1st June 2022

National Stock Exchange of India Ltd,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.
Fax No.26598237/26598238

BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400001.
Fax No.22722037/22723121

Name of Scrip: CIGNITITEC

Scrip code: 534758

Dear Sir / Madam,

Sub: Submission of Annual Report for the Financial year 2021-22

In compliance with Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are herewith submitting the Annual Report of the Company for the FY 2021-22.

This is for the information and records of the Exchange, please.

Thanking you.

Yours Faithfully,
For Cigniti Technologies Limited

Nagavasudha

Naga Vasudha
Company Secretary

Encl: as above

Cigniti
Software Quality | Assured

Helping Businesses **Go Digital-First**

Go Digital. Go Beyond.

Annual Report 2021-22

Contents

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and other words of similar substance, in connection with any discussions regarding future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe that we have been prudent while making the assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated, or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or even otherwise.

Helping Businesses Go Digital-First

What does it mean to Go Digital-First?

Going digital requires companies to accept and tread on a journey of continuous change.

It means putting business and digital transformation at the core of every activity, and then work towards achieving and providing what matters most: Assurance, Automation, Acceleration, and Customer Experience.

Providing assurance involves providing business, process, functional, and digital assurance to clients. This in turn involves setting up the best automation practices around regression, performance and monitoring, security, mobile, IOT, and Cloud.

Going digital helps businesses modernize legacy processes, accelerate efficient workflows, strengthen security, and increase profitability. A digital transformation journey helps re-evaluate and optimize processes and systems, ensuring they are flexible and interoperable to provide robust business intelligence. This sets up organizations for future success and on the path to become Digital-First.

While laggards see digital as a piece of technology that needs to be integrated into their existing processes to become "digital," Digital-First businesses focus on how to offer products and services to customers as quickly as possible while minimizing friction. Digital-First thus refers to anything centered on giving the finest digital customer experience journeys. Going Digital-First accelerates the digital transformation process for businesses.

A digital transformation journey involves implementing and accelerating practices around AI and ML, sentiment analysis, codeless platforms, labs, analytics, and more to provide the much desired frictionless, omnichannel customer journeys – leading to a world class customer experience.

Digital Transformation is Imperative for Growth

Our proprietary AI-led and next generation digital assurance and quality engineering platform with predict capabilities, BlueSwan™, helps innovation and assures product and platform excellence. Our services, offerings, solutions and cutting-edge Labs are tailored to assure clients achieve market leadership in their chosen lines of business.

As a strategic transformation partner of choice of our clients, we have helped global companies build modern, scalable, secure, reliable, robust, easy to use, intuitive, future ready software. We are also helping them enhance customer experience using strategic platforms powered by AI, that enable purposeful digital transformation. Cigniti also partners with world's leading technology platform companies, software tool vendors and hyper-scalers to offer a full-scale technology portfolio that can help our clients discover the true value of innovation.

With customer delight and Client Centricity as our core, the pride, pedigree, and craft of Cigniti is evinced in our focus to help accelerate digital transformation programs of global companies. Cigniti's digital capabilities ensure that purposeful digital transformation is achieved with measurable business impact and benefits, helping businesses go Digital-First.

The Bedrock of Digital Transformation: Digital Assurance and Digital Engineering

Businesses are at crossroads of a strategic Digital "Cusp": Consumerization, Uberization, Servitization, and Platformization.

Per IDC:

- "By 2026, enterprises that successfully generate digital innovation will derive over 25% of revenue from digital products, services, and/or experiences."
- 65% of global GDP will be digitalized by 2022, driving over $6.8 trillion of direct DX investments from 2020 to 2023.
- Direct digital transformation (DX) investment growth rates are accelerating, up to 16.5% CAGR for 2022-2024. For the first time ever, we see that the majority of enterprise organizations (at 53%) have an enterprise-wide digital transformation strategy, a 42% increase from just two years ago.

This is a clear-cut validation of the fact that Digital is the way ahead. This throws a lot of opportunity for service providers like Cigniti who understand the power of software to help enable businesses to become Digital-First.

Digital engineering encompasses digital assurance and paves the path for a meaningful journey towards becoming a digital Service Integrator (SI) with extremely strong background and foundation in digital assurance, digital TestOps, and quality engineering. This ability to collectively cross-sell and up-sell increases significantly by walking the digital path.

Digital engineering and assurance form the missing link in enterprise transformation for both digital & physical industries. For the digital segment, digital or software product engineering forms the backbone of all software platform development and digital plumbing.

Not having capabilities in these sectors indicates an inability to provide a complete solution and provides an opportunity to your competitors a leeway to take over your key customers.

Research shows that operating models, EBIDTA margins, market share, and brand longevity are all tied to the digital experiences that companies can offer to their end customers, and no vertical segment is an exception to this.

Per a forecast by IDC, global spending on digital transformation (DX) will reach a staggering $6.8 trillion globally by 2023.

This is a clear indication that enterprises will continue to build new technologies and software rather than buy and implement them, and that digital technology will continue to be the most popular amongst those catering to the hybrid model of work.

As global enterprises race to become market leaders by re-imagining their digital-centric business models, assuring frictionless digital experiences as a key enabler becomes paramount.

Why Digital Assurance and Digital Engineering?

Digital Assurance is extremely important for any digital transformation program's success. The bedrock of becoming digital first in modern day business is ensuring impeccable digital experiences, and customers today are looking to leverage this expertise further.

How Cigniti's Digital Assurance Offerings Help Customers Become Digital-First

Cigniti is in a unique position to leverage its deep expertise in helping enterprises accelerate digital transformation initiatives through world-class digital assurance and engineering services.

Our Digital Assurance offerings are centered around Cloud Assurance, IoT Assurance, 5G Assurance, AI-led Assurance, Mobile, Customer Experience (CX), and Omnichannel Testing, Blockchain Assurance, Robotic Process Automation, and more.

To strengthen this full bouquet of digital assurance offerings, we have hyper-intelligent automation in focus. Our RPA and hyper-intelligent practices are growing by leaps and bounds with partnerships with global leaders like UiPath and Blue Prism.

We have built a platform called INSTA, which is a self-healing, autonomous, low-code, scriptless, AI-driven test automation platform, that has helped some of our customers achieve a 44% reduction in execution time with 75% more automation coverage.

It is no brainer that software is being developed at breakneck speeds. Agile and DevOps are de facto standards followed at Cigniti, including SecOps, for implementing continuous engineering practices. We are also extending our wings to areas such as field stack observability, site reliability engineering, and the world of adjacency in ops and post-production optimization areas around AIOps, ModelOps, and DataOps.

We have also launched a 360-degree Digital CX monitoring platform with AI-driven Sentiment Analysis,and we call it Incight, rightfully so.

Incight provides a complete scan of your phone battery, signal strength, network, device, software updates, and other parameters to measure the quality of the Digital Experience when using a certain service or application, in addition to usability and accessibility.

Incight also provides a deep sentiment analysis perspective of your users to assist you in identifying and correcting issues with the app so that you can provide the greatest in-app experience possible.

