the resignation of employee whichever is earlier.

The movements in the options under the 2016 plan are set out below:

2016 Plan	Year ended 31 March 2022		Year ended 31 March 2021	
	No. of options	Weighted Average Exercise Price (₹)	No. of options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning	3,803,951	591.76	4,308,911	575.97
Granted	853,275	3,397.00	232,500	810.61
Forfeited	89,303	1,624.73	219,832	649.21
Lapsed	1,940	523.20	12,102	702.31
Exercised	775,683	569.43	505,526	530.21
Options outstanding at the end	**3,790,300**	**1,203.55**	**3,803,951**	**591.76**
Exercisable at the end	**2,420,910**	**558.93**	**2,325,323**	**554.24**

The weighted average share price as at the date of exercise of stock option was ₹ 2,817.05 (31 March 2021: ₹ 1,488.17) The options outstanding as at 31 March 2022 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00 (31 March 2021: ₹ 500.0 to ₹ 980.00) and the weighted average remaining contractual life is of 4.61 years (31 March 2021: 4.67 years).

The weighted average fair value of stock options granted during the year was ₹ 1,314.77 (31 March 2021: ₹ 203.64). The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average share price on the date of grant (₹)	3,306.18	816.77
Exercise Price (₹)	3,397.00	803.00 to 980.00
Expected Volatility	34.47% to 35.97%	35.07% to 39.17%
Life of the options granted in years	1-10 years	1-10 years
Average risk-free interest rate	6.34% to 6.36%	5.82% to 6.10%
Expected dividend rate	2.07%	2.93% to 3.57%

Total employee compensation cost pertaining to 2016 Plan during the year is ₹ 57.81 million, (31 March 2021: ₹ 35.14 million) net of cross charge to subsidiaries.

Additionally, under the existing ESOP 2016 Plan, during the current year the Company granted 285,337 options to the key management personnel.

Restricted Stock Unit Plan-2021 (“RSU Plan-2021”)

Effective 22 October 2021, the Company instituted the Restricted Stock Unit Plan-2021. The Board and the shareholders of the Company approved RSU Plan-2021 on 22 October 2021. The RSU Plan-2021 provides for the issue of restricted units to employees and directors of the Company and its subsidiaries.

The RSU Plan-2021 is administered by the Mphasis Employees Equity Reward Trust. Each unit, granted under the RSU Plan-2021, entitles the holder thereof with an option to apply for and be issued one equity share of the Company at an exercise price of ₹ 10.00 per share. The equity shares covered under this plan vest over a period ranging from twelve to sixty months from the date of grant. The exercise period is sixty months from the respective date of vesting or within six months from the resignation of the employee whichever is earlier.

Pursuant to the approvals obtained from the Board of Directors and the Shareholders of the Company, during the current year, the Company has adopted a new Restricted Units Plan, 2021 (‘RSU 2021’) under which a total of 3,000,000 RSUs can be granted to the eligible employees of the Company and its subsidiaries. Under this plan, 1,075,188 RSU’s have been granted to the eligible employees of the Company and its subsidiaries. Of this, the key management personnel were issued 359,189 RSU’s.

The movements in the units under the RSU Plan-2021 are set out below:

RSU 2021 Plan	Year ended 31 March 2022	
	No. of options	Weighted Average Exercise Price (₹)
Granted	1,075,188	10.00
Forfeited	38,370	10.00
Options outstanding at the end	**1,036,818**	**10.00**

There has been no exercise of units during the year. The options outstanding on 31 March 2022 have an exercise price ranging of ₹ 10.00 and the weighted average remaining contractual life of 8.19 years.

The weighted average fair value of stock options granted during the year was ₹ 2,971.23. The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Year ended 31 March 2022
Weighted average share price on the date of grant (₹)	3,306.24
Exercise Price (₹)	10.00
Expected Volatility	34.47% to 35.97%
Life of the options granted in years	1-10 years
Average risk-free interest rate	6.34% to 6.36%
Expected dividend rate	2.07%

Total employee compensation cost pertaining to 2021 Plan during the year is ₹ 89.86 million, net of cross charge to subsidiaries.

16. OTHER FINANCIAL LIABILITIES

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Salary related costs	63.33	11.78	2,356.60	667.32
Capital creditors	-	-	91.63	48.21
Other payables	0.46	0.68	123.52	84.28
Unclaimed dividend*	-	-	22.50	23.88
Derivative liabilities	12.22	23.06	49.29	86.16
	76.01	**35.52**	**2,643.54**	**909.85**

* Unclaimed dividends when due shall be credited to Investor Protection and Education Fund.

17. EMPLOYEE BENEFIT OBLIGATIONS

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for gratuity [refer note 35 (a)]	1,150.76	703.68	-	-
Provision for employee compensated absences	-	-	359.02	257.76
	1,150.76	**703.68**	**359.02**	**257.76**

18. OTHER LIABILITIES

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unearned revenue	-	-	303.10	299.59
Statutory dues	-	4.63	522.20	412.35
	-	**4.63**	**825.30**	**711.94**

19. BORROWINGS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured				
Loan from related party*	-	-	990.00	-
Pre-shipment loan from bank **	-	-	2,530.00	1,881.10
	-	**-**	**3,520.00**	**1,881.10**

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	1,881.10	2,345.62
Cash flow movement	1,636.05	(405.38)
Non-cash changes relating to foreign exchange movements	2.85	(59.14)
Closing balance	**3,520.00**	**1,881.10**

* Loan from subsidiary carries interest @ 6 months State Bank of India MCLR (Marginal cost of funds Lending Rate) + 1.75%. The loan is repayable on or before 30 September 2022. (Refer note 31)

** Pre-shipment loan in foreign currency amounting to ₹ nil (31 March 2021: ₹ 731.10 million interest @ LIBOR plus 0.43% p.a.).

** Pre-shipment loans of ₹ 2,530.00 million (31 March 2021: ₹ 1,150.00 million) carries interest ranging from 4.00% to 4.15% (31 March 2021: 4.10%). The loans are repayable over the period from 22 April 2022 to 16 August 2022.

Refer note 37 for the Company's exposure to interest rate, foreign currency and liquidity risks.

20. TRADE PAYABLES

	As at 31 March 2022	As at 31 March 2021
Outstanding dues to micro and small enterprises ('MSME')	17.60	12.55
Outstanding dues to creditors other than micro and small enterprises*	8,376.18	5,030.82
	8,393.78	**5,043.37**

* Includes payables to subsidiaries (refer note 31).

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Accrued expenses	Total
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		
31 March 2022							
MSME	12.37	0.43	-	-	4.47	-	**17.27**
Others	2,583.88	1,383.36	28.43	14.35	43.58	4,305.54	**8,359.14**
Disputed dues MSME	-	-	-	-	0.33	-	**0.33**
Disputed dues others	-	-	0.65	13.95	2.44	-	**17.04**
	2,596.25	**1,383.79**	**29.08**	**28.30**	**50.82**	**4,305.54**	**8,393.78**

Continued

20. TRADE PAYABLES (Continued)

Trade payables ageing schedule

(₹ million)

Particulars	Outstanding for following periods from due date of payment					Accrued expenses	Total
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		
31 March 2021							
MSME	7.60	0.08	-	-	4.54	-	**12.22**
Others	3,283.32	365.85	6.55	2.24	41.71	1,314.11	**5,013.78**
Disputed dues MSME	-	-	-	-	0.33	-	**0.33**
Disputed dues others	-	0.65	13.95	0.31	2.13	-	**17.04**
	3,290.92	**366.58**	**20.50**	**2.55**	**48.71**	**1,314.11**	**5,043.37**

Relationship with struck off companies

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding	Relationship
31 March 2022				
Human Interface Consulting India Pvt Ltd	Payables	-	0.56	Vendor
31 March 2021				
Human Interface Consulting India Pvt Ltd	Payables	-	0.56	Vendor

The Company has amounts due to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31 March 2022 and 31 March 2021. The details in respect of such dues are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount	17.60	12.55
- Interest	0.67	0.65
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed date during the year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	0.56	0.82
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	20.19	18.96

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

21. PROVISIONS

(₹ million)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provisions	-	-	732.82	408.42
	-	**-**	**732.82**	**408.42**

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	**408.42**	**55.34**
Additions	331.71	353.08
Utilised / paid	(7.31)	-
Closing Balance	**732.82**	**408.42**
Current	732.82	408.42

22. TAXES

Income tax expenses in the statement of profit and loss consist of the following:

	Year ended 31 March 2022	Year ended 31 March 2021
Taxes		
Current taxes	3,908.69	3,367.03
Deferred taxes	(59.09)	(13.01)
Total taxes	**3,849.60**	**3,354.02**

Under the Indian Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax ('MAT') in the tax holiday period if the tax payable under normal provisions is less than tax payable under MAT. Excess tax paid under MAT over tax under normal provision can be carried forward for a period of 15 assessment years and can be set off against the future tax liabilities.

The Company has units at Bengaluru, Hyderabad, Chennai and Pune registered as Special Economic Zone ('SEZ') units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961. The Company also has STPI units at Bengaluru, Pune and other locations which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B / 10A of the Income Tax Act, 1961.

A portion of the profits of the Company's India operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in SEZ. Under the Special Economic Zone Act, 2005 scheme, units in designated special economic zones providing service on or after 1 April 2005 will be eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits and gains for a further five years. The tax benefits are also available for a further five years post the initial ten years subject to the creation of SEZ Reinvestment Reserve which is required to be spent within 3 financial years in accordance with requirements of the tax regulations in India.

The interest / dividend income from certain category of investments is exempt from tax. The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to income exempt from tax, reversal of tax expense pertaining to previous years (net), deductions and tax effect on allowances / disallowances , and tax rate differentials on income from Capital Gains etc.

The Company is also subject to tax on income attributable to its permanent establishment in certain foreign jurisdictions due to operation of its foreign branches.

Mphasis Limited has entered into international and specified domestic transactions with its associated enterprises within the meaning of Section 92B and Section 92BA respectively of the Income Tax Act, 1961. The Company is of the view that all the aforesaid transactions have been made at arms' length terms.

Deferred tax for the year ended 31 March 2022 and 31 March 2021 relates to origination and reversal of temporary differences.

(₹ million)

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	**16,202.13**	**14,457.64**
Applicable tax rates in India	34.944%	34.944%
Computed tax charge (A)	**5,661.67**	**5,052.08**
Tax effect on exempt operating income	(1,634.49)	(1,296.17)
Tax effect on exempt non - operating income	(15.06)	(15.06)
Tax effect on non - deductible expenses	98.64	90.87
Tax effect on differential domestic/overseas tax rate and other disallowances	(6.55)	(0.46)
Reversal of tax expenses pertaining to prior period*	(253.81)	(478.25)
Others, net	(0.80)	1.01
Total adjustments (B)	**(1,812.07)**	**(1,698.06)**
Total tax expenses (A+B)	**3,849.60**	**3,354.02**

* Income tax expense for the year ended 31 March 2022 and 31 March 2021 includes reversal (net of provisions) of ₹ 253.81 million and ₹ 478.25 million, respectively.

	As at 31 March 2022	As at 31 March 2021
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	4,532.22	4,585.79
	4,532.22	**4,585.79**
Income tax liabilities (net)		
Provision for taxation	2,169.45	1,238.19
	2,169.45	**1,238.19**
Net income tax asset	**2,362.77**	**3,347.60**

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:

	As at 31 March 2022	As at 31 March 2021
Deferred tax asset (net)		
Property, plant and equipment and other intangible assets	287.44	276.94
Provision for doubtful debts and advances	303.06	275.84
Provision for employee benefits	577.92	418.00
On carried forward long term capital loss	11.70	40.82
Derivative (assets) / liabilities	(462.02)	(322.27)
Others	215.61	241.93
	933.71	**931.26**

Significant components of net deferred tax assets and liabilities are as follows:

	As at 1 April 2021	Statement of Profit and loss	OCI	Others	As at 31 March 2022
Deferred tax asset (net)					
Property, plant and equipment and other intangible assets	276.94	10.50	-	-	287.44
Provision for doubtful debts and advances	275.84	27.22	-	-	303.06
Provision for employee benefits	418.00	76.81	83.11	-	577.92
On carried forward long term capital loss	40.82	(29.12)	-	-	11.70
Derivative liabilities	(322.27)	-	(139.75)	-	(462.02)
Others	241.93	(26.32)	-	-	215.61
Total	**931.26**	**59.09**	**(56.64)**	**-**	**933.71**

(₹ million)

	As at 1 April 2020	Statement of Profit and loss	OCI	Others	As at 31 March 2021
Deferred tax asset (net)					
Property, plant and equipment and other intangible assets	333.78	(56.84)	-	-	276.94
Provision for doubtful debts and advances	171.68	104.16	-	-	275.84
Provision for employee benefits	371.54	19.51	26.95	-	418.00
Provision for loss on long-term contract	16.23	(16.23)	-	-	-
On carried forward long term capital loss	41.71	(0.89)	-	-	40.82
Derivative (assets) / liabilities	448.33	-	(770.60)	-	(322.27)
MAT credit entitlement	260.57	-	-	(260.57)	-
Others	278.63	(36.70)	-	-	241.93
Total	**1,922.47**	**13.01**	**(743.65)**	**(260.57)**	**931.26**

23. REVENUE FROM OPERATIONS

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services	72,909.64	55,294.11
Profit / (loss) on cash flow hedges reclassified to revenue	985.90	318.40
	73,895.54	**55,612.51**

Information in relation to revenue disaggregation is disclosed in note 33.

Reconciliation of revenue recognised with contracted price is as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Contracted price	73,794.48	56,261.10
Reductions towards variable consideration components*	(884.84)	(966.99)
Revenue as per statement of profit and loss	**72,909.64**	**55,294.11**

* The reduction towards variable consideration comprises of discounts, amortization of contract acquisition cost, etc.

A. Contract balances

The following table discloses the movement in contract assets:

	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	221.64	188.42
Revenue recognized during the year	748.06	124.70
Invoiced during the year	(129.08)	(79.26)
Exchange gain / (loss)	24.45	(12.22)
Closing balance	**865.07**	**221.64**

The following table discloses the movement in unearned revenue balances: (₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	299.59	219.30
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(269.79)	(185.50)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	271.41	265.89
Exchange (gain) / loss	1.89	(0.10)
Closing balance	**303.10**	**299.59**

B. Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as revenue and an explanation as to when the Company expects to recognize these amounts in revenue. Unsatisfied or partially satisfied Performance obligations are subject to variability due to several factors such as termination, changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the Company's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis and fixed monthly billing.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022 is ₹ 12,713.00 million (31 March 2021: ₹ 8,714.00 million). Out of this, the Company expects to recognize revenue of around 42% (31 March 2021: 34%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

24. OTHER INCOME

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on		
Bank deposits	64.00	59.73
Long term bonds	95.38	43.10
Others	98.78	74.74
Net gain on investments measured at FVTPL *	348.79	369.72
Foreign exchange gain / (loss), (net)	520.75	151.74
Profit on sale of fixed assets, (net)	5.12	4.30
Sublease income	54.77	50.06
Miscellaneous income	44.61	141.20
	1,232.20	**894.59**

*Includes profit on sale of investments amounting to ₹ 497.44 million (31 March 2021: ₹ 304.14 million).

25. EMPLOYEE BENEFITS EXPENSE

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and bonus	22,022.69	16,610.57
Contribution to provident and other funds	1,330.23	882.97
Employee share based payments	147.68	35.14
Staff welfare expenses	472.56	216.73
	23,973.16	**17,745.41**

26. FINANCE COSTS

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on borrowings	202.85	68.75
Interest expense on lease liabilities	384.26	437.69
Exchange difference to the extent considered as an adjustment to borrowing costs	-	14.08
	587.11	**520.52**

27. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 3)	595.41	467.18
Amortization of intangible assets (refer note 5)	50.62	51.69
Depreciation of right-of-use assets (refer note 4)	847.93	986.64
	1,493.96	**1,505.51**

28. OTHER EXPENSES

	Year ended 31 March 2022	Year ended 31 March 2021
Subcontracting charges	27,850.97	17,517.16
Legal and professional charges	975.63	1,189.54
Software support and annual maintenance charges	1,084.52	924.00
Facility expenses	417.71	514.59
Travel	141.30	39.59
Communication expenses	344.52	430.78
Recruitment expenses	657.97	139.72
Power and fuel	204.69	222.49
Insurance	100.37	102.90
Rates and taxes	16.46	27.14
Repairs and maintenance - others	98.93	76.15
Provision for expected credit loss	77.92	107.59
Sales support and marketing expenses	180.23	239.40
Corporate Social Responsibility expense (refer note 41)	282.08	254.54
Miscellaneous expenses	419.47	474.55
Auditor's remuneration (refer details below)	18.61	17.88
	32,871.38	**22,278.02**

Auditor’s remuneration *

Statutory audit fee	16.70	15.70
Other services (certification fees)	1.50	1.55
Reimbursement of expenses	0.41	0.63
	18.61	**17.88**

*excluding Goods and Services Tax.

29. EARNINGS PER SHARE ('EPS')

Reconciliation of basic and diluted shares used in computing earnings per share:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year (₹ in million)	12,352.53	11,103.62
Number of weighted average shares considered for calculation of basic earnings per share	187,349,367	186,674,485
Add: Dilutive effect of stock options	1,901,005	2,182,847
Number of weighted average shares considered for calculation of diluted earnings per share	**189,250,372**	**188,857,332**
Earnings per equity share (par value ₹ 10 per share)		
Basic	65.93	59.48
Diluted	65.27	58.79

30. CONTINGENT LIABILITIES AND COMMITMENTS

a. The Company has disputes with income tax authorities in India and other jurisdictions where they operate. The ongoing disputes pertain to various assessment years from 2005-06 to 2018-19. The matters under dispute pertain to transfer pricing, tax treatment of certain expenses claimed as deductions, or allowances, characterization of fees for services paid and applicability of withholding taxes. Claims against the Company in relation to direct taxes, transfer pricing matters not acknowledged as debts amount to ₹ 12,916.45 million (31 March 2021: ₹ 8,308.85 million). Claims against the Company in relation to indirect tax matters not acknowledged as debts amount to ₹ 167.94 million (31 March 2021: ₹ 167.87 million).

   In relation to other tax demands not included above, the Company has furnished bank guarantees amounting to ₹ 6,661.95 million (31 March 2021: ₹ 6,661.95 million). These demands are being contested by the Company based on management evaluation, advice of tax consultants and legal advice obtained. No provision has been made in the books of accounts. The Company has filed appeals against such orders with the appropriate authorities.

   The Company has received notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices, responded appropriately, and believes there are no financial statement implications as on date.

b. Other outstanding bank guarantees as at 31 March 2022: ₹ 146.59 million (31 March 2021: ₹ 156.19 million) pertains to guarantees issued on behalf of the Company to regulatory authorities.

c. The Company has given a financial guarantee amounting to ₹ 2,742.42 million (31 March 2021: ₹ 3,235.40 million) in relation to a working capital loan availed by a wholly owned subsidiary.

d. In addition to the above matters, the Company has other claims not acknowledged as debts amounting to ₹ 489.82 million (31 March 2021: ₹ 489.82 million).

   There has been a Supreme Court judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgment, including the effective date of the application and based on expert advice obtained, the Company is unable to reasonably estimate the expected impact of the Supreme Court decision. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

e. Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2022: ₹ 242.32 million (31 March 2021: ₹ 202.92 million).

31. RELATED PARTY TRANSACTIONS

In accordance with the requirements of Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balances are given below.

Change in control

For the period upto 9 August 2021, the holding Company and ultimate holding Company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding Company and ultimate holding Company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Entities where control exists:

BCP Asia (SG) Mirror Holding Pte Ltd	Ultimate holding company (from 10 August 2021)
BCP Topco IX Pte Ltd	Intermediate holding company (from 10 August 2021)
Blackstone Capital Partners (Cayman II) VI L.P.	Ultimate holding company (upto 9 August 2021)
Blackstone Capital Partners (Singapore) VI Holding Co Pte Ltd	Intermediate holding company (upto 9 August 2021)
Marble I Pte Ltd.	Intermediate holding company (upto 9 August 2021)
Marble II Pte Ltd.	Holding company (upto 9 August 2021)

Subsidiaries where control exists:

Msource (India) Private Limited ('Msource India')	Mphasis Europe BV ('Mphasis Europe')
Mphasis Corporation ('Mphasis USA')	Mphasis Pte Limited ('Mphasis Singapore')
Mphasis Infrastructure Services Inc.	Mphasis Deutschland GmbH ('Mphasis GmbH')
Digital Risk, LLC	Mphasis Belgium BV ('Mphasis Belgium')
Digital Risk Mortgage Services, LLC	Mphasis Poland s.p.z.o.o
Digital Risk Valuation Services, LLC	Mphasis Ireland Limited ('Mphasis Ireland')
Digital Risk Europe, OOD	Wyde Solutions Canada Inc.
Investor Services, LLC	Mphasis Wyde SASU
Wyde Corporation Inc.	PT. Mphasis Indonesia ('Mphasis Indonesia')
Mphasis Wyde Inc.	Msource Mauritius Inc. ('Msource Mauritius')
Mphasis UK Limited ('Mphasis UK')	Mphasis Philippines Inc.
Mphasis Consulting Limited ('Mphasis Consulting')	Mphasis Lanka Private Limited ('Mphasis Lanka')
Mphasis Software and Services (India) Private Limited ('Mphasis India')	Stelligent Systems LLC
Mphasis (Shanghai) Software & Services Company Limited ('Mphasis China')	Mphasis Australia Pty Limited ('Mphasis Australia')
Datalytyx Limited (w.e.f 19 November 2020)	Datalytyx MSS Limited (w.e.f 19 November 2020)
Dynamyx Limited (w.e.f 19 November 2020)	Blink Interactive (w.e.f 21 September 2021)
Mphasis Digi Information Technology (Shanghai) Limited (w.e.f 26 May 2021)	Redshift Digital Inc (w.e.f 21 September 2021)
Mrald Limited (w.e.f 23 December 2021)	Mrald Services Limited (w.e.f 23 December 2021)
Mphasis Solutions Services Corporation (w.e.f 28 December 2021)	

Post-employment benefit trusts:

Mphasis Group Employees Provident Fund Trust
Mphasis Limited Employees Group Gratuity Fund Trust

Key management personnel

Davinder Singh Brar	Independent Director and Chairman of the Board
Narayanan Kumar	Independent Director
Jan Kathleen Hier	Independent Director
David Lawrence Johnson	Director
Marshall Jan Lux	Director
Amit Dixit	Director
Amit Dalmia	Director
Maureen Anne Erasmus	Independent Director – Appointed w.e.f. 20 December 2021
Kabir Mathur	Director – Appointed w.e.f. 20 December 2021
Pankaj Sood	Director – Appointed w.e.f. 20 December 2021
Courtney Della Cava	Director – Appointed w.e.f. 20 December 2021
Paul James Upchurch	Director – Resigned w.e.f. 31 December 2020
Nitin Rakesh	Chief Executive Officer and Executive Director till 30 September 2021 Chief Executive Officer and Managing Director w.e.f 1 October 2021
Manish Dugar	Chief Financial Officer – Appointed w.e.f. 15 May 2020
V. Suryanarayanan	Executive Vice President & Chief Financial Officer – superannuated w.e.f. 14 May 2020
Subramanian Narayan	Senior Vice President & Company Secretary

The following is the summary of significant transactions with related parties by the Company: **(₹ million)**

	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services	**5,750.65**	**7,134.18**
Mphasis USA	1,798.52	3,538.69
Mphasis UK	1,326.57	1,204.68
Mphasis Belgium BV	761.23	611.57
Mphasis Europe BV	356.66	464.55
Others	1,507.67	1,314.69
Purchase of property, plant and equipment	**-**	**0.06**
Mphasis USA	-	0.06
Sale of property, plant and equipment	**0.59**	**0.27**
Msource India	0.59	0.27
Subcontracting charges	**25,729.88**	**15,536.03**
Mphasis USA	24,111.19	14,342.26
Msource India	423.07	378.40
Others	1,195.62	815.37
Sales support and marketing expenses	**180.23**	**239.40**
Mphasis UK	180.23	239.40
Dividend paid (on cash basis)	**6,131.00**	**3,301.75**
BCP Topco IX Pte. Ltd [Net of withholding taxes amounting to: ₹ 681.20 (31 March 2021: ₹ nil)]	6,130.78	-
Marble II Pte Ltd. [Net of withholding taxes amounting to: ₹ nil (31 March 2021: ₹ 366.80)]	-	3,301.19
Others	0.22	0.56
Remuneration / Commission to key management personnel	**81.42**	**73.30**
Directors	81.42	73.30
Sub-lease rental expense from entities where control exists	**16.70**	**-**
Digital Risk LLC	16.70	-
Sub-lease rental income	**54.77**	**50.06**
Msource India	34.39	30.94
Digital Risk Mortgage Services, LLC	20.38	19.12
Corporate Guarantee given on behalf of entities where control exists	**2,742.42**	**3,253.40**
Mphasis USA	2,742.42	3,253.40
Corporate Guarantee Commission received from entities where control exists	**42.01**	**45.19**
Mphasis USA	42.01	45.19
Unsecured loans given to entities where control exists	**2,820.74**	**-**
Mphasis USA	2,820.74	-
Unsecured loans repaid by entities where control exists	**908.28**	**-**
Mphasis USA	908.28	-
Unsecured borrowings from entities where control exists	**2,000.00**	**-**
Msource India	2,000.00	-
Unsecured borrowings repaid to entities where control exists	**1,010.00**	**-**
Msource India	1,010.00	-
Interest income from unsecured loans given to entities where control exists	**57.55**	**-**
Mphasis USA	57.55	-
Interest expenses on unsecured borrowings from entities where control exists	**64.71**	**-**
Msource India	64.71	-

In addition to the above, the Company and its subsidiaries incur reimbursable expenses on behalf of each other in the normal course of business.

(₹ million)

	Year ended 31 March 2022	Year ended 31 March 2021
Expenses incurred on behalf of related parties	**607.77**	**153.35**
Mphasis USA	457.05	74.51
Msource India	21.89	14.98
Mphasis UK	54.23	-
Others	74.60	63.86
Expenses incurred by related parties on Company's behalf	**118.30**	**76.87**
Mphasis USA	118.30	76.87

Managerial remuneration*

Expenses include the following remuneration to the key management personnel:

	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits	38.18	34.78
Share based payment	14.09	7.52
Commission to directors	28.29	29.57
Other benefits	0.86	1.43
	81.42	**73.30**

* This does not include remuneration paid to certain directors by the ultimate parent Company and its affiliates as they are not employees of the Company. Post-employment benefit comprising gratuity and compensated absences have not been disclosed as these are determined for the Company as a whole.

Marble II Pte Ltd. ('Marble') (being the erstwhile Promoter of the Company) has covered certain identified employees of the Company under an Exit Return Incentive Plan ('the ERI Plan') of Marble, under which Marble could make direct payments upon satisfaction of specified conditions therein, at Marble's discretion. The ERI Plan was approved by the Board of Directors of the Company on 25 May 2017 and the shareholders of the Company at the Annual General Meeting held on 26 July 2017, as required under Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no financial impact / burden to the Company for the payments to be made pursuant to the ERI Plan by Marble. Marble has, since its exit as a shareholder of the Company, made payments of ₹ 41.30 million in aggregate under the ERI Plan to the key management personnel of the Company.

BCP Topco IX Pte. Ltd. ('Topco') being the holding Company and the promoter of the Company, through its related entities –BCP Asia (SG) Mirror Holding Pte Ltd and BCP Asia Mirror CYM Ltd ("Cayco"), has covered certain identified employees of the Company under the Exit Return Incentive Plan, 2021 ('ERI 2021'), under which direct payments will be made upon satisfaction of specified conditions therein, at their discretion. The ERI 2021 Plan was approved by the Board of Directors of the Company on 31 August 2021 and the shareholders of the Company at the Annual General Meeting held on 29 September 2021, as required under Regulation 26(6) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no financial impact / burden to the Company for the payments to be made pursuant to ERI 2021

The balances receivable from and payable to related parties are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	**4,386.54**	**1,633.10**
Mphasis USA	1,340.73	330.57
Mphasis UK	1,661.46	709.71
Others	1,384.34	592.82
Trade payables	**6,563.13**	**3,526.70**
Mphasis USA	5,968.75	3,248.59
Others	594.38	278.11

Continued

31. RELATED PARTY TRANSACTIONS (Continued)

The balances receivable from and payable to related parties are as follows: **(₹ million)**

	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration / Commission payable to key management personnel	**7.50**	**6.47**
Davinder Singh Brar	1.46	1.49
Narayanan Kumar	1.34	1.34
David Lawrence Johnson	1.18	1.20
Jan Kathleen Hier	1.24	1.27
Marshall Lux	1.18	1.17
Maureen Anne Erasmus	1.10	-
Other receivables	**366.39**	**80.23**
Mphasis USA	242.69	14.73
Msource India	17.31	28.47
Wyde Corporation	0.04	0.08
Mphasis Wyde Inc.	14.36	14.56
Others	91.99	22.39
Unsecured loans given to entities where control exist	**1,970.61**	**-**
Mphasis USA	1,970.61	-
Unsecured borrowings from entities where control exists	**990.00**	**-**
Msource India	990.00	-
Interest receivable on unsecured loans given to entities where control exists	**15.05**	**-**
Mphasis USA	15.05	-
Interest payable on unsecured borrowings from entities where control exists	**6.58**	**-**
Msource India	6.58	-

32. SEGMENT REPORTING

The Company publishes the standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the consolidated financial statements and is exempt from disclosing segment information in the standalone financial statements.

33. DISAGGREGATION OF REVENUE

During the current year, Banking and Capital Markets business has been renamed as Banking and Financial Services and Information Technology Communication and Entertainment business has been renamed as Technology Media and Telecom.

Business verticals	Year ended 31 March 2022	Year ended 31 March 2021
Banking and Financial Services	39,146.20	26,771.00
Logistics and Transportation	13,080.89	9,480.56
Technology Media and Telecom	5,583.16	5,126.07
Insurance	7,551.00	6,903.72
Others	7,548.39	7,012.76
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**

Geographic revenues	Year ended 31 March 2022	Year ended 31 March 2021
Americas	57,670.97	42,343.69
India	5,915.60	4,431.92
EMEA	7,188.48	6,480.24
ROW	2,134.59	2,038.26
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**

(₹ million)

Services rendered	Year ended 31 March 2022	Year ended 31 March 2021
Application Services	54,204.68	39,167.33
Business Process Services	8,529.70	6,178.95
Infrastructure Services	10,175.26	9,947.83
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**
Delivery location		
Onsite	24,817.56	16,363.51
Offshore	48,092.08	38,930.60
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**
Project type		
Time and material	43,927.68	32,262.79
Fixed price	24,093.22	18,736.59
Transaction based	4,888.74	4,294.73
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**
Market		
Direct	67,087.99	46,441.11
DXC	3,751.38	6,919.15
Others	2,070.27	1,933.85
Unallocated - hedge	985.90	318.40
Total	**73,895.54**	**55,612.51**

34. CAPITAL MANAGEMENT

The Company's objective is to maintain a strong capital base to ensure sustained growth in business. The Capital Management policy focusses to maintain an optimal structure that balances growth and maximizes shareholder value

	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the share holders of the Company (A)	44,476.51	43,100.46
Borrowings (B)	3,520.00	1,881.10
Total capital C (A+B)	**47,996.51**	**44,981.56**
Total borrowings as a percentage of capital (B / C)	**7.33%**	**4.18%**
Total equity as a percentage of total capital (A / C)	**92.67%**	**95.82%**

The Company is predominantly equity financed as evident from the capital structure table above. The Company is not subject to any externally imposed capital restrictions.

35. EMPLOYEE BENEFITS

a. Gratuity

In accordance with Indian laws, the Company and its subsidiaries in India operate a scheme of Gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. The trust is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives.

The following tables set out the status of the gratuity plan. **(₹ million)**

	Year ended 31 March 2022	Year ended 31 March 2021
Changes in present value of defined benefit obligations		
Obligations at beginning of the year	1,249.85	1,093.05
Service cost	172.34	112.60
Interest cost	69.10	63.51
Benefits paid	(207.37)	(92.51)
Re-measurement (gain) / loss (through OCI)	227.13	73.20
Obligations at end of the year	**1,511.05**	**1,249.85**
Change in plan assets		
Plan assets at beginning of the year, at fair value	546.17	405.29
Expected return on plan assets	41.66	29.79
Re-measurement gain / (loss) (through OCI)	(10.70)	(3.88)
Employer contributions	0.30	220.51
Benefits paid	(207.37)	(92.51)
Administration charges	(9.77)	(13.03)
Plan assets at end of the year	**360.29**	**546.17**
Present value of defined benefit obligation at the end of the year	1,511.05	1,249.85
Fair value of plan assets at the end of the year	360.29	546.17
Net liability recognised in the balance sheet	**(1,150.76)**	**(703.68)**
Expenses recognised in statement of profit and loss		
Service cost	172.34	112.60
Interest cost (net)	27.44	33.72
Net gratuity cost	**199.78**	**146.32**
Re-measurement gains / (losses) in OCI		
Actuarial (gain) / loss due to financial assumption changes	(13.69)	14.76
Actuarial (gain) / loss due to experience adjustments	240.82	58.44
Re-measurement - return on plan assets (greater) less than discount rate	10.70	3.88
Total expenses routed through OCI	**237.83**	**77.08**
Assumptions		
Discount rate	6.38%	6.15%
Expected rate of return on plan assets	6.38%	6.15%
Salary increase	4.00%	4.00%
Attrition rate	20.00%	20.00%
Retirement age	60 years	60 years
Future payouts (year ended 31 March)		
Year-1	227.73	189.25
Year-2	198.31	164.12
Year-3	177.25	145.25
Year-4	153.07	129.99
Year-5	137.68	111.23
Year-6-10	405.26	330.22
Year-10 and above	211.75	179.79

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Expected return on plan assets is computed based on prevailing market rate.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Insurer managed funds	100.00%	100.00%

(₹ million)

Sensitivity analysis	Year ended 31 March 2022		Year ended 31 March 2021	
Change in discount rate	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Effect on the defined benefit obligation	(61.47)	56.75	(50.64)	46.79
Change in salary increase rate				
Effect on the defined benefit obligation	58.50	(62.27)	48.17	(51.32)

b. Provident Fund

In accordance with Indian law, all eligible employees of the Company in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a Trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in the statement of profit or loss under employee benefit expenses. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

The Company has carried out actuarial valuation only for defined benefit plan as at 31 March 2022. The actuary has provided a valuation for provident fund liabilities and based on the assumptions mentioned below, there is no shortfall in plan assets as at 31 March 2022 and 31 March 2021.

The amount of plan assets disclosed below have been restricted to the extent of present value of benefit obligation at the year end.

The details of the fund and plan asset position are given below:

	As at 31 March 2022	As at 31 March 2021
Plan assets at the year end	12,213.51	10,782.11
Present value of benefit obligation at year end	12,213.51	10,782.11
Asset recognized in balance sheet	-	-

The plan assets have been primarily invested in Government and Debt Securities in the pattern specified by Employee's Provident Fund Organisation.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach.

Government of India (GOI) bond yield	6.38%	5.92%
Remaining term of maturity (in years)	8	8
Guaranteed rate of return	8.10%	8.50%

The Company contributed ₹ 994.74 million during the year ended 31 March 2022 (31 March 2021: ₹ 659.05 million).

c. Social Security

The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Company. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020 and has invited suggestions from stake holders. The suggestions received are under consideration by the Ministry. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

36. FINANCIAL INSTRUMENTS

The carrying value of financial instruments by categories is as follows: (₹ million)

Particulars (as at 31 March 2022)	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	4,856.65	**4,856.65**
Bank balances other than cash and cash equivalents	-	-	-	468.50	**468.50**
Investments (other than investment in subsidiaries)	7,184.26	-	-	1,599.50	**8,783.76**
Trade receivables	-	-	-	17,122.34	**17,122.34**
Loans	-	-	-	2,179.25	**2,179.25**
Derivative assets	-	1,357.57	29.29	-	**1,386.86**
Other financial assets	-	-	-	2,246.57	**2,246.57**
Total	**7,184.26**	**1,357.57**	**29.29**	**28,472.81**	**37,043.93**
Financial liabilities					
Borrowings	-	-	-	3,520.00	**3,520.00**
Lease liabilities	-	-	-	4,838.13	**4,838.13**
Trade payables	-	-	-	8,393.78	**8,393.78**
Derivative liabilities	-	35.44	26.07	-	**61.51**
Other financial liabilities	-	-	-	2,658.04	**2,658.04**
Total	**-**	**35.44**	**26.07**	**19,409.95**	**19,471.46**

Particulars (as at 31 March 2021)	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	4,891.44	**4,891.44**
Bank balances other than cash and cash equivalents	-	-	-	1,646.58	**1,646.58**
Investments (other than investment in subsidiaries)	7,788.09	-	-	1,847.41	**9,635.50**
Trade receivables	-	-	-	10,929.05	**10,929.05**
Loans	-	-	-	128.78	**128.78**
Derivative assets	-	1,023.77	73.04	-	**1,096.81**
Other financial assets	-	-	-	2,224.13	**2,224.13**
Total	**7,788.09**	**1,023.77**	**73.04**	**21,667.39**	**30,552.29**
Financial liabilities					
Borrowings	-	-	-	1,881.10	**1,881.10**
Lease liabilities	-	-	-	5,146.14	**5,146.14**
Trade payables	-	-	-	5,043.37	**5,043.37**
Derivative liabilities	-	101.60	7.62	-	**109.22**
Other financial liabilities	-	-	-	836.15	**836.15**
Total	**-**	**101.60**	**7.62**	**12,906.76**	**13,015.98**

Fair value hierarchy (₹ million)

Particulars	As at 31 March 2022				As at 31 March 2021			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Investments	**7,184.26**	5,614.97	1,569.29	-	**7,788.09**	6,491.82	1,296.27	-
Derivative assets	**1,386.86**	-	1,386.86	-	**1,096.81**	-	1,096.81	-
Liabilities								
Derivative liabilities	**61.51**	-	61.51	-	**109.22**	-	109.22	-

Offsetting financial assets with liabilities

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The quantitative information about offsetting financial asset is as follows:

	As at 31 March 2022	As at 31 March 2021
Gross amount of recognised trade receivables (net of provision for ECL) - Billed	11,163.16	7,465.29
Gross amount of factored trade receivables and volume discount set off in the balance sheet	(2,834.63)	(1,520.76)
Net amount presented in balance sheet	**8,328.53**	**5,944.53**

37. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to the following risks:

- Credit risk
- Interest rate risk
- Liquidity risk
- Foreign currency exchange rate risk

The Company has a risk management policy/ framework which covers risks associated with the financial assets and liabilities. The risk management policy/ framework is approved by the Treasury Committee. The focus of such framework is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

CREDIT RISK

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract leading to a financial loss. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks and financial institutions, investments, derivative financial instruments and other financial instruments.

The Company is also exposed to credit risk on account of financial guarantee given on behalf on of its subsidiaries [Refer note 30(c)].

Trade receivables

Credit risk is managed by each business unit subject to the Company's established policies, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Three customer group have accounted for more than 10% of the trade receivable for the years ended 31 March 2022 (31 March 2021: Three customer groups).

Credit risk exposure

The Company's credit period generally ranges from 30 – 60 days. The particulars of outstanding are as below:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	17,122.34	10,929.05
Total	**17,122.34**	**10,929.05**

The concentration risk with respect to trade receivables is low since they are spread across multiple customers, geographies and industries.

The allowance for lifetime expected credit loss for the years ended 31 March 2022 and 31 March 2021 was ₹ 77.92 million and ₹ 107.59 million respectively. The reconciliation is as follows:

(₹ million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	643.69	539.50
Charge for the year	77.92	107.59
Translation exchange differences	3.66	(3.40)
Closing balance	**725.27**	**643.69**

Financial instruments and deposits with banks

Credit risk is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in liquid mutual fund units, fixed maturity plans securities, deposits and bonds issued by government owned entities and highly rated financial institutions. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Three banks individually accounted for more than 10% of the Company's deposits and bank balances for the year ended 31 March 2022 (31 March 2021: Two banks).

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's borrowings are short term / working capital in nature. The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company's principal sources of liquidity are cash and cash equivalents, bank balances other than cash and cash equivalents, current investments and the cash flow that is generated from operations. The Company believes that these sources are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	4,856.65	4,891.44
Bank balances other than cash and cash equivalents	468.50	1,646.58
Current investments	7,593.91	7,739.73
Total	**12,919.06**	**14,277.75**

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual financial liabilities.

Financial liabilities (As at 31 March 2022)	On demand	0-180 days	180-365 days	365 days and above	Total
Trade payables	6.02	8,387.76	-	-	**8,393.78**
Borrowings	-	3,520.00	-	-	**3,520.00**
Lease liabilities	-	630.06	523.85	4,868.85	**6,022.76**
Other financial liabilities	26.83	2,616.71	-	76.01	**2,719.55**
Total financial liabilities	**32.85**	**15,154.53**	**523.85**	**4,944.86**	**20,656.09**

(₹ million)

Financial liabilities (As at 31 March 2021)	On demand	0-180 days	180-365 days	365 days and above	Total
Trade payables	32.11	5,011.26	-	-	**5,043.37**
Borrowings	-	1,881.10	-	-	**1,881.10**
Lease liabilities	-	588.50	565.72	5,475.66	**6,629.88**
Other financial liabilities	28.13	881.72	-	35.52	**945.37**
Total financial liabilities	**60.24**	**8,362.58**	**565.72**	**5,511.18**	**14,499.72**

FOREIGN CURRENCY EXCHANGE RATE RISK

The fluctuation in foreign currency exchange rates may have a potential impact on the standalone statement of profit and loss and other comprehensive income, where transactions are denominated in a currency other than functional currency. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in United States Dollars ('USD'). The Company also has exposures to Great Britain Pound ('GBP') and Euros ('EUR")). The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and financing activities (when revenue or expense is denominated in a foreign currency).

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

Below is the summary of foreign currency exposure of Company's financial assets and liabilities:

As at 31 March 2022		**₹ million**			
Financial assets	**USD**	**GBP**	**EUR**	**Others**	**Total**
Trade receivables	11,905.38	1,987.40	1,064.86	574.85	**15,532.49**
Cash and cash equivalents	2,725.36	-	-	-	**2,725.36**
Loans	1,970.61	-	-	-	**1,970.61**
Other financial assets	51.84	36.73	0.32	0.52	**89.41**
Total financial assets	**16,653.19**	**2,024.13**	**1,065.18**	**575.37**	**20,317.87**
Financial liabilities					
Trade payables	6,155.44	186.46	53.96	228.43	**6,624.29**
Other financial liabilities	35.64	-	-	-	**35.64**
Total financial liabilities	**6,191.08**	**186.46**	**53.96**	**228.43**	**6,659.93**
Net financial assets	**10,462.11**	**1,837.67**	**1,011.22**	**346.94**	**13,657.94**
As at 31 March 2021					
Financial assets	**USD**	**GBP**	**EUR**	**Others**	**Total**
Trade receivables	6,962.40	1,062.55	533.57	570.00	**9,128.52**
Cash and cash equivalents	4,242.25	-	-	-	**4,242.25**
Other financial assets	30.14	0.79	14.56	1.09	**46.58**
Total financial assets	**11,234.79**	**1,063.34**	**548.13**	**571.09**	**13,417.35**
Financial liabilities					
Trade payables	3,296.09	130.68	18.01	82.77	**3,527.55**
Borrowings	731.10	-	-	-	**731.10**
Other financial liabilities	5.50	-	-	-	**5.50**
Total financial liabilities	**4,032.69**	**130.68**	**18.01**	**82.77**	**4,264.15**
Net financial assets	**7,202.10**	**932.66**	**530.12**	**488.32**	**9,153.20**

The counter party for these transactions are banks. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

STANDALONE FINANCIAL STATEMENTS

Forward contracts outstanding against financial assets are as below:

Currency	As at 31 March 2022 Amount (million)	As at 31 March 2022 Amount in (₹ million)	As at 31 March 2021 Amount (million)	As at 31 March 2021 Amount in (₹ million)
USD	129.60	9,822.71	100.10	7,318.31
GBP	19.14	1,904.06	10.59	1,066.97
EUR	12.17	1,025.25	5.84	500.78
CAD	2.08	125.82	1.90	110.25
AUD	3.98	225.94	5.83	324.75
SGD	1.93	107.85	1.08	58.70
SEK	3.40	27.67	5.93	49.71

Forward contracts outstanding against financial liabilities are as below:

USD	-	-	10.00	731.10
GBP	1.61	160.54	1.19	119.90
CAD	1.47	89.16	0.31	17.99

Sensitivity analysis

For every 1% appreciation/depreciation of the respective foreign currencies, the Company's profit before taxes will be impacted by approximately ₹ 4.78 million for the year ended 31 March 2022 (31 March 2021: ₹ 2.60 million).