A transition to the 5G paradigm is crucial for new solutions being pushed out as 5G is increasingly adopted as the backbone of digital delivery, optimizing the possibilities across telemedicine, adaptive manufacturing, AR/VR, gaming, consumer IoT services, and connected vehicles, to mention a few domains.

Adopting the 5G network transformation and realization – machine type communication (mMTC), improved mobile broadband (eMBB), and ultra-reliable low-latency communication (URLLC) – necessitates a new digital assurance paradigm.

With Cigniti's 5G Assurance services, you may use 5G for commercial and consumer applications, as well as IoT and edge computing.

Utilize a live 5G standalone network, powered by Cigniti's strategic partner Innovate5G, to test diverse network scenarios while maintaining complete control over network parameters and KPIs.

At Cigniti, our endeavor is to help our customers stay Digital-First.

As a firm step towards our digital play and deeper ambitions to be a global leader, we are marching ahead on the strong foundation we have laid. We firmly think Digital Assurance and Digital Engineering are the bedrock of Digital Transformation.

We are trusted by 750+ customers and 60+ Fortune 500 companies. Our 3700+ people strong company has imprinted our brand footprint in 24 countries. Steely resolve, great vision, and brilliant execution are our collective strengths.

Cigniti's proprietary platform-led approach, our proven ability to deliver digital experiences through a confluence of market-leading full-cycle digital assurance and automation services, and a strong foundation of more than a decade of consistently serving market-leading organizations as customers across the world is more apt than ever before to support your transformational needs.

The bedrock of becoming Digital-First in modern day business is ensuring impeccable digital experiences, and customers today can leverage this expertise to propel them into a digital orbit and achieve their digital next.

Our Digital Thinking

We believe that Digital Assurance and Digital Engineering form the bedrock of Digital Transformation.

At Cigniti, we have a three-pronged approach to digital thinking that covers our philosophies of:

- Engineer | Assure | Transform.
- Go Digital. Go Beyond.
- Stay Digital. Stay Ahead.

We believe Digital Assurance is the Bedrock of Digital Transformation

We are all at a strategic Digital "Cusp" as the digital interventions – Consumerization, Uberization, Servitization, and Platformization - sweep through every business. These interventions help enterprises transform their business outcomes and accelerate their growth journey.

These interventions are our foundational layers of our digital thinking. We believe that companies investing in AI-led models, ML-based approaches, and data analytics and engineering capabilities will be at the forefront of business success.

The bedrock of becoming digital-first in modern day business is ensuring impeccable digital experiences, and customers today can leverage this expertise to achieve their digital next.

Our Digital Assurance offerings are centered around Cloud Assurance, IoT Assurance, 5G Assurance, AI-led Assurance, Mobile, Customer Experience and Omnichannel Testing, Blockchain Assurance, Robotic Process Automation, and more.

In a bid to 'Stay Digital, Stay Ahead' we are strengthening this full bouquet of digital assurance offerings, with hyper-intelligent automation in focus. Our RPA and hyper-intelligent practices are growing by leaps and bounds with partnerships with global leaders like UiPath and Blue Prism.

We also believe that Digital Engineering is the Bedrock of Digital Transformation

While industries are getting disrupted, we believe that digital engineering throws innumerable opportunities:

We have chosen to tread this path carefully where digital transformation will become a reality. Team RoundSqr also agrees that it will be a strategic fit for us to help global companies truly reimagine the digital journeys.

While we understand that's an external, outside-in thinking, the inside-out thinking is that we as a company are also ready. We have been transforming ourselves and hence staying digital and staying ahead. Our vision, our leadership, our skills, our culture - everything is now aligned with digital intricacies of the modern-day world. Cigniti is in a unique position to leverage its deep-rooted expertise in helping enterprises accelerate digital transformation initiatives through world-class digital assurance and engineering services and help them go digital and go beyond.

We believe that the 80+ Global 2000 companies we work with are looking for AI-first, Data first strategies to accelerate their digital transformation.

As Cigniti surges ahead to meet its stated digital ambitions, the deep-rooted expertise of Aparaa Digital (RoundSqr) in consulting-led digital transformation capabilities with an AI and Data-First approach will add a strategic thrust to Cigniti' s offerings into the market. This will lead to deeper, potentially multiyear engagements across diverse divisions inside an enterprise with a strong probability of opening and serving a cross section of CXOs. This will further help us increase our ability to have a strategic seat in end-to-end digital conversations with the decision makers inside our existing accounts.

In our conversation with our star customers, it is evident that all these Global 2000 companies are in need of capabilities such as those that RoundSqr brings. We believe a data first approach helps accelerate digital transformation, thereby helping customers go truly digital first.

At Cigniti, our endeavor is to help our customers to go digital, go beyond.

We help companies go beyond.

Go beyond the normal call of business. Go beyond the stated outcomes. Go beyond the regular business model.

To achieve this purpose as an organization, we have embarked on an internal, purposeful transformation journey, where, by being digital, investing in digital talent, investing in digital skills, investing in digital culture, we stay ahead, and we help our customers stay ahead.

Propelling Cigniti Into the Digital Orbit

The Digital Engineering market is valued at about $300 billion annually. It offers an explosive headroom for growth to companies that have strong capabilities in Data & Analytics, AI & ML, and Cloud Engineering. Global 2000, platform, and digital-native companies are looking to partner with service providers who can help them with these capabilities to accelerate Digital Transformation to go Digital-First.

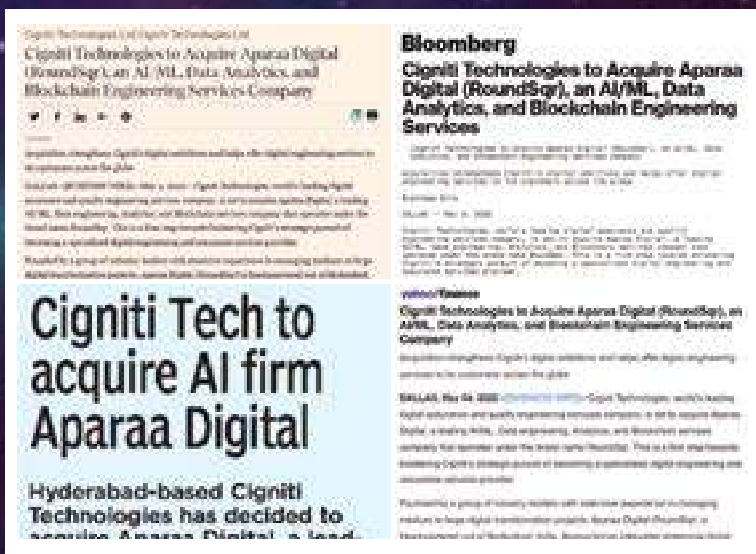
Cigniti's Digital Assurance and Digital Engineering capabilities ensure that clients achieve purposeful Digital Transformation with measurable business impact and benefits, helping them go Digital-First.

Cigniti Acquires RoundSqr – a specialist in Digital Engineering services

The acquisition strengthens Cigniti's digital ambitions & helps offer Digital Engineering services. It is a conscious step towards bolstering Cigniti's strategic pursuit to become the partner of choice of leading companies across industries in their Digital Transformation journeys.