38. ADDITIONAL REGULATORY INFORMATION

a. ANALYTICAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% Variance
Current ratio (in times) *	Current assets	Current liabilities	2.01	2.72	-26.08%
Debt equity ratio (in times)	Debt (borrowings + lease liabilities)	Shareholders equity	0.19	0.16	15.26%
Debt service coverage ratio (in times)	Earnings for Debt Service (Profit after tax+Depreciation+finance cost+Profit on sale of property,plant and equipment)	Debt Service (Interest and lease payments + Principal repayments)	2.00	1.70	16.10%
Return on equity ratio (in %)	Net Profit for the year	Average shareholders equity	28.21%	27.80%	1.46%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.18	5.03	2.92%
Trade payables turnover ratio	Other expenses	Average trade payables	4.89	4.42	10.65%
Net capital turnover ratio**	Revenue from operations	Working Capital (current assets - current liabilities)	3.77	2.88	30.59%
Net profit ratio (in %)	Net Profit for the year	Revenue from operations	16.72%	19.97%	-16.28%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed (Net worth + borrowings + lease liabilities)	29.44%	28.10%	4.80%
Return on investment (in %)	Income generated from treasury investments	Average invested funds in treasury investments	4.50%	4.80%	-6.25%

* due to increase in trade receivables, indirect taxes recoverable, trade payables on account of revenue growth.

**due to revenue growth during the current year

b. OTHERS

Other than in the normal and ordinary course of business there are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

39. FAIR VALUES

Financial instruments carried at amortised cost such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, unbilled revenue, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to the short-term nature of these instruments.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted investments are based on price quotations at the reporting date.
- The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Foreign exchange forward contracts & non-convertible debentures are valued using valuation techniques, which employs the use of market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

40. HEDGING ACTIVITIES AND DERIVATIVES

The Company's revenue is denominated in various foreign currencies. Given the nature of business, a large part of the costs are denominated in INR. This exposes the Company to currency fluctuations. The Company uses foreign exchange forward contracts to manage exposure on some of its transactions. The counterparty, for all derivative financial instruments is a bank.

The Company has taken cash flow hedges on account of highly probable forecast transactions. Designated cash flow hedges are measured at FVTOCI. Other derivatives which are not designated as hedge are measured at FVTPL.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The following are outstanding forward contracts which has been designated as cash flow hedges:

	As at 31 March 2022			As at 31 March 2021		
Currency	**Number of contracts**	**Notional amount** (million in respective currencies)	**Fair value gain / (loss) (₹ million)**	**Number of contracts**	**Notional amount** (million in respective currencies)	**Fair value gain / (loss) (₹ million**
USD	515	801.00	1,072.53	452	599.50	947.19
GBP	65	14.37	81.89	76	14.31	(23.75)
EUR	71	26.75	163.84	88	20.60	48.90
CAD	39	5.77	3.04	41	11.02	(10.28)
AUD	52	12.06	0.83	77	17.19	(39.89)
Total			**1,322.13**			**922.17**

The Company has entered into derivative instruments not in hedging relationships by way of foreign exchange forwards. As at 31 March 2022 and 31 March 2021, the notional amount of outstanding contracts aggregated to ₹ 12,989.60 million and ₹ 8,560.48 million, respectively and the respective fair value of these contracts have a net gain of ₹ 3.22 million and ₹ 65.42 million respectively.

The movement in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows: **(₹ million)**

	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	599.92	(834.70)
Change in fair value of effective portion of cash flow hedges	1,385.86	2,523.61
Gain transferred to statement of profit and loss on occurrence of forecasted hedges	(985.90)	(318.40)
Income tax effect on the above	(139.75)	(770.59)
Total	**860.13**	**599.92**

Sensitivity analysis

For every 1% appreciation/depreciation of the respective underlying foreign currencies, the Company's OCI will decrease or increase approximately by ₹ 639.92 million for the year ending 31 March 2022 (31 March 2021: ₹ 485.00 million).

41. CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on creating opportunities for the disadvantaged with emphasis on persons with disabilities and technology driven community development.

	Year ended 31 March 2022	Year ended 31 March 2021
Amount required to be spent by the company during the year	281.58	254.21
Amount of expenditure incurred on :		
Construction / acquisition of any asset	-	-
On purposes other than above	282.08	254.54
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	-	-
Nature of CSR activities	Promoting education, Livelihood enhancement, Disaster relief, COVID 19 relief, Entrepreneurship, Promoting accessibility for persons with disabilities.	

42. Consequent to Schedule III amendments being made effective 1 April 2021, previous year numbers pertaining to security deposits of ₹ 1,229.90 million and ₹ 454.87 million have been reclassed from current and non-current loans to current and non-current financial assets respectively.

43. SUBSEQUENT EVENTS

The Board of Directors in their meeting held on 28 April 2022 have proposed a final dividend of ₹ 46 per equity share for the year ended 31 March 2022 which is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹ 8,640.52 million.

As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
101248W/W-100022

Amit Somani
Partner
Membership No. 060154

Bengaluru
28 April 2022

for **and on behalf of the Board of Directors**

Nitin Rakesh
Chief Executive Officer & Managing Director
New York

Manish Dugar
Chief Financial Officer

New Delhi
28 April 2022

Narayanan Kumar
Director
Chennai

Subramanian Narayan
Senior Vice President &
Company Secretary
Bengaluru

GROUP OFFICE LOCATIONS

INDIA

Bengaluru

- Bagmane Laurel,
  No. 65/2, Block-A, 1st Floor
  Bagmane Technology Park,
  Byrasandra Village, C V Raman Nagar,
  Bengaluru - 560 093
  Tel : 080 - 4004 4444
- Bagmane Parin,
  No. 65/2, Block A, 7th Floor
  Bagmane Technology Park,
  Byrasandra Village,
  C V Raman Nagar,
  Bengaluru - 560 093
  Tel: 080 - 4004 4444
- Global Technology Village SEZ
  Survey Nos. 12/1,12/2, 29 & 30
  Mylasandra & Patanegere Villages
  RVCE post, Kengeri Hobli
  Bengaluru - 560 059
  Tel: 080 - 6732 5000
- Tower E, 3rd Floor, G V tech park
  Private Limited SEZ
  Mylasandra - Patanegere Villages,
  Kengeri Hobli, Off Bangalore Mysore
  Express Way RVCE Post,
  Bangalore, Karnataka 560059

  Tower F, 3rd Floor, G V tech park
  Private Limited SEZ
  Mylasandra - Patanegere Villages,
  Kengeri Hobli, Off Bangalore Mysore
  Express Way RVCE Post,
  Bangalore, Karnataka 560059
- Bagmane World Technology Center,
  W.T.C. 2, K.R. Puram Marathahalli
  Outer Ring Road, Mahadevapura,
  Bengaluru - 560 048 India
  Tel: 080 - 6750 1000
- Bagmane World Technology Center
  Special Economic Zone,
  W.T.C. 3, Block A & B, Level 1,
  Bengaluru - 560 048
  Tel: 080 - 6750 1000
- Bagmane World Technology Center
  Special Economic Zone , W.T.C. 4,
  Level 4, Mahadevapura, K R Puram,
  Bengaluru - 560 048
  Tel: 080 - 6750 1000
- Mascot 90, 2nd & 3rd floor,
  EPIP Industrial Area, No. 80, Block II,
  Whitefield, Bengaluru - 560 066
- Primal Projects Pvt Ltd (Pritech Park
  (SEZ), 2nd Floor, Wing A, Block 5, SY
  No.51 to 64/4, Outer Ring Road,
  Bellandur Village, Bengaluru-560103

Chennai

- DLF IT PARK, Block 8 & 10,
  4th, 6th, 8th, 9th & 10th Floor, 1/124, Sivaji
  Gardens, Moonlight Stop,
  Mount Poonamalle Road,
  Chennai - 600 089
- DLF SEZ IT Park, Tower 1B
  Level 1-4, 1/124, Sivaji Garden
  Manapakkam, Mount Poonamalle
  Road, Chennai - 600 089
  Tel : 044-6637 0000

Hyderabad

- Sundew Properties Limited
  Building No. 12C, Mindspace
  Cyberabad, Survey No. 64 (Part),
  TSSIIC Software Layout,
  Madhapur, Hyderabad - 500 081
  Tel: 040 - 6788 0000, 4813 6000
- Units 1801 and 1802, Skyview 20,
  Tower-9,C/o Divija Commercial
  Properties (P) Ltd, SEZ Developer,
  Hyderabad Knowledge City,
  Serilingampally Mandal,
  Rangareddy Dist., Raidurgam,
  Hyderabad-500032 Telangana

Mangalore

- Techbay in village, No-92 Manglore
  Thota, G Floor, Jeppur Ward, Hobli,
  Mangalore - 575 001

Mumbai

- Infinity IT Park, Unit No. 102,
  'B' Wing, Building No. 4, 239, General
  A K Vaidya Marg, Dindoshi,
  Malad (East), Mumbai - 400 097
  Tel: 022 - 6788 4000

Pune

- Cybercity, Tower IV, Magarpatta
  Hadapsar, Pune - 411 013
  Tel: 020 - 4014 1000
- EON free Zone. Cluster C Kharadi
  Knowledge Park
  EON Kharadi Infrastructure Pvt. Ltd
  SEZ Plot No.1, Survey No.77 MIDC,
  Kharadi, Pune - 411 014
  Tel : 020 - 4074 0000, 020-6617 0000
- 12th Floor & Training Room No.2,
  Level 1, Tower B of EOZ SEZ,
  Phase II, Survey No.72, Kharadi,
  Pune, Maharashtra, 411014

Noida

- Fusion Square, 4th Floor 5A & 5B,
  SECTOR-126, NOIDA, UP-201303

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Canada

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  Quebec City, GIV 0B9
- 5925, Airport Road,
  Suite 200, Mississuaga,
  Ontario, L4V, 1W1, Canada
- 301-1195 RUE Wellington
  Montreal Quebec H3C1W1
  Canada
- 90 University Avenue Charlottetown,
  Prince Edward Island, C1A4K9
- 1500, 407 2 Nd Street Sw,
  Calgary, T2P 2Y3

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- 41 Madison Avenue , 35th Floor
  New York 10010
- C/o Corporate Creations Network,
  3411, Silverside Road,
  Tatnall Bldg, Suite 104,
  Willmington– Delaware 19810
- 2301 Maitland Center Parkway,
  Suite 165, Maitland, Florida 32751
  Tel: 407-215-2900
- 660 Century Point, Suite 1000,
  Lake Mary, Florida 32746
  Tel: 407-708-0693
- 5201 Congress Avenue, Suite 250
  Boca Raton, Florida 33487
  Tel: 561-208-7489
- 5353, North 16th Street, Suite 400,
  Phoenix, Arizona 85016
  Tel : 1 - 602 - 604 - 3100
- 2018 156th Ave NE, Suite 100,
  Building F, Washington,
  Bellevue, 98007
- Suite 340, South Wind Office
  Center D Building, 8295,
  Tournament Drive Memphis,
  Tennessee - 38215
- National Crop Research LTD 615
  South Dupont Highway Dover,
  DE 19901
- 226, Airport Parkway, San Jose,
  California - 95110.
- 3600, American Blvd West, Suite 110,
  Bloomington, Eagan,
  Minneapolis 55431
- 8900 freedom Parkway, Building 100
  Suite 110, Jaksonville, FL 32256.
- Regus Dallas, Signature Exchange
  Preston Road, Dallas Texas - 75251
- Digital Risk LLC,4120, International
  Parkway, Suite 2300, Carrollton,
  Dallas , Texas 75007
- 11710, Plaza America,
  DR STE 2000 Reston VA 20190
- 1011 Western AVE, Suite 600, Seattle,
  WA, 98104-3624, United States
- 26 West Dry Circle, Suite 600, Littleton,
  Colorado
- 4051 N Highway 121, 4051 N Highway
  121, suite 200, Grapevine Texas 76051
- 436 Seventh Ave., Suite 200
  Pittsburgh, PA 15219

Costa Rica

- San José, Escazú, San Rafael 200
  metros Sur de los cines de Multiplaza,
  Edificio Corporativo EBC, 8vo piso,
  oficinas de Sfera Legal
  (200 meters South from Multiplaza movie
  theaters, EBC Corporate Center, 8th floor,
  Sfera Legal offices) Zip Code: 10203

Mexico

- Paseo de los virreyes 45. Puerta de
  hierro, the landmark guadalajara,
  zapopan, jalisco, 45116
- Camino de los Cardenales 102,
  Suite 7 piso PB Monterrey, Nuevo León,
  C.P. 64630 México

EUROPE

France

- 103-105, Rue Anatole France 92300
  Levallois-Perret
- 32, Allee de Boutart Regus,
  Bordeaux Ravezies 33070,
  Bordeaux CEDEX

Hungary

- 33 Váci Street, Budapest,
  H -1134, Hungary

Germany

- Koblenzer, Street 34,
  Postfach 1221, D 56130 Bad Ems,
  Germany Tel : 49-2603504151
- Hansaallee 299 ,3rd floor
  Dusseldorf,North Rhine-Westphalia
  40549

Belgium

- Leonardo Da
  Vincilaan 9, B-1930
  Zaventem, Belgium

The Netherlands

- Saturnusstraat 46,
  Hoofddorp,
  2132 HB, Netherlands

Ireland

- Boole House,Beech Hill Office
  Campus, Clonskeagh,
  Dublin 4, D04A563

Poland

- 50-102, Wroclaw,
  Rynek 39/40
- KGHM Kuprum
  Ul.Gen.W.Sikorskiego,
  2-8 Wroclaw

Sweden

- C/o Hellstrom Advokatbyra
  KB Box 7305,103 90 Stockholm
  Sweden

Switzerland

- C/o Amicorp Switzerland AG,
  Baarerstrasse 75, 6300 Zug

UK

- 1 Ropemaker Street,
  London,United Kingdom,
  EC2Y 9HT
- 2 Minster Court, Mincing Lane,
  London, EC3R 7PD
- Regus Slough UK Spaces- Slough,
  The Porter Building 1, Brunei way,
  Slough SL11FQ, UK
- Regus House,
  Herons Way Chestier
  Business Park, Chestier,
  Cheshire, CH49QR
- Bank House, Leeds , 27 king street,
  Leeds West Yorkshire, LS1 2HL
- Basepoint Business Centre ,
  377-399 London Road , Camberley,
  GU15 3HL Surrey

ASIA PACIFIC AND JAPAN

Japan

- Kabutocho Daiichi Heiwa Building,
  3rd Floor, 5-1,
  Nihonbashi Kabutocho,
  Chuo-ku, Tokyo, 1030026, Japan

Singapore

- 6 Battery Road, Level 42
  'The Executive Center',
  Singapore 049909

Malaysia

- A4 - 11 - 1112, Leisure Commerce
  Square, 9 Jalan PJS 8/9, Bandar
  Sunway, Petaling Jaya, Selangor,
  Malaysia, 46150

Taiwan

- Regus Landmark, No.68, Section 5,
  Zhongxiao East Road, 29/F, Taipei,
  Taiwan, 11065

China

- Shanghai Chamtime Plaza,
  Office No. 641, 6/F Office Tower C,
  Chamtime Plaza, No. 3,
  Pudong New District, .
  Shanghai, 201203
- Room 1006, 1st Floor, Building C2,
  Area C, No.36 Jintian Park Road,
  Chaoyang District, Beijing
- Room N252, Building C4, No.888
  Southwest Road, Shahekou District,
  Dalian City, Liaoning Province
- Suite 259, Building 25, No. 80, Lane
  280, Xiujiang Road, Zhujing Town,
  Jinshan District, Shanghai
- Room1162,11F, No.21 Huanghe Rd,
  Huangpu District, Shanghai, P.R.C

Philippines

- 20th Floor of Picadilly Star Building,
  4th Avenue corner 27th Street,
  Bonifacio Global City, Taguig City,
  Metro Manila

OCEANIA

Australia

- Shop 5, 17-19, East Parade
  Sutherland, New South Wales 2232,
  Australia
- MELBOURNE, 120 Collins Street,
  Level 31 & 50, 120 Collins Street,
  Melbourne, 3000 Australia

New Zealand

- C/o Amicorp New Zealand Limited,
  Level 11, 2 Kitchener Street, Auckland
  Central, Auckland, 1010, NZ

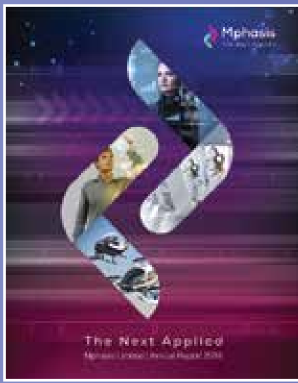
AFRICA

Mauritius

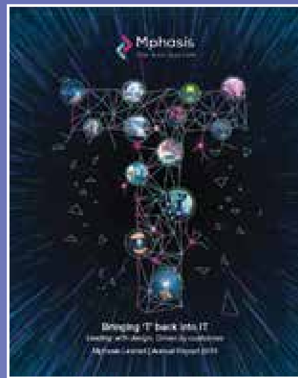
- C/o SGG Corporate Services
  (Mauritius) Ltd, 33 Edith Cavell Street,
  Port Louis, 11324, Mauritius

Notes

Notes

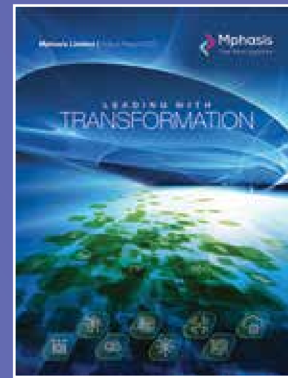


2018 The Next Applied



2019 Bringing 'T' back into IT

2020 Breaking Barriers

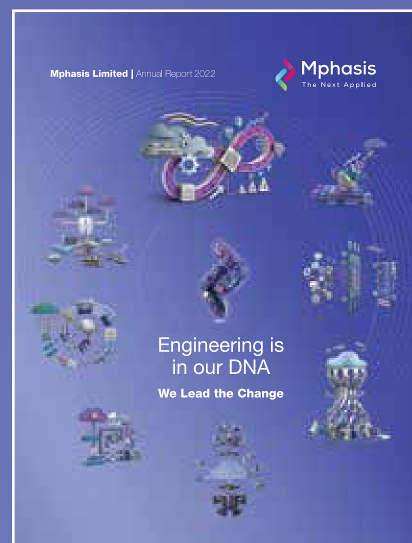


2021 Leading with Transformation

At Mphasis, engineering is in our DNA, as we lead with design and architecture. The campaign, **Engineering is in our DNA,** reflects our continued commitment to bridging the gap between technology and business. It demonstrates how we apply engineering principles to –

- Transform businesses and solve problems for today, tomorrow and the day after
- Create hyper-personalized solutions to drive/empower customer-centric transformation
- Deliver the next competitive advantage for our clients
- Power the future and lead the change

The campaign was based on 3D image ads and a 4D animation film on the virtual journey of the Mphasis Universe, reflecting how we bring the 'T' (representing both Technology and Transformation) back into IT. Each value proposition depicts how our solutions are led by design, architecture and engineering.



2022 Engineering is in our DNA

Mphasis
The Next Applied

About Mphasis

Mphasis' purpose is to be the *"Driver in the Driverless Car"* for Global Enterprises by applying next-generation design, architecture and engineering services, to deliver scalable and sustainable software and technology solutions. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized ($C = X2C^2_{TM} = 1$) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization, combined with integrated sustainability and purpose-led approach across its operations and solutions are key to building strong relationships with marquee clients. To know more, please visit www.mphasis.com

AFFIDAVIT

I, **PREMA** is legally wedded spouse of **NO 7779788P, Rank: HAV/MP, Name: SHAITAN RAM BISHNOI** presently R/at HQ & Depot Coy, CMP Centre and School, Bangalore-25, permanently r/at **Village & Post: Chawandiya, Tehsil: Kheenwsar, District: Nagaur, State: Rajasthan, Pin: 341025,** I have changed my name from **PREMA to PREMA BISHNOI** vide affidavit dated **20-06-2022** before Notary **S. VIJAYAKUMAR,** Bangalore.

Business Standard
BENGALURU EDITION

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No Air Surcharge

UCO BANK
(A Govt. of India Undertaking)

Branch Office : Banashankari, #4010, K.R.Road, BSK 2nd Stage, Bangalore - 560 070. Phone : 080 –26772057. E-mail: banash@ucobank.co.in

The following Borrowers have availed loan facility by pledging Gold Ornaments in **Banashakari Branch** and failed to redeem the same within the stipulated loan period in spite of reminder notices. Therefore, the same will be sold in public Auction on **07.07.2022 at 03.00 p.m.** in our branch Premises in the above noted address. This Public Notice is also a notice to the borrowers and applies to Legal Heirs of the deceased borrowers, If any :

Sl No	Name of the Borrower	Account No.	Gross Wt	Amount (Excluding unapplied interest and charges)
1	Ramesh K Rao	16410610033425	85.200 gm	Rs.2,37,000/-
2	Ramachandra H V	16410610040065	63.600 gm	Rs.1,79,368/-
3	Sashidhara N	16410610039618	12.400 gm	Rs.31,287/-
4	Sumalatha	16410610034934	40.600 gm	Rs.1,39,600/-
5	Nagaraju K	16410610034569	28.100 gm	Rs.68,810/-
6	Nagaraju K	16410610034378	38.200 gm	Rs.1,20,943/-
7	Ramachandra H V	16410610038345	66.000 gm	Rs.1,79,500/-

A. The Bank does not guarantee the weight or purity of the Jewellery / Ornaments / Coins, either of its gold contents or otherwise. **B.** The jewel is available for inspection by the intending bidders on **06.07.2022 between 10.00 a.m to 1.00 p.m** in the Bank. **C.** The intending purchasers shall make an earnest money deposit of **25% of Reserve price. D.** The jewel will be handed over to the highest bidder on payment of the balance amount within 24 hours or on the next working day of the Bank during its business hours. **E.** If the successful bidder fails to pay the amount, the bidder shall forfeit the earnest money and the jewel may be resold within 30 days from that date and shortfall if any in excess of the earnest money deposit shall be recoverable from the bidder who has successfully bid at the earlier auction but did not take delivery of the jewel against payment. **F.** It shall be lawful for the Bank to stop the auction at any stage without assigning any reason thereto in which case the earnest money shall be returned to whoever makes the deposit.

Date : 23.06.2022
Place : Bangalore

Branch Manager
UCO Bank

Mphasis Limited

Mphasis
The Next Applied

Regd.Office: Bagmane World Technology Centre, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560048. CIN: L30007KA1992PLC025294
Tel: 91 80 6750 1000
Website: www.mphasis.com
email: investor.relations@mphasis.com / 31.agm@mphasis.com

Notice

31st Annual General Meeting to be held over Video Conference, Record Date and Dividend information

Notice is hereby given that the thirty first Annual General Meeting ("AGM") of Mphasis Limited will be held at 9:00 am (IST) on Thursday, 21 July 2022, through Video Conferencing ("VC") in compliance with General Circulars Nos.2/2022 and 19/2021,other Circulars issued by the Ministry of Corporate Affairs (MCA) and circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "Circulars"), to transact the ordinary and special businesses contained in the Notice of the thirty first AGM (the "Notice") together with the additional information in respect of the Directors seeking re-appointment and appointment, and the explanatory statement pursuant to the Companies Act, 2013.

Notice is further hereby given that the thirty first Annual Report for the financial year ended 31 March 2022 together with the Notice of the AGM, is being dispatched physically or through electronically, individually to the members of the Company at their registered addresses / e-mail IDs which are registered with the Company / Depositories, in accordance with the Circulars, to those members whose names appear in the register of members/list of beneficial owners as at 17 June 2022. The Annual Report and the Notice of the AGM is available on the website of the Company; www.mphasis.com and also on the website of the National Stock Exchange of India Limited (NSE) www.nseindia.com and the BSE Limited, www.bseindia.com.

The Company is pleased to provide e-voting facility to the Members to exercise their right to vote through electronic means (remote e-voting) on all resolutions as set out in the said Notice and has engaged National Securities Depository Limited (NSDL) as the agency to provide the e-voting facility. The manner of voting remotely for shareholders holding shares in dematerialized mode, physical mode and for shareholders who have not registered their email addresses is provided in the Notice being sent to the shareholders.

Those members who are present in the AGM through VC and had not cast their votes on resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to e-vote during the AGM.

Shareholders holding shares in demat mode are requested to contact their Depository Participant ("DP") and register their e-mail address as per the process advised by their DP. Shareholders holding shares in physical mode are requested to furnish their e-mail address and mobile number with the Company's Registrar and Share Transfer Agent viz., Integrated Registry Management Services Private Limited at giri@integratedindia.in. Members holding shares in physical form or who have not registered their e-mail address with the Company can cast their vote through remote e-voting or e-vote during AGM by following the below process for obtaining the e-voting credentials:

1. In case shares are held in physical mode, provide the folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to 31.agm@mphasis.com .
2. In case shares are held in demat mode, provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name of shareholder, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to 31.agm@mphasis.com .
3. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

In compliance with Section 108 of the Companies Act, 2013 and rules thereunder, as amended, and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, Mr. S P Nagarajan (PCS No.4738), Practicing Company Secretary, has been appointed as the scrutinizer to scrutinize the voting process in a fair and transparent manner.

The following is the schedule of events for e-Voting:

Date of completion of dispatch of Notice	Thursday, 23 June 2022
Cut-off date for remote e-voting	Thursday, 14 July 2022
The date and time of commencement of remote e-voting	Saturday, 16 July 2022 at 9.00 AM
Closing of remote e-voting	Wednesday, 20 July 2022 at 5.00 PM
Declaration of results of voting	The results will be declared forthwith, upon receipt of scrutinizer's report within 48 hours from the date of the AGM i.e. before Saturday, 23 July 2022, before 5 pm and placed at the registered office of the Company, Mphasis Limited, Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru – 560 048 and also at the Corporate Office of the Company "Bagmane Laurel", Bagmane Technology Park, Byrasandra Village, C V Raman Nagar, Bengaluru - 560 093. Further the results will be hosted on the website of the Company at www.mphasis.com despite of being hosted on the website of the Stock Exchanges.

The Notice of the AGM is uploaded on the website of the Agency, NSDL at https://www.evoting.nsdl.com/.

Notice is also hereby given that the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 7 July 2022 to Thursday, 21 July 2022 (both days inclusive).

Shareholders may note that the Board of Directors in their meeting held on 28 April 2022 has recommended a dividend of Rs.46/- per equity share.The dividend once approved by the shareholders in the ensuing AGM will be paid (subject to deduction of taxes at source as per the Income-Tax Act, 1961) electronically to those shareholders who have updated their bank account details. Members holding shares in electronic form, who have not registered their bank particulars are requested to update the same with their respective Depositories and members holding shares in physical form are requested to update their bank particulars to the Company's Registrar and Share Transfer Agents at giri@integratedindia.in to enable the Company to disburse the dividend to your bank account directly.

In respect of the shareholders who have not updated their bank account details, the dividend warrants/ demand drafts / cheques will be dispatched to the shareholders at their registered addresses. However, if the postal facility is not fully functional in the Country due to any pandemic, the same will be dispatched when the postal facility is fully functional.

Shareholders may note that the Income-Tax Act, 1961 (Act), as amended by the Finance Act, 2020, mandates that the dividends paid or distributed by a Company,on or after April 1, 2020, shall be taxable in the hands of shareholders. The Company shall therefore deduct tax at source (TDS) at the time of making the payment of final dividend. The shareholders are requested to note the following in this regard.

For Resident Shareholders, taxes shall be deducted at source under Section 194 of the Act, as follows –

Shareholders having valid PAN	10% or as notified by the Government of India
Shareholders not having PAN / valid PAN	20% or as notified by the Government of India as per section 206AA of the Income Tax Act
Shareholders who have not furnished the Income Tax Returns for the ("FY") 2020-21 (AY2021-22) within the timelines prescribed under section 139 (1) of the Income Tax Act and aggregate of tax deducted at source is Rs.50,000 or more, in FY 2020-21.	Higher rate of tax as notified by the Government of India as per section 206AB of the Income Tax Act.

However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received by them during Financial Year 2022-23 does not exceed Rs. 5,000 in aggregate across all holdings in the Company and also in cases where shareholders provide Form 15G / Form 15H (applicable to an Individual resident shareholder with age of 60 years or more) subject to conditions specified in the Act. Resident shareholders may also submit any other document as prescribed under the Act to claim a lower/Nil withholding tax. PAN is mandatory for shareholders providing Form 15G/15H or any other document as mentioned above.

For Non-resident Shareholders (excluding FPIs/FIIs), taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by Government of India on the amount of dividend payable. Non-resident shareholders (including FPIs / FIIs), have the option of being governed by the provisions of the Double Taxation Avoidance Agreement (DTAA) between India and their country of tax residence, if the provisions of the DTAA are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN Card allotted by the Indian Income Tax Authorities duly attested by the shareholder.
- Copy of Tax Residency Certificate (TRC) for FY 2022-23, obtained from the revenue authorities of the country of tax residence, duly attested by shareholder.
- Self-declaration in Form 10F for FY 2022-23.
- Declaration to establish the genuineness of applicability of treaty provisions including provisions of General Anti-Avoidance Rules and Multilateral Instruments.
- Self-declaration by the shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty.
- In case of foreign company/entity, self-declaration that you do not have a permanent establishment in India, nor do you have a place of effective management in India for FY 2022-23.

Shareholders are requested to upload the aforementioned documents at https://www.integratedindia.in/ExemptionFormSubmission.aspx on or before 10 July 2022 before 5:00 pm.No communication would be accepted from shareholders after 10 July 2022 regarding the tax withholding matters.

For **Mphasis Limited**
Sd/-
Subramanian Narayan
Senior Vice President and Company Secretary

Bengaluru
23 June 2022

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PURSUANT TO THE MCA CIRCULARS, PROVISION FOR APPOINTMENT OF PROXIES BY THE MEMBERS ARE NOT BE AVAILABLE FOR THE AGM HELD THROUGH VC. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXY FOR THIS AGM HAS NOT BEEN PROVIDED TO THE MEMBERS AND THE PROXY FORM IS NOT ANNEXED TO THIS NOTICE.**
2. Any person, who acquires shares and becomes a member of the Company after dispatch of the Notice may obtain the login ID and password by sending a request at evoting@nsdl.co.in or giri@integratedindia.in and shall be entitled for availing remote e-voting facility or e-voting at the AGM. However, the vote of member will be considered only if such person is a member of the Company as at the cut-off date i.e., 14 July 2022. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
3. Any queries or grievances connected with the remote e-voting process, may please be addressed to Mr. Subramanian Narayan, Senior Vice President and Company Secretary, Mphasis Limited, Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru – 560 048, Ph:+91-080-67504613 or e-mailed to subramanian.narayan@mphasis.com or 31.agm@mphasis.com.
4. The remote e-voting module shall be forthwith blocked by NSDL at 5.00 pm on Wednesday, 20 July 2022 and remote e-voting shall not be allowed beyond the aforesaid date and time.
5. A member may participate at the AGM through VC facility even after exercising their right to vote through remote e-voting but shall not be entitled to vote again at the AGM.

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Notice under section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The Act)

Sr. No.	Name of Borrower(s) (A)	Particulars of Mortgaged property/properties (B)	Date Of NPA (C)	Outstanding amount (Rs.) (D)
1.	LOAN ACCOUNT NO. HHLBAG00324377 1. RUCHI BHATT 2. MANAS BHATT	UNIT NO. 3084, 8TH FLOOR, TOWER – 3, GOLDEN PANORAMA, GUBBALALU VILLAGE, UTTARAHALLI HOBLI, BANGALORE SOUTH TALUK, BENGALURU – 560095, KARNATAKA	17.05.2022	Rs. 54,29,276.46/- (Rupees Fifty Four Lakh Twenty Nine Thousand Two Hundred Seventy Six and Forty Six Paise Only) as on 17.05.2022

That the above named borrower(s) have failed to maintain the financial discipline towards their loan account (s) and as per books of accounts maintained in the ordinary course of business by the Company, Column D indicates the outstanding amount.

Due to persistent default in repayment of the Loan amount on the part of the Borrower(s) the above said loan account has been classified by the Company as Non Performing Asset (as on date in Column C) within the guidelines relating to assets classification issued by Regulating Authority. Consequently, notices under Sec. 13(2) of the Act were also issued to each of the borrower.

In view of the above, the Company hereby calls upon the above named Borrower(s) to discharge in full his/their liabilities towards the Company by making the payment of the entire outstanding dues indicated in Column D above including up to date interest, costs, and charges within 60 days from the date of publication of this notice, failing which, the Company shall be entitled to take possession of the Mortgaged Property mentioned in Column B above and shall also take such other actions as is available to the Company in law.

Please note that in terms of provisions of sub-Section (8) of Section 13 of the SARFAESI Act, "A borrower can tender the entire amount of outstanding dues together with all costs, charges and expenses incurred by the Secured Creditor only till the date of publication of the notice for sale of the secured asset(s) by public auction, by inviting quotations, tender from public or by private treaty. Further it may also be noted that in case Borrower fails to redeem the secured asset within aforesaid legally prescribed time frame, Borrower may not be entitled to redeem the property."

In terms of provision of sub-Section (13) of Section 13 of the SARFAESI Act, you are hereby prohibited from transferring, either by way of sale, lease or otherwise (other than in the ordinary course of his business) any of the secured assets referred to in the notice, without prior written consent of secured creditor.

Place: BENGALURU (KARNATAKA) / DELHI

For Indiabulls Housing Finance Ltd.
Authorized Officer

Notice under section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The Act)

Sr. No.	Name of Borrower(s) (A)	Particulars of Mortgaged property/properties (B)	Date Of NPA (C)	Outstanding amount (Rs.) (D)
1.	LOAN ACCOUNT NO. HHLNOD00456563 1. GAUTAM BHATTACHARYA 2. RAKHI BHATTACHARYA 3. SABYASACHI GANGULI (GUARANTOR)	FLAT NO. D-205, 2ND FLOOR, TOWER-D, SANSKRITI, PLOT NO. GH-10, SECTOR-1, GREATER NOIDA, GAUTAM BUDH NAGAR-201303, UTTAR PRADESH	18.05.2022	Rs. 32,28,137.01/- (Rupees Thirty Two Lakh Twenty Eight Thousand One Hundred Thirty Seven and Paise One Only) as on 18.05.2022

That the above named borrower(s) have failed to maintain the financial discipline towards their loan account (s) and as per books of accounts maintained in the ordinary course of business by the Company, Column D indicates the outstanding amount.

Due to persistent default in repayment of the Loan amount on the part of the Borrower(s) the above said loan account has been classified by the Company as Non Performing Asset (as on date in Column C) within the guidelines relating to assets classification issued by Regulating Authority. Consequently, notices under Sec. 13(2) of the Act were also issued to each of the borrower.

In view of the above, the Company hereby calls upon the above named Borrower(s) to discharge in full his/their liabilities towards the Company by making the payment of the entire outstanding dues indicated in Column D above including up to date interest, costs, and charges within 60 days from the date of publication of this notice, failing which, the Company shall be entitled to take possession of the Mortgaged Property mentioned in Column B above and shall also take such other actions as is available to the Company in law.

Please note that in terms of provisions of sub-Section (8) of Section 13 of the SARFAESI Act, "A borrower can tender the entire amount of outstanding dues together with all costs, charges and expenses incurred by the Secured Creditor only till the date of publication of the notice for sale of the secured asset(s) by public auction, by inviting quotations, tender from public or by private treaty. Further it may also be noted that in case Borrower fails to redeem the secured asset within aforesaid legally prescribed time frame, Borrower may not be entitled to redeem the property."

In terms of provision of sub-Section (13) of Section 13 of the SARFAESI Act, you are hereby prohibited from transferring, either by way of sale, lease or otherwise (other than in the ordinary course of his business) any of the secured assets referred to in the notice, without prior written consent of secured creditor.

Place: GAUTAM BUDH NAGAR / GHAZIABAD (UTTAR PRADESH) / BENGALURU (KARNATAKA)

For Indiabulls Housing Finance Ltd.
Authorized Officer

IAPM Department,
Zonal Office Mumbai,
1st Floor, National Business Centre,
Bandra Kurla Complex, Bandra (E) Mumbai- 400051

J&K Bank
Serving To Empower

Ref. No: JKB/ZOM/IAPMD/2022/448 **Dated: 22.06.2022**

E-AUCTION/SALE NOTICE

Public Notice For Sale of Properties Mortgaged to the Bank under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (Sarfaesi) Act 2002

Whereas, the Authorized Officer of The Jammu & Kashmir Bank Ltd in exercise of powers conferred under SARFAESI Act, 2002 and Security Interest (Enforcement) Rules, 2002, issued a Demand Notice 09-07-2021 calling upon, **Mr. Mohammed Imrath Khan, Tasmiya Khan, and Afsari Begum Khan** for payment of its dues aggregating to **Rs. 53,08,206.27 (Rupees Fifty Three Lacs Eight Thousand Two Hundred Six and Twenty Seven paisa only)** as on 30-06-2021 together with future interest and other cost and charges within a period of 60 days.

Whereas, the Authorized Officer has taken possession of the mortgaged properties mentioned hereinafter under section 13 (4) of SARFAESI Act 2002 on 10-11-2021 Consequent upon failure by the borrower to repay the Bank's dues, the Authorized Officer in exercise of the powers conferred under Section 13(4) of the Act read with rule 8 to 9 of the Security Interest (Enforcement) Rules, 2002 notified the sale of the Secured Asset for realization of the dues on **"as is where is and/or as is what is and whatsoever there is, basis" and "no complaint basis"** condition.

Whereas, I the named Authorized Officer in exercise of the powers conferred under Section 13(4) of the Act read with rule 8 to 9 of the Security Interest (Enforcement) Rules, 2002 again notifies the sale of the Secured Asset detailed herein for realization of the dues on **"as is where is and/or as is what is and whatsoever there is, basis" and "no complaint basis"** condition.

Name of the Borrower(s)/ Mortgagor(s)/ Guarantor(s)	**1) Mohammed Imrath Khan, Tasmiya Khan & Afsari Begum Khan** R/o. 9F-1, Rahat Villa, Benson Town, Bangalore North, Bangalore-560046.
Amount in Demand Notice Amount Due on 31.05.2022 (Excluding interest from 01.06.2022 and other expenses from Date of NPA)	**Rs.53,08,206.27** (Rupees Fifty Three Lacs Eight Thousand Two Hundred Six and Twenty Seven paisa only) **Rs.56,72,906.27** (Rupees Fifty Six Lacs Seventy Two Thousand Nine Hundred Six and Twenty Seven paisa only)
Description of the mortgaged asset (Put on sale)	All that piece and parcel of residential site bearing No.69, BBMP New No. 28/1-2, PID No.85-6-28/1-2,situated at Wheeler Road, Cox Town, Bangalore-560005 now comes under Bruhut Bengaluru Mahanagra Palike ward No.85 (Sarvagna nagar) in all measuring 1348 Square feet standing in the name of **Mohammed Imrath Khan, Tasmiya Khan & Afsari Begum Khan.**
Reserve Price	**Rs.80,36,000/-** (Rupees Eighty Lacs Thirty Six Thousand Only).
Earnest Money Deposit (EMD)	**Rs.8,03,600/-** (Rupees Eight lacs Three thousand Six Hundred only)
Bid Increase Amount	**Rs.1.00 Lac** (One Lac only)
Name of the Branch	The Jammu And Kashmir Bank Ltd, Kammanhali, Bangalore
Authorized Officer/Designation	**Mr. Arjun Singh Rathore / Chief Manager**
Last Date & Time of submission of Bid, Earnest Money Deposit (EMD) and Documents	**06.07.2022 Before 4:00 PM**
Date and Time of e-Auction	**08.07.2022 from 2:30 PM to 3:30 PM.**
Earnest Money Deposit (EMD) & Other Remittance/s detail/s by RTGS to Account Number	**THE JAMMU AND KASHMIR BANK LTD,** Business Unit: Kammanhali, IFSC Code: JAKA0KAMMAN, Ac. No: 0911072000000001 in the Name of RTGS Inter-Bank Receipts.

TERMS AND CONDITIONS

1) The E-Auction is being held on **"AS IS WHERE IS" and "AS IS WHAT IS BASIS" and "WHATSOEVER THERE IS BASIS** and **NO COMPLAINT BASIS".** To the best of knowledge and information of the Authorized officer, there are no encumbrances on the properties, except specifically disclosed herein. However, the intending bidders should make their own independent enquiries regarding the encumbrances, title of property/ies put on auction and claims/rights/dues affecting the property, prior to submitting their bid. The Authorized Officer/Secured Creditor shall not be responsible in any way for any third party claims/rights/dues. The bidders shall satisfy themselves as to the description, condition or accuracy of the details regarding the property/ies given hereinabove.

2) It shall be the responsibility of the bidders to inspect and satisfy themselves about the asset and specification before submitting the bid. The physical inspection of property/ies put on auction will be permitted to interested bidders on Bank's working days between **2:00 PM to 4:00 PM up to 06.07.2022** with prior permission of the Authorised officer. Inspection of the documents relating to the properties will be permitted to the interested bidders or their authorized representatives at BU Kammanhali, Bangalore, between **2.00 PM to 4.00 PM up to 06.07.2022.** The bid price shall be absolute in terms and should not be linked to any reference. Conditional bids shall be rejected.

3) The interested bidders shall submit their offer along with EMD through website https://sarfaesi.auctiontiger.net (the user ID and password can be obtained free of cost by registering name with "https://sarfaesi.auctiontiger.net") through their login ID and Password. The EMD 10% of RESERVE PRICE shall be payable through NEFT/RTGS (EMD remittance details given above) on or before **06.07.2022.** Please note that Cheques/Demand Drafts shall not be accepted as EMD amount.

4) After Registration by the bidders in the web-site, the intending purchaser/ bidder is required to get the copies of following documents uploaded in the web-portal before last date of submission of the bid(s) viz. i) Copy of the NEFT/RTGS challan. ii) Copy of PAN card/Aadhar Card iii) Proof of identification (KYC) viz. copy of Voter ID Card/Driving License/ Passport etc. iv) Copy of proof of address, v) Duly Filled up & Signed Copy of Annexure II & III attached to the Tender form, without which the bid is liable to be rejected.

5) The Interested bidders who require assistance in creating login ID and password, uploading data, submitting bid, training on e-bidding process etc., may avail online training on E-Auction from M/s E-Procurement Technologies Ltd. (Auctiontiger), Ahmadabad. Contact Number: 079-68136805/68136837 Mobile Number: 9265562821,9374519754 Contact Person Mr. Ram Sharma Mob No: 9978591888 Contact no. 079-68136880/68136837, E-mail id: ramprasad@auctiontiger.net/ support@auctiontiger.net, and for any property related query may contact Branch Head BU Kammanhali, Bangalore **Mr. Rakesh Kumar Dassi Mob No: 9868976051 E-mail id: kamman@jkbmail.com.**

6) Only buyers holding valid User ID/Password and confirmed payment of EMD through NEFT/RTGS shall be eligible for participating in the online auction process.