> *"Onboarding Aparaa Digital (RoundSqr) is in line with our strategy to expand our digital engineering capacity to provide a greater breadth and depth of services to our clients. This is a strategic and complimentary capability led acquisition for us.*

Srikanth Chakkilam
CEO, Cigniti



Digital Transformation. Assured.

NelsonHall recognizes Cigniti for its Digital Assurance Leadership Capabilities.

World's leading companies are transforming their business outcomes by partnering with Cigniti and leveraging our specialized Digital Assurance and Digital engineering capabilities. Fortune 500 organizations work with us for:

- Enhancing customer experience with Digital Transformation
- Enabling purposeful Digital Transformation with measurable business impact & benefits
- Enhancing the client experience using AI-powered strategic platforms
- Becoming a strategic transformation partner to our clients
- Accelerating Digital outcomes and helping their customers go digital and beyond

With Business and Digital transformation as our focus areas, we firmly believe that Assurance, Automation, Acceleration, and Experience Matter.

The above tenets can be further categorized as:

- **Assurance:** Business, Process, Functional, and Digital
- **Automation:** Regression, Build, Business Process, Performance and Monitoring, Security, Mobile, IOT and Cloud
- **Acceleration:** AI and ML, Sentiment analysis, Codeless Platforms, Labs, and Analytics, and
- **Experience:** Frictionless, Omnichannel, End user, Customer journeys

Key Performance Indicators

All values in Rupees Lakhs

Revenue from Operations

2022	**124,180**
2021	89,653
2020	87,197
2019	81,608

Total Expenses

2022	**111,252**
2021	75,106
2020	74,328
2019	68,331

Profit Before Tax

2022	**12,152**
2021	14,106
2020	13,084
2019	14,223

Profit After Tax

2022	**9,174**
2021	10,535
2020	12,160
2019	14,736

EBITDA

2022	**12,928**
2021	14,547
2020	12,869
2019	13,277

EBITDA Margin

2022	**10.4%**
2021	16.2%
2020	14.8%
2019	16.3%

Revenue Concentration FY2022

Top Client	5.5%
Top 5	21.3%
Top 10	32.3%
Top 20	46.1%

Revenue by Verticals FY2022

BFSI	19.7%
Travel	16.3%
Retail	14.8%
Others	18.8%
ISV	12.2%
Healthcare	13.5%
Energy	4.6%

Chairman's Message

> I am very happy to share that Cigniti's Board has recommended a buy back of the company's equity share expressing its solidarity in the business.

Dear Shareholders,

Trust you and your loved ones are doing good.

The Financial Year 2022 has been a momentous year for Cigniti on many fronts.

- Your company has crossed the Revenue milestone of Rs. 1,000 crores.
- Your company has rewarded shareholders by distributing the maiden dividend announced for the last financial year.
- Your company has acquired a digital services company in pursuing its $500 million vision.
- The Board has recommended a buy back of the company's equity share expressing its solidarity in the business.

I would like to take this opportunity to sincerely thank all our employees, Board of Directors, and clients for making this possible, and all our stakeholders for their continued trust in us.

The pandemic has necessitated for a lot of new digital initiatives across organizations, and we at Cigniti have capitalized on this digitalization journey with open arms. We have made our business even more agileand flexible, and we now operate in a hybrid work culture. This is continuing to help your company to operate at its full potential.

The current decade is of delivering on the promise of digital and technology on time to redefine growth and work in new ways to help address the challenges the world is facing. The digital networks and applications are the building blocks of the new economy and we atCigniti assure digital transformation by meeting the demanding customer expectations and yet conducting the business in a responsible manner. We take pride in being nimble and hungry in bringing innovation in everything we do.

This year we continued to invest in key verticals like Banking Financial Services, Insurance, Retail & E-commerce, and HCLS, which contributed to more than 50% of our revenue.

Our services and IP were recognized again by leading analysts through FY 2022.

- The NelsonHall Vendor Evaluation and Assessment (NEAT) Tool 2022 report recognized Cigniti's Digital Assurance leadership in AI, Cognitive, Continuous, and Application Security Testing. The report recognized Cigniti as a "High Achiever" in Cloud Migration Testing and as a "Major Player" in UX Testing.
- The Forrester Wave™: Continuous Automation and Testing Services Q3 2021, recognized Cigniti as a "Strong Performer".
- The ISG Provider Lens™ for Next-Gen Application Development and Maintenance, recognized Cigniti as a Leader in Continuous Testing with a focus on delivering automated services that enable quality at speed.

Financial & Business Performance

During FY 2021-22, your company has delivered good results by reporting record revenues of Rs. 1,241.80 crores with an EBITDA of 10.4%. The revenue growth stood at 38.5% backed by the strong demand for Digital Assurance and Quality Engineering services, while the rising need for Digital Transformation enhanced the momentum for our business. We have a strong balance including cash and cash equivalents to support liquidity and business growth along with rewarding shareholders for their continued support.

The remarkable performance of your company is a testament to its commitment to deliver despite the uncertainty in our macro environment and increasingly changing dynamics of the global tech industry.

Our results reflect the dedication and hard work of our now more than 3,700 talented people, who are focused on creating value that matters for all our stakeholders—clients, shareholders, partners and communities—despite the ongoing and sometimes extreme challenges of the COVID-19 pandemic. Further during these times, in tune with business requirements, the leadership teams have been expanded by inducting industry veterans in the fields of sales and marketing.

New Wins

We had an impressive addition of 68 new clients during the year, including several Fortune 500 firms spread across industries and geographies. We have diversified our portfolio across BFSI, Travel & Hospitality, Retail & Commerce, ISV, Healthcare, Energy & Utilities and other segments. We leverage our AI-powered IP, BlueSwan™ to help global clients go digital-first and achieve business outcomes at speed.

Corporate Social Responsibility

As much as we are passionate about solving client's problems, we are also passionate about giving back to the society. Our Corporate Social Responsibility work has been our way to reach out to communities, understand their needs, and be an active corporate citizen. Cigniti has been associated with GMR Varalakshmi Foundation to provide quality education to underprivileged children and to support in building better infrastructure at schools run by local governments. We have touched the lives of 2100 students this year from eight schools. This year we also have focused on the health sector to help address the challenges due to COVID-19. In addition to contributing amount to the Cyberabad Security Council, we have also contributed to renovate ICU wards in the Belagavi Institute of Medical Sciences (BIMS) in Karnataka and NICU at the Maternity and Child Healthcare Center in Nalgonda district, Telangana.

Outlook

This year in FY23, the board has approved to acquire Apaara Digital (RoundSqr), an AI/ML, Data Analytics and Blockchain Engineering Services company to offer Digital Engineering services to our customers. With our continued focus to grow existing clients and offer innovative solutions, I am confident that we are all set to accelerate the next phase of our growth.

Finally, I am grateful for having such dedicated and exceptional people around the world advancing our values. On behalf of Cigniti's Board of Directors, I take this opportunity to thank our clients, technology partners, shareholders, and various governmental organizations, and statutory bodies for their continued support and guidance.

Yours Truly,
C V Subramanyam
Chairman & Managing Director

CEO's Message

> I am excited to welcome Aparaa Digital (RoundSqr) into the Cigniti family. The deep-rooted expertise of RoundSqr in consulting-led digital transformation capabilities with an AI and Data-First approach will add a strategic thrust to Cigniti's offerings into the market.