7) The interested bidders who may have submitted their EMD not below the 10% of reserve price through online mode before **4.00 P.M. on 06-07-2022** shall be eligible for participating in the e-auction. The e-auction of above properties would be conducted exactly on the scheduled date & time as mentioned above by way of inter-se bidding amongst the bidders. The bidders shall improve their offer in multiple of amount mentioned under the column "Bid Increase Amount" against the Property. In case bid is placed in the last 5 minutes of the closing time of the e-auction, the closing time will automatically get extended for 5 minutes (subject to unlimited extensions of 5 minutes each). The bidder who submits the highest bid (not below the reserve price) on closure of online auction shall be declared as successful bidder and a communication to that effect will be issued through electronic mode which shall be subject to approval by the Authorized Officer and Secured Creditor.

8) The Earnest Money Deposit (EMD) of the successful bidder shall be retained towards part sale consideration and the EMD of unsuccessful bidders shall be refunded. The Earnest Money Deposit shall not bear any interest. The successful bidder shall have to deposit 25% of the sale price, adjusting the EMD already paid, within 48 hours of the acceptance of bid price by the Authorized Officer and the balance 75% of the sale price on or before **30th day of the sale** or within such extended period as agreed upon in writing by and solely at the discretion of the Authorized Officer. In case of default in payment by the successful bidder, the amount already deposited by the Bidder shall be liable to be forfeited and the property shall be put to re-auction and the defaulting bidder shall have no claim/right in respect of property/amount.

9) The prospective qualified bidders may avail online training on e-auction from M/S E-Procurement Technologies Ltd. prior to the date of e-auction. Neither the Authorized Officer/Bank nor M/s. e-procurement technologies Ltd shall be liable for any network problem and the interested bidders to ensure that they are technically well equipped for participating in the e-Auction event.

10) The purchaser shall bear the applicable stamp duties/additional stamp duty/transfer charges, fees etc. and also all the statutory/non statutory dues, taxes, rates, assessments, charges, fees etc. owing to anybody. The successful bidder shall have to bear any tax on account of the sale over and above the bid amount.

11) The Authorized Officer is not bound to accept the highest offer and the Authorized Officer has the absolute right to accept or reject any or all offer(s) or adjourn/postpone/cancel the e-auction without assigning any reason thereof.

12) The bidders are advised to go through the detailed terms and conditions of e-auction available on the website of M/S E-Procurement Technologies Ltd. https://sarfaesi.auctiontiger.net before submitting their bids and taking part in e-auction.

13) Participation in the bid shall be deemed to be acceptance of the terms and conditions specified in the e-auction by the bidders/intending purchaser.

STATUTORY 15 DAYS SALE NOTICE UNDER RULE 8 (6) READ WITH RULE 9 OF THE SARFAESI ACT, 2002

The borrower(s)/guarantor(s)/mortgagor(s) are hereby notified to pay the sum as mentioned above along with upto date interest and ancillary expenses before the date of e-auction and get the property redeemed, failing which the property will be auctioned/sold and balance dues if any will be recovered with interest and costs.

Date: 22.06.2022, Place: Kammanhali **Sd/- Mr. Arjun Singh Rathore, Authorized Officer**

Mphasis The Next Applied

ಎಂಫಸಿಸ್ ಲಿಮಿಟೆಡ್

ನೋಂ. ಕಛೇರಿ: ಬಾಗ್ಮನೆ ವರ್ಲ್ಡ್ ಟೆಕ್ನಾಲಜಿ ಸೆಂಟರ್, ಮಾರತಹಳ್ಳಿ ಹೊರ ವರ್ತುಲ ರಸ್ತೆ, ದೊಡ್ಡನೆಕುಂದಿ ಗ್ರಾಮ, ಮಹದೇವಪುರ, ಬೆಂಗಳೂರು – 560048. CIN: L30007KA1992PLC025294

Tel: 91 80 6750 1000, Website: www.mphasis.com; email: investor.relations@mphasis.com; 31.agm@mphasis.com

ಅಧಿಸೂಚನೆ

ವಿಡಿಯೊ ಸಮಾಲೋಚನೆಯ ಮೂಲಕ ಆಯೋಜಿಸಲಾಗುವ 31ನೇ ವಾರ್ಷಿಕ ಸಾಮಾನ್ಯ ಸರ್ವಸದಸ್ಯರ ಸಭೆ, ದಿನಾಂಕ ಮತ್ತು ಲಾಭಾಂಶ ಮಾಹಿತಿಯನ್ನು ದಾಖಲಿಸಿಕೊಳ್ಳತಕ್ಕದ್ದು

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ಇ-ವೋಟಿಂಗ್ ಪ್ರಕ್ರಿಯೆಯ ವಿವರ ಕೆಳಗಿನಂತಿವೆ:

ಅರ್ಹತೆಯನ್ನು ನಿರ್ಧರಿಸಲು ದಾಖಲಾತಿ ದಿನಾಂಕ	ಗುರುವಾರ, 23 ಜೂನ್ 2022
ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್‌ಗೆ ಕಟ್ ಆಫ್ ದಿನಾಂಕ	ಗುರುವಾರ, 14 ಜುಲೈ 2022
ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್ ಆರಂಭವಾಗುವ ದಿನಾಂಕ ಮತ್ತು ಸಮಯ	ಶನಿವಾರ, 16 ಜುಲೈ 2022, ಬೆಳಿಗ್ಗೆ 9.00 ಗಂಟೆಗೆ
ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್ ಮುಕ್ತಾಯ ದಿನ ಮತ್ತು ಸಮಯ	ಬುಧವಾರ, 20 ಜುಲೈ 2022 ಸಂಜೆ 5.00 ಗಂಟೆಗೆ
ಮತದಾನದ ಫಲಿತಾಂಶ ಘೋಷಣೆ	[illegible] www.mphasis.com [illegible]

[illegible]

ಸಕ್ರಮ ಪಾನ್ ಹೊಂದಿದ ಶೇರುದಾರರು	10% ಅಥವಾ ಭಾರತ ಸರ್ಕಾರ ನಿಗದಿಪಡಿಸಿದಂತೆ
ಪ್ಯಾನ್/ಸಕ್ರಮ ಪ್ಯಾನ್ ಹೊಂದಿರದ ಶೇರುದಾರರು	20% ಅಥವಾ [illegible]
[illegible]	[illegible]

[illegible]

ಬೆಂಗಳೂರು
23 ಜೂನ್ 2022

ಎಂಫಸಿಸ್ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ
ಸಹಿ/-
ಸುಬ್ರಮಣಿಯನ್ ನಾರಾಯಣ್
ಹಿರಿಯ ಉಪಾಧ್ಯಕ್ಷರು ಮತ್ತು ಕಂಪನಿ ಕಾರ್ಯದರ್ಶಿ

ಸೂಚನೆ:

[illegible]

ನೈಋತ್ಯ ರೈಲ್ವೆ

ಟೆಂಡರ್ ಸೂಚನೆ ಸಂ.Y/E.29/2022-23/05 ದಿನಾಂಕ: 17.06.2022

[illegible]

ಕಾಮಗಾರಿಯ ಹೆಸರು	ಅಂದಾಜು ಮೌಲ್ಯ
[illegible]	ರೂ. 26,19,633/-

ಬಿಡ್‌ಗಳನ್ನು ಸಲ್ಲಿಸಲು ಕೊನೆಯ ದಿನಾಂಕ: 11-07-2022, 11:00 ಗಂಟೆಯವರೆಗೆ

ಹೆಚ್ಚಿನ ಮಾಹಿತಿಗಾಗಿ www.ireps.gov.in ಗೆ ಲಾಗ್ ಆನ್ ಆಗಿ

ಹಿರಿಯ ವಿಭಾಗೀಯ ವಿದ್ಯುತ್ ಇಂಜಿನಿಯರ್ ಮೈಸೂರು

PUB/186/AAV/PRB/SWR/2022-23

S.W.Railways SWRRLY SWRRLY

ಪ್ರಸಕ್ತ ಸಾಲಿನ ದ್ವಿತೀಯ ಪಿಯು ಪರೀಕ್ಷೆಯಲ್ಲಿ ಬನಶಂಕರಿಯ ಬಿಎನ್ಎಂ ಕಾಲೇಜಿನ ವಿದ್ಯಾರ್ಥಿನಿ ಅರುಂಧತಿ ಆರ್ ಯಜುರ್ವೇದಿ ವಾಣಿಜ್ಯ ವಿಭಾಗದಲ್ಲಿ 541 (ಶೇ.90.16) ಅಂಕ ಗಳಿಸಿ ತೇರ್ಗಡೆಯಾಗಿದ್ದಾರೆ.

28ರಿಂದ ಪ್ರವೇಶಾತಿ ಶುರು

ಬೆಂಗಳೂರು: ಪ್ರಸಕ್ತ ಸಾಲಿನ ಪ್ರಥಮ ಪದವಿ ವಿದ್ಯಾರ್ಥಿಗಳ ಪ್ರವೇಶಾತಿಯನ್ನು ಸಮಗ್ರ ವಿಶ್ವವಿದ್ಯಾಲಯ ಹಾಗೂ ಕಾಲೇಜು ನಿರ್ವಹಣಾ ವ್ಯವಸ್ಥೆ ಮೂಲಕ ಮಾಡಲು ನಿರ್ಧರಿಸಲಾಗಿದ್ದು, ಯುಯುಸಿಎಂಎಸ್ ಪೋರ್ಟಲ್ ಮೂಲಕ ಅವಕಾಶ ಕಲ್ಪಿಸಲಾಗಿದೆ ಎಂದು ಬೆಂ.ವಿವಿ ಕುಲಪತಿಗಳು ಪ್ರಕಟಣೆಯಲ್ಲಿ ತಿಳಿಸಿದ್ದಾರೆ. ವಿವಿಯ ವ್ಯಾಪ್ತಿಯಲ್ಲಿ ಬರುವ ಸ್ನಾತಕ ಪದವಿ ಕೋರ್ಸ್‌ಗಳನ್ನು ನಡೆಸುತ್ತಿರುವ ಸಂಯೋಜಿತ ಕಾಲೇಜುಗಳಿಗೆ ಜೂ. 28 ರಿಂದ ಪ್ರವೇಶಾತಿ ಪ್ರಕ್ರಿಯೆಯು http://uucms.karantaka.gov.in ಮೂಲಕ ಆರಂಭವಾಗುವುದು. ಬಿ.ಎ, ಬಿಎಸ್ಸಿ (ಆನರ್ಸ್) ಪದವಿ ಕೋರ್ಸ್‌ಗಳನ್ನು ಜ್ಞಾನ ಭಾರತಿ ಆವರಣದಲ್ಲಿ ಆರಂಭಿಸುವುದು. ಈ ಕೋರ್ಸ್‌ಗಳಿಗೂ ಅರ್ಜಿ ಸಲ್ಲಿಸಬಹುದು.

IN THE COURT OF THE CITY CIVIL JUDGE AT BENGALURU (CCH-12)
O.S. No. 6878 /2021

BETWEEN:
Smt. Nandana Reddy.M, W/o.Chakravarthy Reddy B, aged about 41 years, R/at.1004, BLK-2, Suncity Apartments, Iblur, Bengaluru –560102 ...Plaintiff

AND:
Smt.Sheetal Nenavath (Proprietrix of Silver Shelters) and **another** ...Defendants

SUMMONS TO DEFENDANT NO.1

Smt.Sheetal Nenavath (Proprietrix of Silver Shelters) W/o.Manohar Nenavat No.7/1, 1st Floor, 1st Cross, Opp.Munishwara Temple B.Channasandra, Bengaluru – 560043

PAPER PUBLICATION

WHEREAS the plaintiff above named has filed a original suit against you and another defendant, for the relief of eviction and for recovery of arrears rent and for other reliefs with respect of the suit schedule premises.

You are hereby summoned to appear in this court in person or by pleader duly instructed to put forth your case/defense along with material documents on the date on **18-07-2022 at 11.00 am** before CCH-12 for hearing of the above said suit.

Take notice that in default of your appearance on the day mentioned above, the case will be heard and determined in your absence and ex-parte.

SUIT SCHEDULE PREMISES

All that piece and parcel of of the entire property site No.8EM-218, situated at Hennur Banaswadi Layout, 8th E Main, HRBR Layout, 1st Block, Bengaluru – 560102, measuring East to West –19.10 meters, North to South – 12 meters, a total of 229.20 meters, out of which, a portion of the said property flat bearing No.301 on 2nd floor of the property consisting of two bedrooms, hall, kitchen, one attached and one common bathroom and semi furnished with wardrobes in both bedrooms and kitchen with cub boards along with a kitchen-hob with an approximate area of 1100SQ.ft without terrace rights, and now coming under BBMP and bounded on for entire property:
East by : Residential Site No.9M-217
West by: 8th E Main Road
North by: Residential Site No. 8th EM-220
South by: Residential Site No.8th EM-216

Given under my hand and seal of the court 13th day of June 2022

By the order of the court
Sd/- Assistant Registrar,
City Civil Court At Bengaluru

HARISH. H.V., Advocate
No.33/8, 1st Main, 1st Floor,
Sriramamandira Road,
Sampangiram Nagar, Bengaluru-27.

IN THE COURT OF THE CITY CIVIL JUDGE AT BENGALURU (CCH-12)
O.S. No. 6877 /2021

BETWEEN:
Smt. Nandana Reddy.M, W/o.Chakravarthy Reddy B, aged about 41 years, R/at.1004, BLK-2, Suncity Apartments, Iblur, Bengaluru –560102 ...Plaintiff

AND:
Smt.Sheetal Nenavath (Proprietrix of Silver Shelters) and **another** ...Defendants

SUMMONS TO DEFENDANT NO.1

Smt.Sheetal Nenavath (Proprietrix of Silver Shelters) W/o.Manohar Nenavat No.7/1, 1st Floor, 1st Cross, Opp.Munishwara Temple B.Channasandra, Bengaluru – 560043

PAPER PUBLICATION

WHEREAS the plaintiff above named has filed a original suit against you and another defendant, for the relief of eviction and for recovery of arrears rent and for other reliefs with respect of the suit schedule premises.

You are hereby summoned to appear in this court in person or by pleader duly instructed to put forth your case/defense along with material documents on the date on **18-07-2022 at 11.00 am** before CCH-12 for hearing of the above said suit.

Take notice that in default of your appearance on the day mentioned above, the case will be heard and determined in your absence and ex-parte.

SUIT SCHEDULE PREMISES

All that piece and parcel of of the entire property site No.8EM-218, situated at Hennur Banaswadi Layout, 8th E Main, HRBR Layout, 1st Block, Bengaluru – 560102, measuring East to West – 19.10 meters, North to South – 12 meters, a total of 229.20 meters, out of which, a portion of the said property flat bearing No.301 on 2nd floor of the property consisting of two bedrooms, hall, kitchen, one attached and one common bathroom and semi furnished with wardrobes in both bedrooms and kitchen with cub boards along with a kitchen-hob with an approximate area of 1100SQ.ft without terrace rights, and now coming under BBMP and bounded on for entire property:
East by : Residential Site No.9M-217
West by: 8th E Main Road
North by: Residential Site No. 8th EM-220
South by: Residential Site No.8th EM-216

Given under my hand and seal of the court 13th day of June 2022

By the order of the court
Sd/- Assistant Registrar,
City Civil Court At Bengaluru

HARISH. H.V., Advocate
No.33/8, 1st Main, 1st Floor,
Sriramamandira Road,
Sampangiram Nagar, Bengaluru-27.

IN THE COURT OF THE XX ADDL. CITY CIVIL JUDGE AT BENGALURU (CCH-32)
OS. No. 3338 / 2020

Between : Dr. K.C. Kiran, Aged about 43 years, S/o Dr. K.K. Chandrappa, No.372, 1st Floor, 16th Main, 4th T Block, Jayanagar, Bengaluru-560 041. ...Plaintiff

And : 1. T. Saroja, & others, W/o Late B.N. Nagarjun, Aged about 83 years, R/at. No.9 & 10, 'Sri Raghavendra Nilaya', Girls School Street, Sheshadripuram, Bengaluru - 560 020. And Others ...Defendants

SUMMONS BY WAY OF PAPER PUBLICATION TO THE DEFENDANTS No. 1, 2, 3 & 6 U/o. 5 RULE 20 OF CPC

TO:
Defendant No.1: T. Saroja, W/o Late B.N. Nagarjun, Aged about 83 years
Defendant No.2: Raghavendra Prasad .N, Aged about 62 years, S/o Late B.N. Nagarajan Defendants 1 & 2 are residing at No.9 & 10, Sri Raghavendra Nilya, Girls School Street, Seshadripuram, Bengaluru - 560 020.
Defendant No.3: N. Manjula, Aged about 55 years, D/o Late B.N. Nagarajan W/o B.V. Vidyashankar, R/at No.746, 58th Cross, 4th Block, Rajajinagar, Bengaluru - 560 010.
Defendant No.6: T. Papanna, Aged about 47 years, S/o Late Thammaiah, R/at No.87/34, Ashwathkatte Road, Chikkallasandra, Subramanyapura Main Road, Bengaluru South Taluk, Bengaluru - 560 085.

Whereas the above named plaintiff instituted a suit against you for specific performance of agreement of sale or alternative relief recovery of money total sum of Rs 1,48,00,000/- with interest as prayed in the suit etc,.

You are hereby summoned to appear before this court **on 16.07.2022 at 11.00 a.m.** in person or through advocate/pleader to answer the questions to the same. Failing which, the suit will be heard and determined as ex-parte.

SCHEDULE PROPERTY

Suit Schedule A Property: All the part and parcel of the property bearing Site No. 86, Now No 28, PID No. 60-128-28, 3rd B Cross, 16th Main Road, 3rd Block East, Jayanagar, Bangalore, Measuring East to West 39 feet 6 inches and North to South 60 feet 6 inches and Bounded on East by- Site No. 85; West by- Road; North by - Road and South By - Site No 105.

Suit Schedule B Property: The undivided Share, right, title and interest in the Schedule A Property measuring 600 Sq.ft.

Suit Schedule C Property: The residential Apartment bearing No. SF-01, in 2nd Floor, measuring 2,250 Sq.Ft. super built up area, consisting of 3BHK at constructed in the schedule A Property and parking space in basement inclusive of Proportionate share in the common area for common use.

Given under my hand & seal of the court, this 13.06.2022.

By Order of the Court, Assistant Registrar, City Civil Court, Bangalore.

Name, Signature & address of the Advocate for plaintiff : **M.T. Nanaiah, Vishnu Hegde & Associates,** Advocate
#14, Mamatha 'A' Apartments,
201, 2nd Floor, IVth Main, Gandhinagar,
Bangalore - 560 009.
Ph : 22259744 / 22265844 / 41519896

BEFORE THE LXXXIII ADDL. CITY CIVIL & SESSION JUDGE, COMMERCIAL COURT, AT BENGALURU (CCH-87)

COM.O.S.No.4280/2019

BETWEEN
Housing Development Finance Corporation Ltd, (HDFC Ltd)
House No 51, Kasturba Road
Bangalore-560001.
Represented by its Power of Attorney Holder/ Asst. Manager-Credit Risk Management-Legal
Sri. Shridhar Chinni
S/o Sri. Chinni Venkataramana
Aged about 26 Years
E-Mail:Shridharchinni@hdfc.com
Mobile No.7795853045
PAN No AAACH0997E
E-Mail ID:Shridhar.chinni@hdfc.com ....Plaintiff

AND
Mr. H B Jayaram & Others ....Defendants

Summons to defendants Under Order 5 Rule 20 of C P C by way of Paper Publication

Defendent No13 (a)
13 (a). Sri. Hanumanth Raju S/o Lakshman Naik, Aged About 39 Years (Partner of the M/s Benaka Properties), No.581, 44th Cross Jayanagar 8th Block, Bengaluru-560082.

Whereas the plaintiff has instituted the above case against you for the recovery of a total sum of **Rs.9,28,95,135/- (Rupees Nine Crores Twenty Eight Lakhs Ninety Five Thousand One Hundred Thirty Five Only) as on 30.04.2019** together with court cost, Fees and current interest from the date of the suit to the date of the realization at the said agreed variable rate of interest as per Loan Agreement at **12.00 % (Present 12.00 % per annum along with 18% additional interest and incidental charges).**

You are hereby summoned to appear in this court in person or by a pleader on 11.07.2022 at 11 A.M. to answer the same, falling which the suit will be disposed off. Ex-parte.

SCHEDULE PROPERTY

All that piece and parcel of the Property of Site No.38, Old No.54, PID No.59-84-38, Situated at 3rd Main Road, 7th Block, Jayanagar, Bangalore-560011, measuring East to West 140 ft and North to South 60 ft in all measuring 8400 Sq.ft. along with 4700 Sq.ft RCC Roofed building with all Civic Amenities, bounded on: East by: 3rd Main Road, West by: Site No.52, North by: Site No.38/1 & 53/33, South by: Site No.55/56/57.

Given under my hand and seal of this court on this 21st Day of June 2022.

By Order of the court,
Assistant Registrar, City Civil Court Bangalore

Shivashankara. A
Advocate for Plaintiff.
No.22/12A, 3rd Cross,
Chanukya Layout,
Opp. Manyatha Tech Park,
Nagavara, Bangalore-560045.

ನಮೂನೆ ಸಂಖ್ಯೆ INC-26

[illegible]

ದಿನಾಂಕ: 23 ಜೂನ್ 2022
ಸ್ಥಳ : ಬೆಂಗಳೂರು

[illegible]

Piramal Capital & Housing Finance

ಪಿರಮಲ್ ಕ್ಯಾಪಿಟಲ್ ಮತ್ತು ಹೌಸಿಂಗ್ ಫೈನಾನ್ಸ್ ಲಿಮಿಟೆಡ್

CIN: L65910MH1984PLC032639

[illegible]

ಇ-ಹರಾಜು ಮಾರಾಟ ಸೂಚನೆ

[illegible]

ಸಾಲಗಾರ (ರು) / ಸಹ-ಸಾಲಗಾರ (ರು) / ಜಾಮೀನುದಾರ (ರು)	ಡಿಮ್ಯಾಂಡ್ ನೋಟಿಸ್ ದಿನಾಂಕ ಮತ್ತು ಮೊತ್ತ	ಸ್ವತ್ತಿನ ವಿವರಣೆ	ಮೀಸಲು ಬೆಲೆ	ಪ್ರಾರಂಭಿಕ ಠೇವಣಿ (ಇಎಂಡಿ) (ಮೀಸಲು ಬೆಲೆಯ 10%)	ಒಟ್ಟು ಬಾಕಿ (29.04.2022)
(ಸಾಲದ ಕೋಡ್ ಸಂಖ್ಯೆ 00001144 ...) [illegible]	ದಿನಾಂಕ: 18.02.2019, ರೂ. 3831940/- [illegible]	[illegible] 1162, KH no.860, 1ನೇ A [illegible] 1095/A	ರೂ. 3200000/- [illegible]	ರೂ. 320000/- [illegible]	ರೂ. 5640015/- [illegible]
(ಸಾಲದ ಕೋಡ್ ಸಂಖ್ಯೆ 00000245 ...) [illegible]	ದಿನಾಂಕ: 14-03-2018, ರೂ. 3377337/- [illegible]	[illegible]	ರೂ. 9000000/- [illegible]	ರೂ. 900000/- [illegible]	ರೂ.8714617/- [illegible]

[illegible]

ಇ-ಹರಾಜಿನ ನಿಯಮಗಳು ಮತ್ತು ಷರತ್ತುಗಳು ಕೆಳಕಂಡಂತಿವೆ:

[illegible]

ದಿನಾಂಕ : 23.06.2022
ಸ್ಥಳ : ಬೆಂಗಳೂರು

ಸಹಿ/-
(ಅಧಿಕೃತ ಅಧಿಕಾರಿ)

IN THE COURT OF THE V ADDL CITY CIVIL JUDGE AT BANGALORE
O.S. No. 7020 / 2019 (CCH-13)

BETWEEN: DHANLAXMI BANK LTD., (Formerly known as the Dhanalakshmi Bank Ltd), A Scheduled Bank incorporated under the Companies Act 1956 Having its corporate office at Trissur, Kerala. and one of its Branch at Peenya Industrial Association Bhavan, Peenya, Bangalore-560057. Represented by its Chief Manager Sri Vivek Dattatraya Shirke ...Plaintiff

AND : Sri. Frankln Francis And Another ...Defendants

NOTICE TO DEFENDANT

1) SRI. FRANKLN FRANCIS,
S/o K C Francis, Aged about 30 years, R/at 26/C, Eskay Jyothi, Kalasthri Nagar, Opp to Govt Urdu School, T Dasarahalli, Bangalore-560057.

2) SMT. MARRY FRANCIS,
W/o K C Francis, R/at Kallarakkal (H), Kottamuri (PO), Mala, Thrissur, Kerala State,

Whereas the plaintiff bank has filed the above suit for recovery of sum of Rs.**3,80,601.72**/- along with interest @17.85% PA and other reliefs as prayed for from the defendants, for the reasons that the defendants have borrowed and not paid the amount.

You are hereby directed to present before the Hon'ble court on **20.07.2022 at 11.00 A.M.** personally or through a pleader duly instructed by you, failing which the matter will be heard in your absence placing you Exparte.

Given under my hand and seal of the Court this 7th day of June, 2022.

BY ORDER OF THE COURT,
Assistant Registrar,
City Civil Court, Bengaluru

K.S. VENKANTARAMANA, Advocate,
K.S. & K.S. Associates
No.4, 4th Floor, N.R. Road, Bangalore-02.

ಬಹಿರಂಗ ಹರಾಜು

[illegible]

ಬಹಿರಂಗ ಹರಾಜು

[illegible]

ಬಹಿರಂಗ ಹರಾಜು

[illegible]

ಬಹಿರಂಗ ಹರಾಜು

ಮೆ.ಶವನ್ ಬ್ಯಾಂಕರ್ಸ್, ಬಜಾರ್ ರೋಡ್, ಕೆ.ಆರ್. ನಗರ. ಇವರಲ್ಲಿ 07/05/2018 ರಿಂದ 19/12/2020 ರವರೆಗೆ ಗಿರವಿ ಇಟ್ಟು ಬಿಡಿಸಿಕೊಳ್ಳದ ಪದಾರ್ಥಗಳನ್ನು ದಿನಾಂಕ 30/06/2022 ರಂದು ಬೆಳಿಗ್ಗೆ 11 ಗಂಟೆಗೆ ಈ ಮೇಲ್ಕಂಡ ವಿಳಾಸದಲ್ಲಿ ನರೇಶ್ ಕುಮಾರ್, ಗೌ. ಅಕ್ಷನ್ಯಾರ್ ಅಕ್ಷನಿಯರ್, ಕೆ-50, ಬನುಮಯ್ಯ ಚೌಕ, ಮೈಸೂರು - 24. ಇವರು ಹರಾಜು ಮಾಡುವರು.

ಬಹಿರಂಗ ಹರಾಜು

[illegible]

ಓದುಗರ ಗಮನಕ್ಕೆ

ಪತ್ರಿಕೆಯಲ್ಲಿ ಪ್ರಕಟವಾಗುವ ಜಾಹೀರಾತುಗಳ ವಿಶ್ವಾಸಾರ್ಹತೆ ಆದರೂ, ಅವುಗಳಲ್ಲಿನ ಮಾಹಿತಿ, ವಸ್ತುಗಳು–ದೋಷ, ಗುಣಮಟ್ಟ ಮುಂತಾದವುಗಳ ಕುರಿತು ಆಸಕ್ತ ಸಾರ್ವಜನಿಕರು ಜಾಹೀರಾತು ದಾರರೊಂದಿಗೆ ವ್ಯವಹರಿಸಬೇಕಾಗುತ್ತದೆ. ಅದಕ್ಕೆ ಪತ್ರಿಕೆ ಜವಾಬ್ದಾರಿಯಾಗುವುದಿಲ್ಲ.
–ಜಾಹೀರಾತು ವ್ಯವಸ್ಥಾಪಕರು

Mphasis
The Next Applied

23 June 2022

The Manager
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI -400 001

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Dear Sir,

Sub:- Business Responsibility and Sustainability Report for the year ended 31 March 2022

We refer to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and enclose the Business Responsibility and Sustainability Report under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended 31 March 2022.

We request you to kindly take the above on record as per the provisions of Listing Regulations.

Thanking You,

Yours faithfully,

For Mphasis Limited

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Mphasis Limited BANGALORE

Subramanian Narayan
Senior Vice President and Company Secretary

Encl: As above

DS
kk

Business Responsibility and Sustainability Report

2021-22

Mphasis Limited

Contents

Section A: General Disclosures

Details

1.	Corporate Identity Number (CIN) of Company	L30007KA1992PLC025294
2.	Name of the Company	Mphasis Limited
3.	Year of incorporation	1992
4.	Registered office address	Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakundi Village, Mahadevapura, Bengaluru- 560 048, India
5.	Corporate address	Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakundi Village, Mahadevapura, Bengaluru- 560 048, India
6.	E-mail	subramanian.narayan@mphasis.com
7.	Telephone	+91 8067504613
8.	Website	www.mphasis.com
9.	The financial year for which reporting is being done	2021-22
10.	Name of the stock exchange(s) where shares are listed	NSE & BSE
11.	Paid-up capital	₹ 1,878.18 million
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Subramanian Narayan Senior Vice President & Company Secretary Telephone: +91 9916580808 E-mail id: Subramanian.Narayan@mphasis.com
13.	Reporting boundary	Disclosures made in this report are on a standalone basis and pertain to Mphasis Limited.

Products/services

14. Details of business activities (accounting for 90% of the turnover):

Description of the main activity	Description of business activity	% of turnover
Computer programming and related activities	Computer programming and related activities (IT consultancy, Information and communication services, etc.)	100%

15. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Description of the main activity	NIC Code	% of turnover contributed
1	Computer programming and related activities	6,201	100%

Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	21	7
International		39	20

*Please note these facilities/offices and locations include Mphasis Ltd and all its subsidiaries.

17. Markets served:

a. Number of locations:

Locations	Number
National (No. of states)	7
International (No. of countries)	20

- Mphasis has business activities in 7 National locations: Bengaluru, Chennai, Hyderabad, Mangalore, Mumbai, Noida, and Pune
- Mphasis has business activities in 20 International locations: Australia, Belgium, Canada, China, Costa Rica, France, Germany, Hungary, Ireland, Japan, Malaysia, Mexico, Netherlands, Poland, Singapore, Sweden, Switzerland, Taiwan, United Kingdom, and The United States of America.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Mphasis Limited's export sales percentage is 92% for FY22.

c. A brief on types of customers

Mphasis purposes to be the "Driver in Driverless Car", by providing next-generation design, architecture, and engineering services, to deliver scalable and sustainable software and technology solutions to clients. Mphasis' service transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. We provide our services to clients from banking and capital markets, insurance, healthcare & life sciences, airlines, and more.

- Note: For more information on our customers is available on our company website: www.mphasis.com

Employees

18. Details as of the end of the financial year:

a. Employees and workers (including differently-abled):

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	12,749	9,619	75.45%	3,130	24.55%
2.	Other than permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	12,749	9,619	75.45%	3,130	24.55%
Workers						
4.	Permanent (F)	14,421	8,169	56.65%	6,252	43.35%
5.	Other than permanent (G)	644	440	68.32%	204	31.68%
6.	Total workers (F + G)	15,065	8,609	57.15%	6,456	42.85%

b. Differently-abled employees and workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	23	19	82.61%	4	17.39%
2.	Other than permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	23	19	82.61%	4	17.69%
Differently abled workers						
4.	Permanent (F)	24	19	79.17%	5	20.83%
5.	Other than permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	47	38	80.85%	9	19.15%

19. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	12	3	25%
Key Management Personnel refer note	3	0	0%

- Note: Mphasis executive committee has one woman member.

20. Turnover rate for permanent employees and workers

Mphasis has taken a multi-pronged approach towards workforce retention. To retain and attract the workforce, we provide upskilling opportunities, promotions, benefits and rewards, and long-term incentives to all. The turnover rate of Mphasis is par with the Indian IT sector turnover rate.

Holding, subsidiary and associate companies (including joint ventures)

21. (a) As of March 31, 2022

S. No.	Name	Holdings/subsidiary/associate/ joint venture	% of shares held
1	BCP Topco IX Pte. Ltd	Holding	55.80%
2	Mphasis Software and Services (India) Private Ltd.	Subsidiary	100%
3	Msource (India) Private Limited	Subsidiary	100%
4	Mphasis Corporation	Subsidiary	100%
5	Mphasis Deutschland GmBH	Subsidiary	91%
6	Mphasis Australia Pty. Ltd	Subsidiary	100%
7	Mphasis (Shanghai) Software and Services Co. Ltd.	Subsidiary	100%
8	Mphasis Consulting Limited	Subsidiary	100%
9	Mphasis Europe B.V.	Subsidiary	100%
10	Mphasis UK Limited	Subsidiary	100%
11	Mphasis Pte Ltd	Subsidiary	100%
12	Msource Mauritius Inc.	Subsidiary	100%
13	Mphasis Ireland Ltd	Subsidiary	100%
14	Mphasis Belgium BVBA	Subsidiary	100%
15	Mphasis Lanka (Private) Limited	Subsidiary	100%
16	Mphasis Poland Sp.zoo	Subsidiary	100%
17	Mphasis Infrastructure Services Inc.	Subsidiary	100%
18	PT. Mphasis Indonesia	Subsidiary	100%
19	Mphasis Wyde Inc	Subsidiary	100%
20	Wyde Corporation	Subsidiary	100%
21	Wyde Solutions Canada Inc.	Subsidiary	100%
22	Mphasis Wyde SASU	Subsidiary	100%
23	Mphasis Philippines Inc.	Subsidiary	100%

24	Digital Risk, LLC	Subsidiary	100%
25	Digital Risk Mortgage Services, LLC	Subsidiary	100%
26	Digital Risk Valuation Services, LLC	Subsidiary	100%
27	Investor Services, LLC	Subsidiary	100%
28	Stelligent Systems LLC	Subsidiary	100%
29	Datalytyx Limited	Subsidiary	100%
30	Dynamyx Limited	Subsidiary	100%
31	Datalytyx MSS Limited	Subsidiary	100%
32	Mphasis Digi Information Technology Services (Shanghai) Limited	Subsidiary	100%
33	Blink Interactive, Inc.	Subsidiary	100%
34	Redshift Digital, Inc.	Subsidiary	100%
35	Mrald Limited	Subsidiary	51% with 100% economic benefits
36	Mrald Services Limited	Subsidiary	100%
37	Mphasis Solutions Services Corporation	Subsidiary	100%

(b) Do the entities indicated in the above table participate in the business responsibility initiatives of the listed entity? (Yes/No)

Yes, Mphasis's business responsibility and sustainability policies extend to its subsidiary companies, and they participate in our business responsibility and sustainability initiatives in line with our policies. Mphasis subsidiaries are integrated within the core culture of 'One Mphasis', which ensures the same belief system at all levels while engaging in the business.

CSR details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes
(ii) Turnover (in ₹) : 73,895.54 million
(iii) Net worth (in ₹) : 44,476.49 million

Transparency and disclosures compliances

23. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for the grievance redress policy	FY 2021-22		FY 2020-21	
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities*	Yes	Nil	Nil	Nil	Nil
Investors (*other than shareholders*)	Yes, Shareholder's grievance can be sent through email to the following designated email id: investor.relations@mphasis.com	Nil	Nil	Nil	Nil
Shareholders	Yes	3	Nil	Nil	Nil
Employees and workers	Yes, Mphasis has a Whistleblower	25	Nil	9	Nil
Customers**	Policy to enable our stakeholders	Nil	Nil	2	Nil
Value chain partners	who observe unethical practices (whether or not a violation of the law), to approach the whistleblower custodian without revealing their identity if they choose to do so. There are various channels to report actual or suspected fraud or	2	Nil	1	Nil

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2021-22		FY 2020-21	
	If Yes, then provide web-link for the grievance redress policy	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
	violation of the company's Code of Conduct or Ethics Policy i.e., through: • E-mail to the whistleblower office at: whistleblower@mphasis.com • Written complaints can be dropped off at the whistleblower drop box at the respective company location • Complaints can be recorded through the whistleblower hotline The policy is available on the Mphasis website: https://www.mphasis.com/home/corporate/whistleblower.html				
Others (violation of code of business conduct and ethics)	Mphasis has an empowered corporate investigation team that supports all the above functionaries in investigating most of the complaints thoroughly and professionally. The investigation team is staffed with qualified investigators and has its forensic lab.	Nil	Nil	4	Nil

- *Mphasis directly works with the implementation partners who address grievances of the communities we work with.
- **Mphasis conducts regular CSAT surveys. We also have a contact us form on the website, where we can receive feedback or requests for responses.

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:

Mphasis conducted its first comprehensive materiality assessment in FY 2020-21 to identify our ESG related material topics. The main goal of the identification of material issues is to understand ESG parameters that could have a potential impact on our business as well as our stakeholders. This outcome guides our company in further improving our stakeholder agenda, disclosures, and informs our ESG strategy development.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The 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	Diversity at workplace	Opportunity	• A diverse workplace is an inclusive environment that provides equal rights and opportunities for all employees and helps in building an equitable society. • A greater diversity across genders and ethnicity is strongly correlated to a greater level of inclusiveness (broadening mindset on acceptance of the third gender, unconventional biases in ethnicity, race and	Not a risk	**Positive:** A pool of diverse workforce of different genders, ages and ethnicities, nationalities, socio-economic backgrounds, religious beliefs, cultural practices, and sexual orientation will enable Mphasis to develop its services further

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			equality while transforming our thoughts and actions at a personal and professional level), improved propositions and productivity enabling value creation. • At Mphasis, our true north is to build an inclusive and diverse workplace using 3 tenets- Invest, Inspire and Involve to attract, develop, and retain the best talent in an environment that fosters high performance.		and mitigate operational risks. Diversity in the workforce brings new perspectives, experiences and ideas which enables innovation, increases performance and enables a positive culture in the organization.

2	Digitization	Opportunity	• It is imperative to implement digital technologies to go green, remain efficient, boost productivity, be competitive in the market, and raise profit margins.
			  • Digitization of Company operations contributes to increased efficiency and productivity, reduction in paper consumption, lower operational costs, increased transparency, and faster decision making. This in turn enhances customer experience and increases employee morale.
			  • At Mphasis, digitization has improved our approach to employee skill development (TalentNext) and Infragraph solution and service transformation (Intelligent automation framework and software).
			  • Additionally, Mphasis has expanded its digital offerings to address the evolving customer needs and expectations to accelerate end-to-end digitization and provide them with modern applications and infrastructure to improve cybersecurity, significantly accelerate automation and reduce overall costs
				Not a risk	**Positive:**
					Digitization can lead to improved sales, productivity and employment which impact the company's performance and impact compared to its peers

3	Cyber /IT System Security and Resilience	Risk	• The IT services sector is a highly targeted sector year after year. • Improper data and systems management can have a major reputational impact on companies such as Mphasis, as employees and other stakeholders lose trust in the Company's ability to safeguard sensitive	**Risk mitigation approach**: 1. Data Privacy Officer (DPO) addresses queries with regards to the Data Subject Access Requests (DSAR), stakeholder grievances and	**Negative:** Mphasis has access to sensitive data, such as personal information of stakeholders, customer data etc. Poor data security management could thus result in legal and reputational risks for Mphasis.

			information. Additionally, data breaches can have significant financial impacts. • IBM's Cost of a Data Breach report (2021) estimates that the average total cost of a data breach increased by 10%, from 3.86 to USD 4.24 Million, the highest average total cost in the 17-year history of this report.	breaches regarding personal data. 2. Independent audits are conducted periodically by internal and external bodies to validate the effectiveness of data privacy controls deployed. 3. Annual training is made available to all the employees to raise awareness on safeguarding their information and company-wide practices.	
4	Customer centricity/satisfaction	Risk and Opportunity	• The transparency, accuracy, and comprehensibility of marketing statements, /service descriptions, service terms and processes play an important role in the relationship between customers and companies. • Customers should have access to accurate and adequate information to make an informed purchasing decision. In the case of Mphasis, this is linked to the disclosure of reliable information regarding the services.	**Risk mitigation approach**: The company has put in place proactive measuring mechanisms to gauge the levels of customer satisfaction and obtain feedback from various perspectives, including, the satisfaction of the customer with the present work, growth of the account, and cost-effective solutions offered by the Company. The CSAT surveys are conducted and closely monitored by the Company Board.	**Positive**: Customer satisfaction and loyalty have a significant positive influence on the Company's profitability. Improved customer satisfaction can also lead to better business opportunities and growth. **Negative**: Consumers can lose trust in Mphasis's reliability to provide proposed quality services, which can lead to loss of business opportunities.
5	Talent attraction and retention	Risk and opportunity	• The attrition rate of the IT/tech sector is 14.6%, which is higher than the country's average of 13.1% (Salman P, 2021). A higher attrition rate can lead to a higher cost incurred from the onboarding and recruitment of replacement talent. Training the replacement hires to the same level of productivity as the employees who left requires additional resource investment. The retention report by the Work Institute (2017) finds that the cost of turnover can be as high as 33% of an employee's annual salary. • On the contrary, investing in people development can enable organizations to realize the skills and abilities of their	**Risk mitigation approach**: 1. Mphasis categorizes employees into Critical Risk, High Risk, and Low-Risk profiles. The Company has well-established mitigation plans like role/project change, and onsite assignments, in case of a change of assigned staff. 2. Promotions encourage the retention of a capable workforce. 3. Mphasis has developed a remuneration policy with the main objective to attract and retain excellent talent.	**Positive:** A lower attrition rate will lead to reduced costs incurred from hiring and training new recruits. **Negative**: Mphasis relies heavily on human capital for the development of its products and services that require software developers and continuous research and development. Therefore, Mphasis's ability to attract and retain talent and train them has a direct impact on the quality of Mphasis's services.

			workforce, and internal capabilities to further expand the business and create value. • Mphasis has a platform that has grown to become the bedrock of our talent development initiatives. Over the years, Talent Next has matured into a cognitive automation tool with a 'learning recommendation engine' and resources for over 750 skills and hosts over 12,000 courses.		
6	Energy and emissions management	Risk and Opportunity	• Digital infrastructure such as data centres consume significant resources - including water and energy - and are large emitters of carbon emissions. It is estimated that by 2040, data centres would emit ~ 6.3% of global GHG emissions compared to the 2016 level (Belkhir and Elmegli, 2017). • This could make ICT companies face operational and reputational issues in the coming years. • Other risks (such as exposure to physical risks of climate change), could also have significant operational impacts on data centres. We ensure managing our customer's IT Infrastructure seamlessly with unmatched efficiency. Our offerings help our customers in optimizing production, create decarbonized ecosystems, and increase the throughput of existing assets.	**Risk mitigation approach**: 1. Mphasis is investing increasing its renewable energy portfolio by investing in green technologies, such as its solar plants(10KW) at its Mangaluru facility. 2. Rallying stakeholders towards a low-emission, climate-resilient future 3. Mphasis has accelerated its efforts to phase out ozone-depleting pollutants [NO6]. 4. The company has also invested in energy-saving interventions such as replacing its current equipment such as UPS and air conditioning units with those with higher energy efficiency.	**Positive**: Identifying, designing, building and implementing newer business models to achieve decarbonized energy systems for our customers which also improve efficiency and productivity, leading to better customer satisfaction and business outcomes. **Negative**: Mphasis's impact is mainly in the form of data storage centres, E-waste, and electricity used in its offices, and direct and indirect GHG emissions (scope 1, 2, and 3) from its activities.

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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.

S. No.	Principle description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

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)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web-link of the policies, if available.	(i) CSR policy: https://bit.ly/corporate-social-responsibility-policy (ii) Remuneration and nomination policy (Directors): https://bit.ly/directors-remuneration-policy (iii) Remuneration and nomination policy (Executive): https://bit.ly/executive-remuneration-policy (iv) Whistle-blower policy: https://bit.ly/whistleblower-policy (v) Standard of business ethics: https://bit.ly/code-of-business-conduct-policy (vi) EHS policy: https://bit.ly/EHS-policy (vii) Data privacy policy: https://bit.ly/dataprivacy-policy								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, adherence to Mphasis policy requirements such as COBC is included in their agreements with their 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) mapped to each principle.									
Principle 1: Ethics, transparency	Our publicly available **Code of Business Conduct (COBC)** encourages our people to conduct business lawfully, ethically and in the best interest of Mphasis.								