Dear Shareholders,

I am very happy to update you that your company posted record-breaking revenues in the financial year 2022. This couldn't have been achieved without the confidence entrusted by you and our clients on us. It is indeed a proud moment for all of us at Cigniti.

I want to congratulate all the Cignitians for their contributions towards the stupendous revenue growth of 38% in the last fiscal. There were a lot of opportunities and learnings from the pandemic that opened the gates to a digital storm. I am happy to note that we have quickly aligned and setup the organization to capture digital assurance opportunities that will play key role in our growth going forward.

In the last two quarters, I have been traveling extensively to meet clients and CXOs at global companies, industry analysts, and leaders. Based on the discussions, I can say that the digital transformation wave would continue to be a key priority of CXO's in the coming years too.

IDC says that "By 2026, enterprises that successfully generate digital innovation will derive over 25% of revenue from digital products, services, and/or experiences." This is a clear validation of the fact that digital is the way ahead. This throws open a lot of opportunity for service providers like Cigniti who understand the power of software to help enable businesses to become digital-first.

The digital engineering market, valued at about $300 Billion annually offers an explosive headroom of growth for companies that have strong capabilities in Data & Analytics, AI & ML, and Cloud Engineering. Global 2000, platform, and digital-native companies are looking to partner with service providers who can help them with these capabilities. This has become an essential requirement to accelerate digital transformation across industries.

As we stepped into FY2022, we focused on three things – innovation and domain-led solutions, exploring more within the existing accounts, and building next-gen digital capabilities to assure digital experiences to our clients.

The strategic multi-million wins reflect our deep-rooted expertise of automation and solution-led approach, encompassing functional, process, business, and digital assurance services for large enterprise clients. We also converted a few accounts into high-growth accounts.

Traditionally, we used to get over 25% of revenues from the travel and hospitality segment which got affected due to the pandemic. However, our focus on diversified industries, especially the growing industries, such as BFSI, Healthcare & Life Sciences, Retail & E-commerce, and Energy & Utilities helped us win multiple Fortune 500 & Global 2000 logos in the last two years that contributed immensely to our accelerated growth.

Cigniti continues to deliver recognized and highly differentiated Digital Assurance and Quality Engineering service offerings. NelsonHall's recognition of Cigniti as a Digital Assurance Leader reaffirms our goal of helping global companies become digital-first.

One of our highest priorities in the last year has been to retain top talent and incubate them through robust internal training and certification programs, creating internal cross-functional opportunities, and ensuring frequent communication and engagement initiatives to augment the stickiness and belongingness to the organization. We are also some early indications of macro level concerns such as inflation, policies to curb inflation, supply chain issues and other factors that can possibly lead to a slowdown. However the impact of all of that is yet to sink in the demand for talent and a subsequent slowdown. As we move ahead, we might continue to face talent crunch. We continue with our strategic interventions to infuse the best of the talent and also keeping a close eye on global issues to steer a stable ship.

I am excited to welcome Aparaa Digital (RoundSqr) into our Cigniti family. Headquartered in Hyderabad, Aparaa Digital (RoundSqr), brings the capability stack covering the gamut of AI/ML, Data and Blockchain engineering, along with a stable, proven leadership, and a strong full stack team of young, energetic, and passionate digital enthusiasts.

As Cigniti surges ahead to meet its stated digital ambitions, the deep-rooted expertise of Aparaa Digital (RoundSqr) in consulting-led digital transformation capabilities with an AI and Data-First approach will add a strategic thrust to Cigniti's offerings into the market. This will lead to deeper and potentially multiyear engagements across diverse divisions inside an enterprise with a strong probability of opening and serving a cross-section of CXOs apart from already well-served QE divisions for the Global 2000 accounts of Cigniti. I am confident that this acquisition will help us increase our ability to have a strategic seat in end-to-end digital conversations with the decision-makers inside our existing accounts and beyond.

Employees' health and safety have been our priority. Even with all the uncertainty, most of our colleagues are working remotely and interacting with our clients providing assurance and practical support. As a responsible company, we have not only diversified our offerings but also our efforts in CSR initiatives when the country was reeling under pandemic pressure. We have contributed to renovate two hospitals in the peri-urban areas and funded a few associations to tackle the 2nd wave. All these are in addition to our continued support to the schools surrounding Hyderabad.

I am confident that we would continue to our growth in the coming years with all your support.

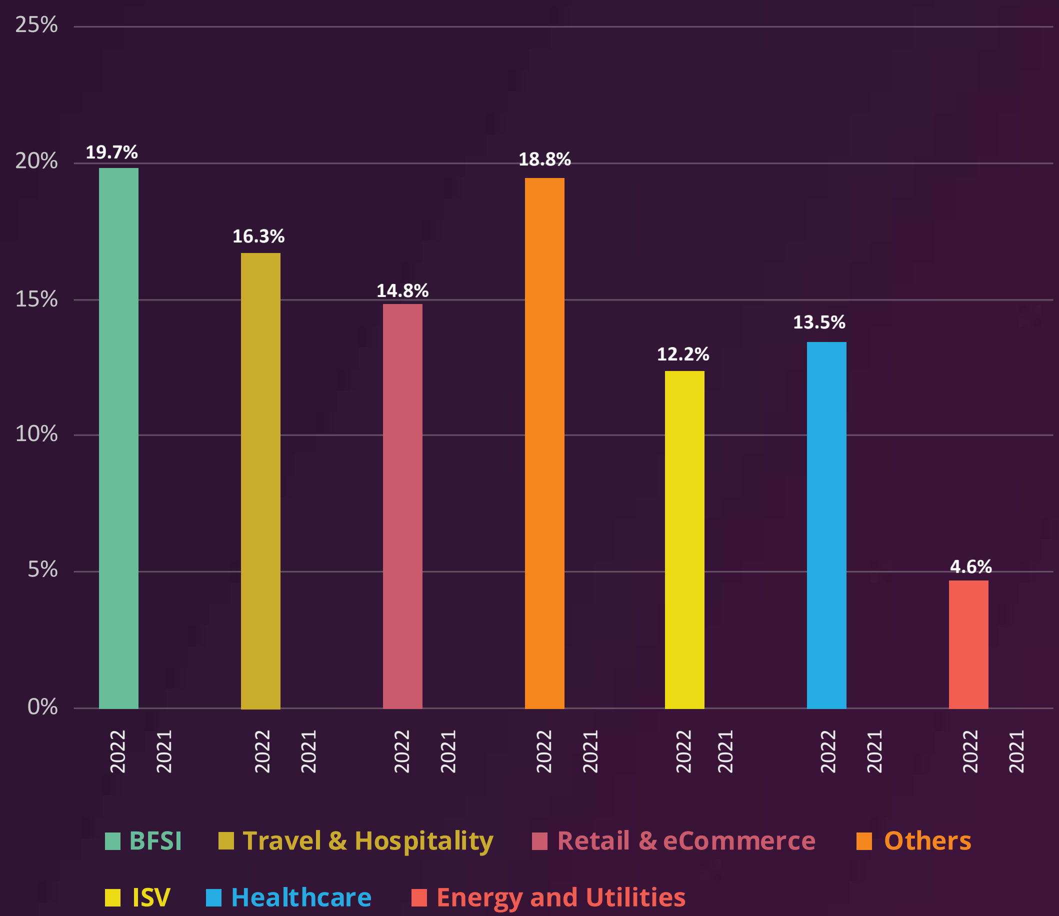
Best Regards,
Srikanth Chakkilam
Chief Executive Officer

The Cigniti Promise

Digital Assurance is extremely important for any digital transformation program's success. The bedrock of becoming Digital-First in modern day business is ensuring impeccable digital experiences and customers today are looking to leverage this expertise further. Towards that the market is aligning in ensuring companies with impeccable Digital Assurance and Digital Engineering expertise are chosen as the preferred strategic partners of choice for achieving digital transformation and hence Cigniti promises every customer of us to become Digital-First.

Srikanth Chakkilam
Chief Executive Officer

Diversified Revenue Across Industries



Cigniti continues to be industry agnostic while focusing on key sectors of growth. About 75% of our revenue comes from five sectors – BFSI (19.7%), Travel, Transport, Hospitality & Entertainment (16.3%), Retail & E-commerce (14.8%), HCLS (13.5%), and Independent Software Vendors (12.2%). These industries are some of the pillars of Cigniti's revenue growth and have the potential for immense growth in the coming years owing to their continuous digital transformation.

World of Cigniti

Cigniti is a leading Digital Assurance and Quality Engineering services company that helps global businesses across industries to continuously accelerate their digital transformation and achieve their digital next. With a global presence that spans 24 countries and 5 continents, we help the world's leading companies accelerate time-to-market and increase profitability with modern, robust, intuitive, secure, and future-ready software. We pioneer the Digital Assurance and Quality Engineering field with next-gen offerings and cutting-edge AI-based IP. Cigniti is a CMMI-SVC Level 5 (v2.0) appraised, ISO 13485:2016, ISO 9001:2015, and ISO 27001:2013 certified organization.

3700+
Employees Globally

240+
Active Clients

60+
Fortune 500 Clients

24
Countries

80+
Global 2000 Companies

Our Global Presence

From 9 locations across regions, Cigniti serves clients from a wide range of industries in 24 countries across 5 continents. Cigniti increased its global footprint with new offices in Singapore and Prague to better serve the Asia Pacific and Central & Eastern Europe regions.

Key Clients Won in FY 2021-22

Cigniti is accelerating the digital transformation journeys of 68 new clients, including several Fortune 500 firms spread across industries and geographies.

Banking & Finance

US financial institution managing assets worth $1.6T

Healthcare

Swiss pharmaceuticals leader reaching 1 billion people

Retail

World's leading foodservice retailer with 37K outlets

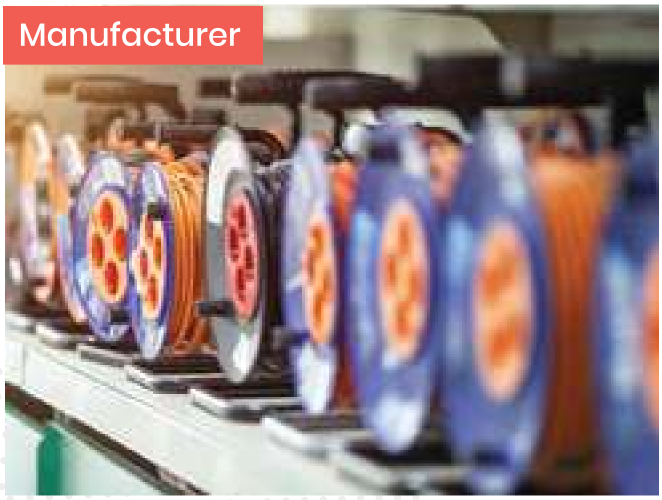
Automobile

Leading Czech-based automobile manufacturer

Logistics

US leader in logistics and distribution

Manufacturer



Leading European manufacturer of electrical appliances

Govt/Non-profit

UK's largest public service department

Personal Care

Leading French beauty and personal care retailer

Securities Exchange

Leading securities exchange with $47T interest rate derivatives

Retail Group

UAE's premier mall and retail group

Global Analyst and Advisory Mentions

Cigniti continues to deliver recognized and strongly differentiated Digital Assurance and Quality Engineering service offerings. These leverage our AI-powered IP, BlueSwan™ to help global clients go digital-first and achieve business outcomes at speed. Our services and IP were recognized again by leading analysts through FY 2021-22.

NelsonHall

NelsonHall recognized Cigniti's Digital Assurance leadership capabilities. It positioned Cigniti as a "Leader" in the NelsonHall Vendor Evaluation and Assessment Tool (NEAT) 2022 report for Overall Quality Engineering, AI and Cognitive Testing, Continuous Testing, and Application Security Testing capabilities as well as a "High Achiever" in Cloud Migration Testing and a "Major Player" in UX Testing capabilities.

The NEAT 2022 report analyzes the performance of 14 vendors offering Quality Engineering services. It evaluates vendors on both their 'ability to deliver immediate benefit' and their 'ability to meet client future requirements'.

Quality Engineering Services 2022
AI & Cognitive Testing

Quality Engineering Services 2022
Overall

Forrester

Based on a 25-criterion evaluation, Cigniti emerged as a "Strong Performer" in the Forrester Wave™: Continuous Automation and Testing (CAT) Services, Q3 2021. The report shows how each provider measures up and helps application development and delivery and testing professionals select the right one for their needs.

Notably, Forrester rated Cigniti highly on the vision, innovation, and execution of CAT services. It appreciated our Robotic Process Automation (RPA) services and client intimacy that is able to help integrate well with clients and solve problems.

ISG

The ISG Provider Lens™ delivers leading-edge and actionable research studies, reports, and consulting services focused on technology and service providers' strengths and weaknesses and how the providers are positioned relative to their peers in the market. The report provides influential insights accessed by a large cohort of advisors and IT/Digital leaders in enterprises.

ISG evaluated Cignti's Digital Assurance and Quality Engineering services and recognized Cignti as a "Leader" in Continuous Testing with a focus on delivering automated services to assure quality in tandem with the speed of agile development that leverages a cohesive partner strategy and offshore/nearshore capabilities.

Source: ISG Research 2021

Gartner Peer Insights

Gartner's Peer Insights is a widely accepted forum of reviews and ratings from clients. In the category of Application Testing Services Worldwide, Cigniti is very highly rated at 4.8 out of 5 and 99% "Would Recommend". This rating is an average of 73 clients and 75% of whom have rated Cigniti 5 out of 5.

Global News Coverage

Our CEO's perspective on next-gen technologies & enterprise digital transformation

Our CEO, Srikanth Chakkilam's insights on digital transformation, 5G adoption, and the potential of emerging regions were published by leading publications in FY2022.

Press coverage

Cigniti's recognition of digital leadership by leading analysts, new strategic partnerships, widening global footprint, and new leadership team members in FY 2022 were covered by global publications.