	Addressing Anti-bribery and Corruption: To protect the value of shareholders and tangible and intangible assets of the organization, Mphasis has implemented an anti-bribery and anti-corruption policy and training to manage these risks effectively. **ISO Standards**: Mphasis is certified with **ISO 22301** (International Standard for Business continuity management system), **ISO 37001** (Anti-bribery management systems), **ISO 31000** (Risk management), and the Indian prevention of corruption act (PCA).
Principle 2: Product and service responsibility	Mphasis designs develops, modernizes, and maintains applications for its clients worldwide. We interact with our customers to ensure that the products are of the utmost quality. Our **Quality Management System** is **ISO 9001** certified.
Principle 3: Human resources	Mphasis complies with the standard **COBC, Diversity and Inclusion Policy, POSH, Health and safety of Employees and ISO 45001(OHS)** certified. Mphasis also has pioneering policies and initiatives such as gender-neutral bathrooms, health insurance for same-gender couples and women in technology
Principle 4: Responsive to stakeholders, particularly the marginalized	Our **COBC** encourages our people to conduct business lawfully, ethically and in the best interest of Mphasis.
Principle 5: Respect for human rights	Our publicly available **COBC** encourages our people to conduct business lawfully, ethically and in the best interest of Mphasis. It explicitly forbids violations of human rights. Mphasis takes corporate responsibility to address workplace issues such as working hours, child labour, forced labour, non-discrimination, health and safety, and the environment.
Principle 6: Environmental responsibility	**ISO Standards**: Mphasis is certified with **ISO 14001:15** certification for the facility to strengthen our commitment to reducing the environmental impacts within the operations. Also, the building is Leadership in Energy and Environmental Design (LEED) Gold standard certified.
Principle 7: Public policy advocacy	Our **COBC** complies with Principle 7.
Principle 8: Inclusive growth	CSR policy/Health safety and environment policy
Principle 9: Customer engagement	Our Information Security Management System (ISMS) complies with **ISO 27001** standard and paves a systematic approach to managing and securing information at Mphasis. This certification assures all concerned stakeholders that the company has implemented adequate data protection and information security measures to mitigate information and cyber security threats.
5. Specific commitments, goals, and targets set by the entity	**Our environmental commitments:** a) To reduce carbon footprint value year on year b) To reduce electricity consumption year on year c) To accelerate efforts on improving energy efficiency and phasing out ozone-depleting substances **Our social commitments:** a) To build an inclusive and diverse workplace that attracts, develops, and retains the best talent in an environment that fosters high performance b) To recruit as well as empower women, veterans, LGBTQ+ and persons with disabilities across the organization **Our governance commitments:** a) To reduce the risk of liability of improper conduct such as bribery and corruption at all levels within our company b) To proactively assess vulnerabilities and deploy plans to minimize cyber security incidents.

6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	1. In FY 2020-21, the total Scope 1 and Scope 2 emissions per rupee of turnover were 19,061. The value has been reduced to 18,085 in the current reporting period 2. In FY 2020-21, the total electricity consumption was 23,199.91 MWh and reduced to 21,692.92 MWh in the current reporting period. 3. In FY 2020-21, the total energy consumption was 23,380.30 MWh and reduced to 21,807 MWh in the current reporting period. 4. Mphasis has achieved a much more balanced gender ratio in this reporting year 35:65 (F: M) as considered to last reporting year. 5. Zero bribery and corruption cases during this reporting year 6. Zero cyber security breaches during this reporting year.

Governance, leadership, and oversight

7. Executive chairperson's statement

Refer to the 'Message from our CEO' page- Mphasis - ESG

8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies	Nitin Rakesh Chief Executive Officer and Managing Director DIN:00042261
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.	Yes. Mr. Nitin Rakesh' CEO and MD drive the ESG Vision of the Company. All the ESG related issues/risks are addressed by the Enterprise Risk Management Committee while the Audit Committee/Board reviews aspects such as complaints on Sexual Harassment, whistle-blower concerns and related issues. The status update of the ESG risk is reported to the Audit Committee and the Risk Governance and Management Committee.

10. Details of review of NGRBCs by the Company:

Subject for review	- **Indicate whether the review was undertaken by the Director/committee of the board/ any other committee** - **Frequency (Annually/half-yearly/quarterly any other – please specify)**
Performance against the above policies and follow up action	Business responsibility and sustainability policies of the Company are periodically reviewed by department/division heads, business heads and the Managing Director. During these assessments, the efficacy of the company policies is reviewed and adequate changes to policies, procedures and internal controls are also implemented.
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company complies with the existing regulations as applicable. There have been no instances of non-compliance.

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

No, Mphasis does not conduct an independent assessment by external agencies. But all company policies are regularly monitored and reviewed by respective policy owners.

12. If the 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)	Mphasis considers all the principles material to the business.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No								
It is planned to be done in the next financial year (Yes/No) Any other reason (please specify)	NA								

Section C: Principle-wise Performance Disclosure

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	% of persons in the respective category covered by the awareness programmes
Board of directors	The directors have attended training programs covering roles, rights, responsibilities, and the Business model of the Company for an average of 3.5 hours per director. (*The cumulative hours since FY 2016 is 42.5 hours*)	Training on strategies, statutory duties and responsibilities and, compliance updates are provided to the directors.	100%
Key managerial personnel, Employees other than BoD and KMPs, Workers	The below-mentioned pieces of training are provided to all mentioned segments annually. COBC (1 Hour)	The Mphasis COBC serves to guide our actions, which is governed by integrity, honesty, fair dealing, and compliance with all applicable laws. The mandatory certification on COBC is designed to provide a framework against which conduct, and behaviour can be measured. It covers in detail the expected code such as but is not limited to equal opportunity employer, data and people privacy, conflict of interest, insider trading, bribery, and improper payment, compliance and sanction obligations, intellectual property, human rights, safe and secure work environment, POSH, etc.	100%
	POSH (1 Hour)	Training on POSH covers Mphasis commitment to providing a safe and secure work environment, what is sexual harassment, types of sexual harassment, workplace and extended workplace, various case studies, redressal mechanisms, the principles/Values, consequences and roles and responsibilities of employees and employer.	

	Intellectual Property (IP)	IP is a legal concept that refers to creations of the mind for which exclusive rights are recognized. This training on IP asset management familiarizes employees with the definition of IP, their various elements, and business benefits. This course covers those forms of IP, that are relevant to an information technology organization.	
	Information Security Management System (ISMS)	Mphasis provides training to all the employees to raise awareness on safeguarding their information and company-wide practices. The training covers aspects such as the management's commitment to information security, information classification, data privacy, social media policy guidelines, phishing, password security, social engineering, business continuity management, Mphasis security incident management tool, Mphasis Work from Home (WFH) – Security policy and overview.	
	Data Privacy	Mphasis data privacy training covers data privacy statement, key business drivers, types of personal information, Mphasis privacy principles, privacy consideration in information lifecycle, GDPR, data transfer to another country, data transfer to data processors (third parties), data subject access right, data protection impact assessment, privacy by design and California Consumer Privacy Act (CCPA) and California Privacy Rights Act (CPRA).	
	BCMS	BCMS course is a mandatory course that educates employees on the Mphasis BCM framework and their R & R. This is part of the COBC mandatory training that employees need to undergo upon joining and yearly. Objectives of the training are to understand the concept of business continuity, comprehend the significance of BCMS for Mphasis, understand the BCMS framework in our organization, implications of non-adherence to BCMS, employee's role during an outage/disaster, Covid 19 awareness and business continuity during the Covid 19 pandemic.	

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 FY21.

There have been no instances of fines and penalties imposed by the Statutory Authorities on the Company.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision are preferred in cases where monetary or non-monetary action has been appealed.

Not applicable.

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, Mphasis has an Anti-Corruption and Anti-Bribery Policy. The policy articulates our commitment to counter bribery and corruption risks. Mphasis Anti-Bribery and Corruption Policy enables us to reduce the risk of liability for improper conduct such as bribery and corruption at all levels within our Company.

- Link to the policy: https://bit.ly/anti-bribery-and-anti-corruption-policy.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY 2021-22	FY 2020-21
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

There are no complaints received in relation to the conflict of interest against directors and KMPs in the current as well as in the previous financial year.

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.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

Mphasis does not have specific training programs for its value chain partners. We communicate with our value chain partners on our company's responsible practice and Code of Business Conduct. Additionally, Mphasis supplier communication letter sent to the suppliers which provide details on ethical and legal dealings, POSH Policy and Whistle Blower Policy.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Mphasis COBC including the Code of Conduct for the directors, mandates adherence to laws and regulations, including anti-bribery, anti-corruption, and ethical handling of conflicts of interest. The publicly available COBC encourages our people to conduct business lawfully, ethically and in the best interest of Mphasis. It is a guide that provides broad direction on how our company must operate and uphold integrity at all times

- Link to the policy: https://bit.ly/code-of-business-conduct-policy .

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 product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.

Mphasis has an R&D practice with an objective to contribute to increased efficiency of operations and delivery to the Clients and to ensure sustainability through digitization. Mphasis currently does not measure the percentage of R&D and capital expenditure investments in specific technologies to improve product and processes' environmental and social impacts.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Mphasis has a procedure in place for sustainable sourcing. We look at the following sustainability factors while procuring IT assets from their suppliers:

(i) Vendor diversity
(ii) MSMED status
(iii) Yearly revenue
(iv) Quality certification
(v) POSH policies
(vi) ISO certification
(vii) Policy on anti-slavery and human trafficking
(viii) Environmental management
(ix) Policy on the prohibition of child labour

While empanelment of our suppliers, we ensure that all the above-mentioned factors are thoroughly checked. This is done through a supplier registration form which the vendor must complete.

b. If yes, what percentage of inputs were sourced sustainably?

100% of our suppliers undergo the sustainable procurement procedure of Mphasis.

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.

Waste type	Waste management procedure in place
Plastic (including packaging)	Plastic waste is sent to ITC for recycling. Mphasis has a “Say no to plastic program” which helps to divert waste and reduce our effects on the local community and, as a result, the climate. It will necessitate a few minor adjustments to everyday routines, both at home and at work. Our leadership team, the administration SPOC’s and the CEO took the challenge to ban single-use plastic at all offices with each one of our employees to support in becoming the poster child for a plastic-free organization. All Mphasis facilities have also resorted to using 100% biodegradable plastic garbage bags to collect and dispose of wet waste, diverting thousands of disposable plastic waste in the process.
E-waste	Disposed of as per E-waste Management Rules, 2016
Hazardous waste	Disposed of as per Batteries (Management and Handling) Amendment Rules, 2010
Other waste (wastepaper and paper products)	Sent to ITC Paper Mills for recycling

Mphasis has implemented a visitor management tool to reduce the consumption of paper and waste generation resulting from security visitor management. The Company's transport tool ETMS has been integrated with the mobile app for reducing the paper consumption which is being used to maintain and monitor trip details.

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 EPR plan submitted to Pollution Control Boards?

Yes, EPR applies to the Company's activities. As a bulk consumer of electronic equipment, the company disposes and manages the E-waste generated from operations in alignment with the E-waste Management Rules, 2016.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or its services (for service industry)? If yes, provide details in the following format?

Not applicable to Mphasis.

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable to Mphasis.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not applicable to Mphasis.

4. Of the products and packaging reclaimed at end of life of products, the amount (in metric tonnes) reused, recycled, and safely disposed of.

	FY 2021-22			FY 2020-21		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not applicable to Mphasis					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Not applicable.

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		Daycare facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	9,619	9,619	100%	9,619	100%	NA	NA	9,600	99.8%	Mphasis provides daycare facilities for its employees. Considering 100% remote work for the past 2 years due to the covid-19 pandemic, the company has not tracked the utilization of this benefit.	
Female	3,130	3,130	100%	3,130	100%	3,127	99.9%	NA	NA		
Total	12,749	12,749	100%	12,749	100%	3,127	24.5%	9,600	75%		
Other than permanent employees											
Male	NA										
Female											
Total											

- Maternity benefits are provided to Mphasis employees as per the Maternity Benefits Act 1961.
- As per the classification of employees and workers under Mphasis, we do not have employee classification as "other than permanent employees.

b. Details of measures for the well-being of workers:

Category	% of workers 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	8,165	8,165	100%	8,165	100%	NA	NA	8,165	100%	Yes Refer Note below	
Female	6,252	6,252	100%	6,252	100%	6,252	100%	NA	NA		
Total	14,421	14,421	100%	14,421	100%	14,421	100%	14,421	100%		
Other than permanent workers											
Male	Health and accidental insurance coverage, parental benefits and other facilities are provided by the contractors hiring the workers (Other than permanent workers).										
Female											
Total											

Note: Mphasis provides daycare facilities for its employees. Considering 100% remote work for the past 2 years due to the covid-19 pandemic, the company has not tracked the utilization of this benefit.

2. Details of retirement benefits.

Benefits	FY 2021-22			FY 2020-21		
	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% of India-based employees	100% of India-based employees	Yes	100% of India-based employees	100% of India-based employees	Yes
Gratuity	100% of India-based employees	100% of India-based employees	Yes	100% of India-based employees	100% of India-based employees	Yes
ESI	NA	6,493 employees are covered based on eligibility.	Yes	NA	4379 employees are covered based on eligibility.	Yes
Others – please specify	Nil					

3. Accessibility of workplaces

Yes, Mphasis offices are accessible to employees with disabilities, and we conduct regular facility audits to ensure that the workplace is accessibility friendly.

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.

Mphasis complies with all rules and regulations concerning accommodating disabilities associated with the workplace. Such aspects are covered under the company's diversity policy.

Relevant policies can be accessed at the Board Diversity Policy, Diversity and Inclusion Policy and: Code of Business Conduct

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	86.78%	55.21%	76.56%	62.26%
Female	95.35%	61.83%	92.25%	47.87%
Total	91.06%	58.52%	84.40%	55.06%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers (Permanent workers, Other than permanent workers, Permanent employees, Other than permanent employees)? If yes, give details of the mechanism in brief.

Yes, Mphasis has a mechanism available to receive and redress grievances for all the categories of employees and workers. The mechanism is explained below:

Individuals who believe they have been the victims of conduct prohibited by this Policy or believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, HRBP, or write to the I&D office at inclusion.diversity@mphasis.com

Any employee who feels or believes that he or she has been subjected to or witnessed sexual harassment in the company and/or extend workplace (*such term being as defined in the POSH policy of the Company)* has an obligation and duty to report the same to posh@mphasis.com. Any reported allegations of harassment, discrimination or retaliation are dealt with in accordance with the provisions of law and are investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

The company maintains confidentiality throughout the process to the extent consistent with adequate investigation and appropriate corrective action. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this Policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed. In case of non-compliance by employees, it can lead to termination of services/penalties extend to monetary fines/ imprisonment (where permitted by law). False and malicious complaints of harassment, discrimination, or retaliation (as opposed to complaints that, even if erroneous, are made in good faith) may be the subject of appropriate disciplinary action. For additional details on sexual harassment please refer to POSH policy (Unified access >>Policy Documents >>HR Corner >>Corporate Policies >> POSH).

Hiring agencies take care of redress grievances for contract employees and workers (other than permanent employees and workers).

Mphasis whistle blower policy enables our employees, associates, and business partners to raise and report all allegations of suspected improper activities that are in breach of our COBC. The complainant can lodge actual or suspected fraud or any violation of the company's COBC at whistleblower@mphasis.com or a written complaint can be dropped into the whistle blower drop box at the respective company's location.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

No. There is no such employee association that is officially recognized by the company

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2021-20				
	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	9219	8870	96.2%	3,965	43%	7521	7396	98.3%	5,563	74%
Female	2860	2778	97.1%	1,198	42%	2142	2120	98.9%	1,469	69%
Total	12079	11648	96.4%	5,163	43%	9663	9516	98.4%	7,032	74%
Workers										
Male	5450	5197	95.3%	3,740	69%	5198	5088	97.8%	1,555	30%
Female	7168	6783	94.6%	2,917	41%	3799	3719	97.9%	1,283	34%
Total	12618	11980	94.9%	6,657	53%	8997	8807	97.8%	2,838	32%

Note: Data provided is for those workers/employees who are eligible for on skill upgradation through our "Talent Next". Other employees receive on the job training or external trainings based on the training process of the Company which also contributes to skill upgrades.

9.Details of performance and career development reviews of employees and workers:

Periodic assessment of performance helps us to better equip ourselves to meet our goals and thereby make a significant contribution to the organization's goals. The annual performance appraisal is conducted in April. The objective of the Annual Appraisal is to facilitate a fair and transparent system of performance review and discussions of the annual goals between employee and manager. It involves reviewing the past, analyzing the present, and planning for the future. Furthermore, the Nomination and Remuneration Committee of the Board evaluates the performance of the members of the executive management on an annual basis.

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	For the year 2021-22 performance and career development reviews of employees have not started			8,718	6,203	71%
Female				2,707	1,821	67%
Total				11,425	8,024	70%
Workers						
Male	For the financial year, 2021-22 performance and career development reviews of workers have not started.			4,737	3,772	80%
Female				6,259	2,906	46%
Total				10,996	6,678	60%

10. Health and safety management system:

a. Whether an occupational health and safety management system been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?

Yes, Mphasis has a dedicated Environmental, Health, and Safety (EHS) Policy in place, which addresses the EHS related concerns involved with our business operations. The policy also helps in bringing EHS awareness. The policy addresses the concerns related to the environment through the following commitments outlined below:

(i) Meeting all the environment-related compliance requirements (like hazardous waste annual returns, environmental audit statements, battery returns and e-waste returns) across their business locations in the country in a timely manner
(ii) Enhancing sustainability initiatives to reduce the company's carbon footprint and thereby continuously monitor the carbon data
(iii) Conserving natural resources by minimizing usage, reusing, and recycling material and by purchasing recycled material
(iv) Ensuring the optimum consumption of energy throughout our business, including conserving energy, improving energy efficiency by use of energy-efficient devices and giving preference to renewable over non-renewable energy sources wherever feasible
(v) Striving to prevent pollution and minimize the environmental impacts
(vi) Educating our suppliers to operate consistently with our Supplier code of conduct and applicable environmental standards
(vii) Setting targets for continuous improvements on environmental performance indicators and reporting our performance to our stakeholders

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Mphasis has an Aspect-Impact register, in accordance with ISO standards, in which all work-related hazards are identified.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Mphasis has a procedure in place, the purpose is to identify work-related hazards that can be controlled and those that can influence the overall environmental performance of the company and determine the significance of the associated environmental impacts.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

Yes. All employees of the company are covered under the company's health insurance policy and at all the company facilities paramedical facilities are available.

11. Details of safety-related incidents.

Not applicable to Mphasis as our corporate security function has not received any information/complaints pertaining to the category of incidents given in the table for FY 2020-2021 & 2021-2022.

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	Nil	Nil
	Worker		
Total recordable work-related injuries	Employee		
	Worker		
No. of fatalities	Employee		
	Worker		
High consequence work-related injury or ill-health (excluding fatalities)	Employee		
	Worker		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Measures were taken by Mphasis to ensure a safe and healthy workplace are listed below:

(i) Collating the EHS data from PAN India facilities such as energy consumption, paper consumption, transportation distance, waste inventory, water consumption, etc. monthly in order to assess the data and for preparing quarterly reports on the same
(ii) Organizing EHS activities such as health check-ups and awareness camps, wellness camps and health sessions across PAN India facilities
(iii) Organizing first aid training, fire safety training, chemical safety training across PAN India facilities along with environmental awareness events and circulating the relevant communications
(iv) Providing necessary support for external EHS audits and participating in various EHS award categories
(v) Conducting EHS calls for PAN India facilities regularly

13. Number of complaints on the following made by employees and workers

	FY 2021-22			FY 2020-21		
	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					
Health & safety						

14. Assessments for the year

	% of offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	40%
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.

Against the backdrop of the pandemic, the Company has been following procedures to comply with the state/local regulations/directives and ensure safety and hygiene protocols and social distancing on the premises of the Company. Self-sanitizing dispensers have been installed at the locations for use of employees. The Company set up a 24x7 COVID War Room (SANJEEVANI) aimed at providing relevant, accurate and verified information related to COVID services to the employees and their families in need of immediate support besides extending assistance to the infected employees and their families for quarantine facilities, medical emergencies and hospitalization. COVID vaccination campaigns were organized at the major locations of the Company to help the employees to stay vaccinated.

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Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

I. Employees : Yes
II. Workers : Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues have been deducted and deposited by the value chain partners in accordance with applicable laws and regulations. Mphasis expects all its value chain partners to align with the company's code of conduct, business responsibility principles and values.

When an order is placed, Mphasis pays the vendor the cost including GST. They are supposed to deposit GST with the Government which the Mphasis Tax team monitors, because unless they deposit the GST Mphasis cannot claim the amount from the Government

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Not applicable, as there are no work-related injuries in FY22 and FY21.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No, we do not have a specific transition assistance program for retired or terminated employees as the employees are mostly highly skilled and do not have a compelling requirement for transition assistance.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	The Company expects all its value chain partners to follow the applicable regulations including health and safety and working conditions. Mphasis currently does not assess its value chain partners on specific health and safety and working conditions. To ensure responsible business conduct throughout our value chain, suppliers are contractually bound to adhere to Mphasis sustainability policies in the mentioned link- https://www.mphasis.com/home/corporate/investors.html under the section ' Corporate Governance' These policies mandate to ensure healthy working conditions for employees and has zero-tolerance for human rights violations.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Nil

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.

Priority stakeholder groups are identified by understanding their relative importance and their ability to provide value to our business. The stakeholder identification and prioritization process has been conducted during the materiality assessment in FY 2020-2021. By considering the parameters and stakeholder attributes defined by global standards such as GRI Sustainability Reporting Guidelines and National Guideline for Responsible Business Conduct (NGBRC) we have mapped our stakeholders. To finalize the list of key stakeholders, we looked into the parameters such as stakeholder impact, diversity, influence, urgency and legitimacy.

In keeping with the above criteria, we have identified six key stakeholder groups customers, shareholders and investors, government institutions and regulators, business partners and vendors, employees and communities.