Cigniti
Cigniti expands its global footprint with the opening of an office in
SINGAPORE


Cigniti
Cigniti expands its global footprint to the Czech Republic and Central Europe


Cigniti
CFO speaks to CNBC TV18
Watch the interview


Cigniti
Cigniti is recognized by ISG as a
Leader in Continuous Testing
Source: ISG Provider Lens™ | Next-Gen Application Development and Maintenance Services U.S. 2021


Cigniti
Cigniti is recognized as a Strong Performer in
The Forrester Wave™: Continuous Automation & Testing Services


Cigniti
NelsonHall Recognizes Cigniti's Digital Assurance Leadership Capabilities


Incight
Cigniti
Cigniti Unveils Incight!
A first-of-its-kind platform for Customer Experience Assurance

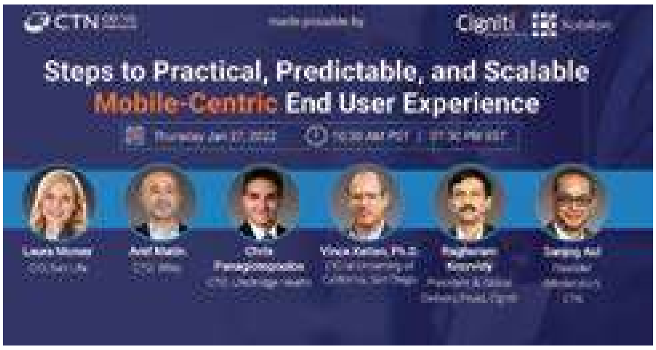

Cigniti
Cigniti is delighted to welcome industry leaders on board!
Sairamprabhu Vedam
Chief Marketing Officer
Vinay Rawat
Chief Revenue Officer


Cigniti
Cigniti Enhances its 5G Assurance focus with Innovate5G Partnership


Cigniti
Strengthening UK-India Business Collaboration
Nanda Padmaraju
Senior Vice President
Cigniti Technologies

Thought Leadership

We hosted and sponsored physical and virtual events that brought together recognized thought leaders to share valuable and current insights on Digital and QA/QE with global decision-makers.



Global IT leaders who spoke at our events & Digital dialogues

Rashmi Varma
Founder & CTO,
Innovate5G

Blake Hill
Director, QA, DevOps &
Agile, Healthcare enterprise

Anil Roy
Vice President,
IT, Ricoh

Dilhan Manawadu
Director, Head of
Agile Delivery, Sysco

Rahul Avasthy
Lead, Digital
& Experience, Abbott

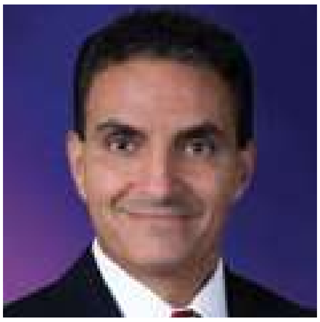
Angela Venuk
Coach & Change Agent

Tim Whiteman
Sr. Manager,
Southwest Airlines

Laura Money
Chief Information Officer,
Sun Life

Heidi J. Musser
Board Member,
Board Advisor, CXO

Ramnik Kamo
EVP, Chief Information &
People Officer at Mavenir



Chris Panagiotopoulos
Chief Technology Officer,
LifeBridge Health

Priya Serai
Chief Information Officer,
OmniCable

Alice Dungey
Director, Technology QMO,
Southwest Airlines

Maryanne Fleming
Head of Technology,
Monsoon Accessorize

Srilatha Korada
Head of Quality Assurance,
PODS

Michael Bolton
Lead Consultant,
DevelopSense

ISG Executive Provider Summit 2022

As the prestigious ISG Executive Provider Summit returned to its in-person format in 2022, Cigniti was proud to be back as a Platinum Sponsor once again. The summit was held from January 11th to 13th in Orlando, Florida. It gives an unparalleled forum for only four leading service providers to present their latest capabilities, strategic outlook, and successes to an audience of ISG advisors from around the world.

Cigniti's Chairman and MD, Mr. C V Subramanyam and CEO, Srikanth Chakkilam along with senior leaders from Sales, Delivery, Advisory Relations, and Enterprise Solutions Group attended the event and created a lasting and positive impact on the advisors. The keynote presentation by our CEO including an in-person client success story was the highlight of the session. The success story was presented by Paul Trotter, Dy. CTO, Atom bank. Atom is the UK's first mobile-only bank and one of Cigniti's many long-term partnerships, where we have helped to continuously accelerate Digital Transformation.

In his keynote, our CEO said "Cigniti has graduated from being testing-only to quality-led Digital Assurance. That is our core focus and we will continue to make investments there, including those on our IP, BlueSwan™".

Our People

Finding our way back – Return to Office Space

It's been about two years now since we transitioned to a virtual mode of work in the wake of the COVID-19 pandemic. Ever since, we have been continuously monitoring the situation and have been abiding by the regulations and advice from the appropriate governing authorities. After all due consideration of employee safety and well-being, we are pleased to announce that Cigniti has officially opened our buildings and welcomed employees back to the workplace. As a significant step towards a smooth transition, we rolled out an organization wide survey in Dec 2021, to know on certain aspects that were mutually important to the individuals and the organization. The responses were a manifestation of mixed feeling as people were happy to get back to a normal work set up while the apprehension of the emerging new variants of the virus continued around us.

This phase of return to offices is a voluntary initiative to start with and will be streamlined basis the response and settling down of teams as they opt to resume working from office. In line with globally accepted best practices we have also embarked on a Hybrid model of work with flexibility and safety at the center of everything to support our business.

In addition to the inputs from the survey, certain key pre-requisites we followed to ensure employee readiness to resume working from office were:

- We mandated vaccination for all employees
- We ensure that employees wear mask all the time while inside company premises.
- Instructed on individual ownership of safe commute to work
- Advised employees to carry home food and refreshments as required and not rely upon campus or other food outlets
- Modified Workstation allotments to ensure that they are suitable for social distancing protocols, limited access to common spaces and set up hygiene protocols at all necessary points
- Increased office cleaning focusing on sanitizing and disinfecting high-touch surfaces.
- Updated employee protocols by implementing various employee health and safety procedures that focus on social distancing, health screening and general hygiene reminders to keep our employees safe and healthy while returning to work.

HR Change Management and Transformation:

Aligning ourselves to the new vision of a Digitally Transformed HR Organization, we are pleased to announce the successful completion of project 'MyCigniti' through which we have automated the entire employee lifecycle. This successful go-live powered by SAP SuccessFactors across 4 modules globally has not only helped Accelerate and Innovate our workplace through simplified HR processes, but also has helped creating a smarter employee experience. A special thanks to the entire SAP & Blueprint Technologies team who partnered with us through this transformation journey. Congratulations to all involved in this successful project.

For seamlessly transitioning from one platform to another, a robust change management is a prerequisite. Consistent communication, awareness mailers, and orientation sessions have helped equip employees with required information and guidance to navigate through the features of the tool and increased the adoption and usage of MyCigniti within a short time.

Launch of Employee Referral policy - Building a strong and closely integrated talent Pool

To extend our reach towards the best in class work-force and to diversify Cigniti' s recruiting strategy we have in the recent quarters invited referrals from our employees. The response has accentuated our belief that a strong referral hiring program can boost the morale and the performance of our employees and the organization as a whole.