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
Employees	Mphasis have identified specific groups of employees to provide support	Email, SMS, Townhalls, Intranet	Ongoing activities planned over the year	Ongoing
Society	Through Mphasis CSR, specific groups are identified and supported by partnering with various NGOs	Email, Social Media, SMS, Website, In-person events, Community meetings	Ongoing activities planned over the year	Ongoing
Suppliers	Yes, Mphasis have diverse vendors as well as MSME businesses from where they source	Email, Meetings	As and when required	As and when required
Clientele and partners	No	Email, Social Media, SMS, Website, In-person events, External events	As and when required	As and when required
Investors or external channels	No	Email, Meetings	Quarterly	Quarterly
Shareholders	No	Email, Meetings	Annual	Annual
Regulators and policy makers	No	Statutory reporting to the regulators, Participation in seminars, webinars, etc. organized by various regulators	As per the defined frequency in the law.	Timely disclosure of information to the stock exchanges and other regulators

Leadership Indicators

3. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.

Our stakeholders are central to our business growth and value creation. We are committed to necessitate meaningful and proactive engagement with them throughout the year to ensure that our interests, concerns, and competing expectations are addressed responsibly. Our inclusive approach to stakeholder engagement enables us to communicate material ESG matters to concerned personnel and the board is kept informed and development and feedback are received periodically.

4. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, we have conducted a materiality assessment with all key stakeholders (leadership, customers, investors, and suppliers) to identify Mphasis' material issues. Details can be found on the website, ESG report.

5. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Our CSR initiatives are targeted toward marginalized groups. No vulnerable or marginalized groups among other stakeholders.

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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 2021-22			FY 2020-21		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	12,079	11,648	96.4%	9,663	9,516	98.5%
Other than permanent	-	-	-	-	-	-
Total employees	12,079	11,648	96.4%	9,663	9,516	98.5%
Workers						
Permanent	12,618	11,980	94.9%	8,997	8,807	98%
Other than permanent	-	-	-	-	-	-
Total workers	12,618	11,980	94.9%	8,997	8,807	98%

- *100% of Mphasis employees are trained on COBC which explicitly forbids violations of human rights. The COBC, which outlines the approach and commitment to human rights, covers all Mphasis employees.

2. Details of minimum wages paid to employees and workers

Category	FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent					
Male	9,619	0	0%	9,619	100%
Female	3,130	0	0%	3,130	100%
Workers					
Permanent					
Male	8,165	0	0%	8,165	100%
Female	6,252	0	0%	6,252	100%

3. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	9	INR 5.31 million	3	INR 5.11 million
Key managerial personnel	3	INR 44.96 million	Nil	Nil
Employees other than BoD and KMP	9,619	INR 1,500,000	3,130	INR 1,300,000
Workers	8,165	INR 3,40,000	6,252	INR 3,25,000

- The Director's remunerations are paid on a defined matrix that is uniformly applicable to all the Directors. The difference in the median remuneration of the Directors is due to attendance at the meetings and the committees served by the Directors.

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, Mphasis has appointed multiple personnel to address human rights impacts or issues caused or contributed to by the business. The issues are resolved/addressed basis the nature of the matter.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Mphasis has a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policies and the human rights issues.

6. Number of complaints on the following made by employees and workers:

<table>
<tr><th rowspan="2"></th><th colspan="3">FY22</th><th colspan="3">FY21</th></tr>
<tr><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th></tr>
<tr><td>Sexual harassment</td><td>30</td><td>0</td><td>Nil</td><td>18</td><td>0</td><td>Nil</td></tr>
<tr><td>Discrimination at workplace</td><td colspan="3">No complaints</td><td colspan="3">No complaints</td></tr>
<tr><td>Child labour</td><td colspan="3" rowspan="2">No complaints</td><td colspan="3" rowspan="2">No complaints</td></tr>
<tr><td>Forced labour/Involuntary labour</td></tr>
<tr><td>Wages</td><td colspan="3">No complaints</td><td colspan="3">No complaints</td></tr>
<tr><td>Other human rights-related issues</td><td colspan="3">No complaints</td><td colspan="3">No complaints</td></tr>
</table>

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Mphasis is committed to ensuring a workplace free from all kinds of discrimination and sexual harassment. The company has an Anti-discriminatory policy and POSH policy in place to prevent and address such issues.

The above-mentioned policies provide a mechanism for redressal of complaints of sexual harassment without fear or threat of reprisals in any form or manner to all its employees irrespective of their gender and sexuality. We have zero-tolerance for sexual harassment.

Mphasis is aware that sexual harassment can occur and when reported, we are committed to redressing all such cases. The Internal Committee have been constituted to investigate every complaint thoroughly and ensure adequate reparative action is taken. For a detailed process refer to POSH Policy and FAQ.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Mphasis includes human rights requirements as a part of business agreements and contracts.

9. Assessments of the year

Mphasis do not conduct such assessment, however, we perform internal checks and reviews periodically to ensure compliance.

<table>
<tr><th></th><th>Remarks</th></tr>
<tr><td>Child labour</td><td rowspan="2">Mphasis abides by the law of land, as applicable, and do not have such hiring/instances under child labour/forced labour.</td></tr>
<tr><td>Forced/involuntary labour*</td></tr>
<tr><td>Sexual harassment**</td><td>• A quarterly update on sexual harassment is presented to the Board.
• India- Annual report comprising complaints filed, disposed of, penal consequences and awareness initiatives for every location is submitted to the district offices.
• The Company Annual report includes a report on sexual harassment.</td></tr>
<tr><td>Discrimination at workplace</td><td>There is an anti-discriminatory policy in place
Multiple awareness sessions are conducted at regular intervals on anti-discrimination.
Recently concluded a campaign #THEREALME on anti-discrimination.</td></tr>
</table>

	Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. Mphasis will maintain confidentiality throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this Policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed. In case of non-compliances by employees, it can lead to termination of services/penalties extend to monetary fines/ imprisonment (where permitted by law). False and malicious complaints of harassment, discrimination, or retaliation (as opposed to complaints that, even if erroneous, are made in good faith) may be the subject of appropriate disciplinary action
Wages	Adhere to minimum wages, robust process in place internally. HR audits, client-specific audits regularly
Others – Please specify	NA

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not applicable

Leadership Indicators

11. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

We respect each of our employees as individuals and value their differences. The company is committed to ensuring equal opportunities for all its employees and creating an environment that is fair and flexible, promotes learning and growth and reflects the diversity of the world. and it applies to all officers, directors, employees, and contract employees in Mphasis.

Employees shall strive to create a workplace that is free from discrimination in their employment practices against any potential or existing employees, and shall not discriminate on a person's age or other circumstances, colour, cultural or social beliefs such as religion, educational background, race, ethnicity or nationality, spiritual, traditional or customary beliefs, political opinion, physical features/appearances, gender identity and expression, marital status, judging the impacts of potential pregnancy on decisions, sexual orientation, physical disability or impairment.

12. Details of the scope and coverage of any human rights due diligence conducted

No. Currently, Mphasis does not conduct human rights due diligence.

13. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Mphasis premise/offices are accessible to Persons with Disabilities (PwDs), as per the requirements of the Rights of Persons with Disabilities Act, 2016. Mphasis provide below facilities at their premises/offices:

(i) Wheelchair
(ii) PWD friendly washrooms equipped with required spares
(iii) Foldable stretcher
(iv) Evacuation chair
(v) Dedicated parking with signages
(vi) Workspace – Customized workstation for PWD employees as per their request
(vii) Ramps and swing gates (while entering the floor)

14. Details on assessment of value chain partners:

100 % of the value chain partners are reviewed based on the below-mentioned parameters.

	Remarks
Sexual harassment	Mphasis only empanels vendors who comply with our COBC. POSH Policy is applicable to Mphasis Limited and its subsidiary, affiliate and or group companies (“Mphasis”). The Policy applies to all officers, directors, employees, visitors, suppliers, contract labour, agents and representatives of Mphasis, and or any third party with whom an employee may have to interact with or in connection with employment in Mphasis. All Contractor for empanelment requires to be compliant with POSH law. Specifically, for India, all vendors that are empaneled are required to be compliant with the provision of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
Discrimination at workplace	Mphasis only empanels vendors who comply with our COBC The Guiding Principles of the Code of Conduct are listed below: Provide a safe, healthy, tolerant and disciplined work environment that respects individuals and is free from discrimination.
Child labour	Mphasis has zero-tolerance for slavery and human trafficking. We ensure that child labour, forced labour, verbal or any other form of harassment and physical punishment is not permitted in any of our related business with Supply chain partners. We do not engage in any activities that would jeopardize safety or security.
Forced/involuntary labour	
Wages	Mphasis ensure to pay all its workforce wages that are equal to or above the minimum wage as per legal requirements.
Others – please specify	Nil

15. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Mphasis have taken preventive measures to address significant risks and concerns that may arise from the value chain assessments.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in MWh) and energy intensity

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	21775.076	23,199.91
Total fuel consumption (B)	109.247	175.15
Energy consumption through other sources (C)	7.74	5.23
Total energy consumption (A+B+C)	21892.063	23,380.30
Energy intensity per rupee of turnover (Total energy consumption/turnover in INR million) MWh/INR million	0.31	0.41
Energy intensity (Total energy consumption/FTE) in MWh/FTE	1.72	2.29

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.
No independent assessment/ evaluation/assurance has been carried out by an external agency.

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.

Not applicable

3. Provide details of the following disclosures related to water:

Water is provided by the facility operator under maintenance charges. Water consumption is part of the maintenance charges of the company as we lease our facilities. We do not track our water consumption as per the BRSR requirements.

The usage of water by the Company is only on account of human consumption. Efforts have been made to ensure that the water is consumed judiciously in Company's premises. Water aerators are installed to reduce our water consumption.

4. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

No, there is no mechanism for zero liquid discharge. A Sewage Treatment Plant (STP) is in place where used water is recycled (treated) and a water test is conducted. If the water test results are within an acceptable range, then water is reused in washrooms and for landscaping purposes.

5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2021-22	FY 2020-21
NOx	Mphasis does not monitor the air emissions other than the GHG emissions.		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			

Volatile organic compounds (VOC)	
Hazardous air pollutants (HAP)	
Others – ozone-depleting substances (HCFC - 22 or R-22)	

Mphasis being an IT sector organization, the SOX, NOX and other air emissions do not apply to the firm.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	83	137
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	18,072	18,924
Total Scope 1 and Scope 2 emissions	Metric tonnes of CO2 equivalent	18,155	19,061
Total Scope 1 and Scope 2 emissions per turnover in million	tCO2 eq/Revenue in Million INR	0.25	0.34
Total Scope 1 and Scope 2 emission intensity	tCO2 eq/FTE	1.42	1.86

7. Does the entity have any project related to reducing greenhouse gas emissions? If Yes, then provide details.

(i) To reduce carbon footprint value by 1% year on year
(ii) To reduce electricity consumption by 5% year on year
(iii) Replacement of old AC to R410a refrigerant

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	0.99	0.45
E-waste **(B)**	0.00	0.00
Bio-medical waste **(C)**	5.46	2.64
Construction and demolition waste **(D)**	0.00	0.00
Battery waste **(E)**	8.95	0.37
Radioactive waste **(F)**	0.00	0.00
Other Hazardous waste. Please specify, if any. **(G)**	0.16	1.50
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	22.35	30.16
Total (A+B + C + D + E + F + G + H)	37.91	35.12
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	21.62	16.03
(ii) Re-used	8.95	0.37
(iii) Other recovery operations	-	-
Total	30.57	16.48
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling		
(iii) Other disposal operations		
Total		

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Batteries are the only hazardous waste Mphasis generated in the facility. This waste is disposed of whenever generated as per Batteries (Management and Handling) Amendment Rules, 2010; wherein the used batteries are disposed to the PCB authorized vendor and Filed half-yearly return in Form VIII to the State Pollution Control Board.

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:

Not applicable to Mphasis.

11. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

As a part of fit-outs in new facilities, Mphasis uses raw materials and follows the process that have the least environmental impact, which includes identifying energy efficient cooling and lighting solutions

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 there under (Y/N). If not, provide details of all such non-compliances:

Yes, Mphasis is compliant with the applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. Provide a break-up of the total energy consumed (in MWh) from renewable and non-renewable sources:

Parameter	FY 2021-22	FY 2020-21
From renewable sources		
Total electricity consumption (A)	7.74	5.23
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	7.74	5.23
From non-renewable sources		
Total electricity consumption (D)	21,775.076	23,199.91
Total fuel consumption (E)	109.247	175.16
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	21,884.323	23,375.07

2. Provide the following details related to water discharged:

Parameter	FY 2021-22	FY 2020-21
Water discharge by destination and level of treatment (in kiloliters)		
(i) To surface-water	Not applicable	Not applicable
- No treatment		
- With treatment – please specify the level of treatment		
(ii) To groundwater		
- No treatment		
- With treatment – please specify the level of treatment		
(iii) To seawater		
- No treatment		
- With treatment – please specify the level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify the level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify the level of treatment		
Total water discharged (in kiloliters)		

Mphasis The Next Applied

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area: NA
(ii) Nature of operations: NA
(iii) Water withdrawal, consumption and discharge: -

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source (in kiloliters)		
(i) Surface water	Not applicable	Not applicable
(ii) Groundwater		
(iii) Third-party water		
(iv) Seawater/desalinated water		
(v) Others		
Total volume of water withdrawal (in kiloliters)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into surface water	Not applicable	Not applicable
- No treatment		
- With treatment – please specify the level of treatment		
(ii) Into groundwater		
- No treatment		
- With treatment – please specify the level of treatment		
(iii) Into seawater		
- No treatment		
- With treatment – please specify the level of treatment		
(iv) Sent to third- parties		
- No treatment		
- With treatment – please specify the level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify the level of treatment		
Total water discharged (in kiloliters)		

4. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,756	1,986
Total Scope 3 emissions per turnover in million	tCO2 eq/Revenue in Million INR	0.039	0.0351
Total Scope 3 emission intensity	tCO2 eq/FTE	0.216	0.194

5. With respect to the ecologically sensitive areas reported at Question 10 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Mphasis Limited does not operate in ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives**

Not applicable

7. **Does the entity have a business continuity and disaster management plan?**

Yes, Mphasis has a well-defined BCMS Framework that is in alignment with ISO 22301:2019 standard and is on par with other industry best practices. The BCMS framework covers service delivery functions as well as supporting functions across all Mphasis facilities in India and other countries. Mphasis delivery centres in India are certified to ISO 22301:2019 standard (including its subsidiaries).

Mphasis Business Continuity Management System (BCMS) is a fit-for-purpose, business-owned and driven activity that unifies a broad spectrum of business and management disciplines, including crisis management, risk management and technology recovery. BCM is directly linked to corporate governance and establishes a strategic and operational framework to implement, proactively.

Mphasis approach to assure continuity of client services follows a two-pronged approach:

(i) Site-level Incident Management Plan (IMP): The IMP documented each of the delivery centres/facilities describing the most suitable responses to various disruptive events (E.g., natural calamities, manmade threats, geopolitical issues and technology disruptions). The primary objective of the IM Plan is the safety of human life and assets.
(ii) Business Continuity Plan (BCP): A separate, independent, and customized BC Plan is documented for each of the client services delivered from Mphasis delivery centres and support functions. Once the safety of staff, and visitors is ensured, the account-specific BC Plan is executed by respective BCMS coordinators.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not applicable to Mphasis.

9. **Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.**

Mphasis does not assess its value chain partners for environmental impacts.

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.

The Company is a member of 4 trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

Engaging with industry associations offers a great opportunity to stay abreast enabling Mphasis to be prepared in a volatile environment. As a leading player in the service industry, they are often involved in various dialogues with the members of the below-mentioned associations. We amplify our mission by investing our time in participating in various forums and other channels of engagement.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)	
1	The National Association of Software and Service Companies (NASSCOM)	National	NASSCOM, a not-for-profit industry association, is the apex body for the IT-BPM industry in India. NASSCOM is focused on building the architecture integral to the development of the IT-BPM sector through policy advocacy and helps in setting up the strategic direction for the sector to unleash its potential. NASSCOM's members, 3000+, constitute 90% of the industry's revenue and have enabled the association to spearhead initiatives at local, national, and global levels.
2	Confederation of India Industries (CII)	National	The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering with industry, government, and civil society, through advisory and consultative processes.
3	American Chamber of Commerce (AMCHAM)	Global	The American Chamber of Commerce in India (AMCHAM India) is an association of American business organizations operating in India. AMCHAM India is a member of the U.S. Chamber of Commerce in Washington DC and the AMCHAMS of Asia Pacific. The chamber's mission is to assist member companies to succeed in India through advocacy, information, networking, and business support services.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)	
4	US- India Strategic Partnership Forum (USISPF)	Global	The US-India Strategic Partnership Forum (USISPF) is committed to creating the most powerful strategic partnership between the U.S. and India. Promoting bilateral trade is an important part of their work, but their mission reaches far beyond this. It is about business and government coming together in new ways to create meaningful opportunities that have the power to change the lives of citizens.

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.

No corrective actions were taken as we received no complaints on this matter.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/half yearly/quarterly/others – please specify)	Web-link, if available
1	NASSCOM	NASSCOM is the premier trade body and chamber of commerce of the tech industry in India and comprises over 3000 member companies including both Indian and multinational organizations that have a presence in India. Their membership spans the entire spectrum of the industry from start-ups to multinationals and from products to services, global service centres to engineering firms. Guided by India's vision to become a leading digital economy globally, NASSCOM focuses on accelerating the pace of transformation of the industry to emerge as the preferred enabler for global digital transformation.	Yes	Annually	https://nasscom.in/

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/half yearly/quarterly/others – please specify)	Web-link, if available
2	NCPEDP	The National Center for Promotion of Employment for Disabled People (NCPEDP) is a cross-disability, non-profit organization, working as an interface between the government, industry, international agencies, and the voluntary sector for the empowerment of persons with disabilities.	Yes	Annually	https://ncpedp.org/

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.

Not applicable. As we are a service-based industry, SIAs do not apply to us. Mphasis strongly focuses on strengthening our community engagement, for which we conduct SIAs for the CSR projects conducted in the operational geographies.

2**. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Not applicable

3. Describe the mechanisms to receive and redress the grievances of the community.

Mphasis works directly with implementation partners who address the grievances of the communities we work with. The company gathers regular feedback from the on-ground stakeholders to assess participation, and satisfaction levels and to document the experience of change. For all CSR projects, implementation partners are actively in touch with the local communities right throughout the project lifecycle. The CSR committee reviews the:

(i) grant recommendations made by the CSR head; and
(ii) review the annual action plan made in pursuance of the policy including amendments thereto as required from time to time; and
(iii) approve and monitor the implementation of the ongoing projects and make appropriate recommendations to the board for its approval.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2021-22	FY 2020-21
Directly sourced from MSMEs/small producers	8.57%	5.78%
Sourced directly from within the district and neighboring districts	90.90%	92.00%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: Question 1 of essential indicators above):

Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational district	Amount spent (In INR)
1	Bihar	Navada	We have supported COVID-19 pandemic relief efforts through a CSR grant to Kaushalya Foundation, whose work covered above listed Aspirational districts. Mphasis has allocated and utilized its pandemic relief funds for specific programs in these select areas.
2		Sheikhpura	
3		Jamui	

3. (a) Do you have a preferential procurement policy where you give preference to purchases from suppliers comprising marginalized/vulnerable groups?

Yes, our company considered a diverse set of suppliers when performing a sourcing case. This approach to sourcing has enabled us to support local suppliers, minority-owned, women-owned, veteran-owned, LGBT owned, disabled owned, SMEs, etc. across our supply chain.

(b) From which marginalized/vulnerable groups do you procure?

Diverse suppliers are given priority, thus encouraging the use of suppliers who are owned by minorities, women-owned, veterans, LGBT, people with disabilities (PwD), small to medium enterprises (SME), etc.

(c) What percentage of total procurement (by value) does it constitute?

8.57%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Mphasis, plan and develop intellectual property. There is no traditional knowledge that is applied.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Mphasis, plan and develop intellectual property. There is no traditional knowledge that is applied.

6. Details of beneficiaries of CSR projects:

S. No	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Kaushalya Foundation (Covid Relief)	9,000+	100%
2.	Give India (Covid Relief)	9,595	100%
3.	American India Foundation (Covid Relief)	1,15,460	100%
4	NASSCOM Foundation (Covid Relief)	30,000+	100%
5	United Way Bengaluru (Covid Relief)	10,374	100%
6	Akanksha Foundation (Support to 2 Akanksha Schools in Pune)	1,452	100%
7	The/Nudge Institute (Centre for Skill Development & Entrepreneurship)	1,200	100%

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.

Mphasis conducts regular CSAT surveys. We also have a contact us form on the website, where we can receive feedback or requests for responses.

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

Not applicable to Mphasis.

3. Number of consumer complaints in respect of the following:

	FY 2021-22		Remarks	FY 2020-21		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	No consumer complaints concerning data privacy, cyber security, etc. were received by our organization in 2021-22.			No consumer complaints concerning data privacy, cyber security, etc. were received by our organization in 2020-21.		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other						

4. Details of instances of product recalls on account of safety issues.

Not applicable to Mphasis.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes, Mphasis has a privacy policy in place.

- Link to policy: https://www.mphasis.com/home/privacy.html

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 the safety of products/ services.

Not applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed.

The Mphasis website hosts all our services and offerings: https://www.mphasis.com

Any communication to promote these offerings that are done on digital media also links back to the website.

All brochures and case studies that provide more information are also hosted on the website:

- https://www.mphasis.com/home/corporate/thought-leadership.html

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable to Mphasis.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Increased disruptions due to manmade and natural calamities pose a risk to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery. In addition to implementing Disaster Recovery for the identified critical enterprise applications, Mphasis is certified on ISO 22301 which is an international standard for Business Continuity Management Systems (BCMS) and which provides reasonable assurance of continuity of service to clients.

4. Does the entity display product information on the product over and above what is mandated as per local laws?

Not applicable to Mphasis as it is not involved in the manufacturing sector.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)

Yes, Mphasis conducts CSAT survey on a half-yearly basis with our clients concerning consumer satisfaction.

6. Provide the following information relating to data breaches:

a. **Number of instances of data breaches along-with impact.**

None

b. **Percentage of data breaches involving personally identifiable information of customers.**

None

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