Taking this one step further, we have formalized Cigniti' s referral program by way of the Global Employee Referral Policy which details out the process and guidelines for seamless implementation and enlists the applicable bonus amounts to incentivize the program.

Pay for Performance

The Pay for Performance implementation has taken us one step closer to administer an effective rewarding mechanism driven by Function and Organization goals. The framework encompasses parameters centered around individual score cards along with the organizational parameters as relevant to employees based on their roles.

The various incentive structures we had, have now been appended into the scope of an overarching policy covering all incentive models under one ambit unifying our effort to reward extraordinary performance across the organization alike.

Flexi Benefit Pay

We believe Employee Voice plays a key role in shaping the future of the organization. Reinforcing this belief, and to promote financial wellness as a pillar of employee experience Cigniti announced the implementation of an extended Flexible Benefit Pay (FBP) which will allow employees to structure and modify their CTC components based on the offered benefits to better meet their unique personal needs and also benefit for tax saving.

While the current structure allows tax saver benefits like Sodexo Meal coupon, NPS and VPF, we have now introduced the Leave Travel Allowance (LTA), Professional Development Allowance (PDA), and Telephone bill reimbursement.

Performance Management System – Feedback is a key to Improvement

Performance Review cycle FY 22 saw the launch of the first quarterly check-in process. It was end to end administered through our new HRMS - MyCigniti. With this the performance review cycle has been aligned with the financial year to ensure an outcome driven reward mechanism. The Quarterly check in process has helped provide clarity about opportunities for development and advancement of employees. It also provided an opportunity for managers and staff to deepen alignment around expectations. The process allowed insights for leadership on how we are doing as a team towards meeting our organization's expectations and goals. We also encouraged employees to make it a practice to record feedback periodically through the continuous feedback feature on MyCigniti and make performance and feedback part of our organization's culture.

Employee Wellness

Guided by our values & culture of being consistently driven towards positive changes and empowering all Cignitians to rise with resilience against adversities, the Management of Cigniti has always prioritized the well-being of our associates.

Reiterating our belief in 'Wellness before Business' and underlining our commitment towards ensuring holistic wellness of our associates, we have onboarded a dedicated Wellness Consultant.

The lockdown and WFH pushed BMI's high! We are concerned about the health and wellness of our associates. Under the banner 'Wellness Matters', Yoga sessions are being organized twice a week. The morning and evening slots allow employees flexibility to opt a suitable time to invest in their health both for the offshore and onsite teams alike. Sessions are carefully conducted considering the health conditions of the individuals.

COVID Stories

Where COVID-19 has affected every aspect of life around the globe, from individual relationships to institutional operations to international collaborations, Cigniti took the opportunity to bring out some philanthropy in its people. The calling for nominations for the COVID Support Team –'Driven by Employees to Help Employees' was widely accepted and had over 73 volunteers came together to support fellow Cignitians and families affected by COVID.

Kudos to all the COVID Volunteers for their willingness and support extended and for re-affirming a sense of belongingness to the 'Big Cigniti Family'.

In addition to Covid Helpdesk, 'My Covid Story' was a series of emails publishing the real-time experiences of Cigniti's Covid Warriors who battled their way to recovery. The intent was to spread positivity and hope amongst those who suffered the Coronavirus infection themselves or their family and were experiencing psychological trauma due to isolation and quarantine.

Work-place Vaccination

With an intent to keep the workforce healthy by preventing them from getting affected by COVID-19, Cigniti initiated In-house COVID vaccination Drive for its employees and their dependents with over 500 registrations. The vaccination drives were meticu-lously planned with slots staggered across two days to ensure a smooth and hassle-free process. For employees spread across other locations and unable to come by for the in house drive, a reim- bursement facility was made available covering the employees alone.

Diversity and Inclusion

At Cigniti, Diversity and Inclusion allows us to be more inclusive of different ideas, cultures, and lifestyles, leading to improved culture. It also puts us in the position to hire the best employees from a diverse and often untapped candidate pool while increasing customer satisfaction with their services.

This International Women's day, Cigniti reinforced our commitment to #breakthebias by celebrating the women power. The employees reaffirmed their belief by participating and sharing their pictures in the #breakthebias pose along with their teams. The panel discussion on women empowerment and equality was an Apt platform to acknowledge Cigniti's women power and appreciate the strength they bring in every day.

Taking our commitment to nurture and empower women at workplace a focused Hiring Drive for Women was conducted allowing us an opportunity to extend offers and onboard great talent and women in technology.

Awards

In recognition of our continued endeavor to make our organization a safe and inclusive workplace for women, we are very happy to share that Cigniti has been placed in the 'Top Ten Safe Places to Work (SPTW)' in Rainmaker's Safe Places to Work Survey 2020-21.

Over 5000 working women from diverse corporations participated in the SPTW survey that aims to evaluate Indian employers on the degree of safety they provide to their women employees. As part of the survey, every single female employee of a company is asked to vote on how safe her workplace is from Sexual Harassment.

We have always embraced our commitment to Diversity and Inclusion with a mission to incorporate a safe, respectful, equal-opportunity environment for all. We believe that a safe workplace motivates all employees, enhances their performance, and leads to higher productivity and customer satisfaction.

This feather in our cap is just the beginning and a reminder to keep up the spirit and continue to focus on our vision and aim higher.

R&R Rewards and Recognition

As a humble gesture to thank our employees for their commitment, consistency and outstanding contribution at work we launched the R&R initiative through day platform for the first time where the winner received reward points which can be redeemed.

Effectiveness of Employee Engagement

We understand that having a great workplace culture can positively reflect on employee behaviour while shaping the future of the overall organization. Our primary focus has been on building cohesive teams and bringing togetherness. Constant focus and rigor on our Employee Engagement initiatives – Candid Talk with HR, Town Halls, Reward and Recognition programs, New Hire Orientation, Buddy programs, etc. have enabled us to further strengthen Employee Engagement Quotient within Cigniti, thus providing a great onboarding experience.

New Hire Experience

Attracting, assimilating, and retaining best in class talent pool is imperative for any successful business. The New Hire Experience Program is a combination of HR Nourish and whitebox confab that focuses on creating a great onboarding experience.

Buddy Program

A strategic buddy program is an integral part of the new hire experience program. It is a platform for existing employees to partner with the organization to greet and orient new hires and contribute to a successful talent assimilation. At Cigniti we ensure a committed effort for an effective buddy experience for both employees and new joinees.

HR Nourish

The purpose of HR nourish is to enable firsthand information to all newbies in the organization and to create inclusive environment through building people connect which encourages employees to bring their whole self to work. This program is conducted within the first seven days of employee joining. These connect serve as a one stop shop for all initiation queries and apprehensions that may arise during the initial days of joining the organization.

Whitebox Confab

The whitebox confab creates a forum for informal discussions with the HR leadership thus enabling a two-way communication for better understanding of the organization culture. The employee testimonials speak volumes on the success of this program. We have by far covered 100% of new joinees across these sessions in collaboration with different internal stakeholders who share the common goal of creating a great onboarding experience.

Gracias

We had a week-long celebration of the "Attitude of Gratitude" that concluded with a power-packed cultural event by the talented Cignitians.

The week of appreciation was focused around specific themes for each day which was Thank You Buddy, Boss you Inspire, Client Shout-outs,

Hand-in-Hand with Enablers, and the last day was Team Huddles and Accolades where teams spent fun time catching up over a coffee and playing a leisure game or two.

The purpose of spreading goodwill through "Thank You" notes was well served with the wide participation through each day. Clients thanking teams through this platform was a cherry on the cake and was a pleasant gesture of appreciation and was well received at both ends.

This initiative provided a welcome moment of camaraderie and helped the teams forget the virtual fatigue. The event reiterated the important message saying a "Thank You", and a little appreciation goes a long way.

Learning at Cigniti

The training initiatives through FY2021 were classified into technical, behavioral, process and domain to cover a wide range of technical and soft skills. The technical trainings are delivered at three levels of proficiency. The year also saw the addition of 16 new courses such as part of the 'Certified Internal Agilist' and 'Facilitation Skills' programs. The new courses include the basic and advanced levels of proficiency.

Cigniti also delivered a value-added test training program to certain clients on best practices in Quality Engineering including UFT test automation, continuous testing and our proprietary Verita dashboard.

Graduate Development Program (GDP)

Graduate Talent Academy (GTA)

Training snapshot

	Technical	Process	Induction	Behavioral	Domain	Practice/CoE
No. of Sessions	74	110	188	183	05	21
Total Participants	4205	8654	5433	5891	190	951
Learning Hours	17002	11983	15533	11696	1450	1646

Project Cignificance: Our CSR Initiative

Education

At Cigniti, we believe that education is a vital differentiator for development, both at the community and national levels. It is a key enabler for transforming communities into human resources. Our Corporate Social Responsibility program, under the name "Project Cignificance," focuses on access, quality, and infrastructure support as part of our intervention agenda. The objective is to provide quality education to the underprivileged children studying in government schools, and this further translates into ensuring that children of school going age are in schools and enjoy the entire process of learning. The school intervention program intends to enhance the quality of education in the targeted government schools by providing Vidya Volunteers, improv- ing minimum learning levels and pass percentages, providing health and sanitation facilities, need-based infrastructure support, transforming school principals to be change leaders, strengthening school manage- ment committees, and technology-based interventions. Cigniti partnered with 13 government schools for this initiative and reached out to about 5,500 children to facilitate their overall development.

Transformation of Erramanzil Government High School

Life, as they knew it, has changed for 350 children at Erramanzil, a government high school in Punjagutta, Hyderabad, through our school intervention program. The school was recently transformed, the result of an intense collaboration between the GMRVF the implementing partner for the education project in Hyderabad.

Scholarship program "Udaan":

For a knowledge driven economy, a growing number of people in the workforce today require higher educational qualification. Recognizing this area of need, we aim to fill this lacuna by awarding scholarships support to academically bright students from low income families. We supported 70 girls in the 12th standard by providing coaching to prepare for competitive exams to get admission to professional institutions. Scholarship is just one form of support; we will add this with soft skill and mentoring support.

Health

The COVID-19 crisis caused widespread havoc across the country, posing enormous challenges for individuals, households, and businesses. Throughout the pandemic, Cigniti has been contributing to relief work support. Its approach is aimed at both immediate relief and long-term humanitarian response work. Cigniti pledged its support to the Cyberabad Security Council to help the affected families. It provided medical equipment and renovated the ICU ward at the Belagavi Institute of Medical Sciences (BIMS) in Karnataka as part of its health intervention program, and upgraded the NICU at the Maternity and Child Health Care Center in Nalgonda district, Hyderabad, to serve the economically disadvantaged. Through this intervention program, we have supported more than 1,00,000 patients from rural areas.

Board of Directors

C V Subramanyam
Chairman & MD

Mr. C V Subramanyam is the Chairman & MD of the supervisory board of Cigniti Technologies Limited and focuses on the corporate governance and the regulatory aspects of running a publicly listed company. His primary focus is on creating shareholder value by ensuring that various parts of the organization add value to the various stakeholders such as clients, employees, partners, industry, and society. He is a successful entrepreneur who co-founded one of South India's largest transport and logistics organizations. In 1998, he founded Chakkilam Infotech as an IT services company and in 2004, he successfully took the company public and listed on BSE. In 2008, he was instrumental in putting together a world class executive management team, as was required to successfully reposition the company as an Independent Software Testing services company. Chakkilam Infotech merged with Cigniti Inc. of USA in 2012 andbecame Cigniti Technologies Ltd. He holds a Bachelor's Degree in Commerce along with Law and Post Graduate Diploma in Business Management.

He is a member of the Board Committees of Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, CSR Committee, and Business Responsibility Committee

Srikanth Chakkilam
CEO & Director,
Cigniti Technologies Inc.

As CEO and Co-Founder of Cigniti Technologies Inc., Srikanth Chakkilam is helping Cigniti grow strength-to-strength and become a global leader in independent quality engineering & software testing services. Srikanth is responsible for driving Cigniti's global growth strategy, help set organizational goals and direction, and provide insights to build lasting relationships with clients, partners, & investors. Previously, as an Executive Director, Srikanth spearheaded Cigniti's expansion into diverse geographies including U.K., EU, ANZ, SA, Middle East, and APAC regions. Under his leadership, the revenues from these regions grew exponentially over the years. Srikanth works closely with the Global Marketing team at Cigniti to orchestrate great customer experiences for our clients. Srikanth is an alumnus of the University of Southern California where he worked closely with Barry Boehm, one of the legends of software engineering and quality. He also holds a Graduate Degree in Electronics and Communication Engineering.

He is a member of the Board Committees of Nomination & Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, and Business Responsibility Committee

R K Agarwal
Independent Director

Mr. Ram Krishna Agarwal is a qualified Chartered Accountant and has the rare distinction of being probably the first recipient of Gold Medals for securing 1st Rank on all India basis in both the Intermediate and Final Examinations of the Institute of Chartered Accountants of India. He has been a Partner with S. R. Batliboi & Associates LLP since 1978 and was the Managing Partner of the Firm at the time of his retirement in June, 2013. Mr. Agarwal has over 40 years post qualification experience in various fields like Audit, Taxation, Company Law, Consultancy, etc. He has got a wide exposure of various industries, including Steel, Paper, Cement, Automobiles, Textile, Milk & Dairy Products, etc. both in India and abroad.

He is a member of the Board committees (Chairman) of Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Nomination & Remuneration Committee, and Business Responsibility Committee

Phaneesh Murthy
Independent Director

Mr. Phaneesh Murthy, global IT industry veteran, who spearheaded the growth story of companies like Infosys and iGate, joined the board of Cigniti Technologies Ltd. as Independent Director in 2017. Phaneesh is a business leader with 25 years of experience in structuring and managing large outsourcing deals for Fortune 500 companies. Phaneesh's previous roles include CEO & President of iGate Corporation and Worldwide Head of Sales and Marketing, Head of Communications, and Product Solutions Group at Infosys Ltd. He also consults for various businesses. Phaneesh is widely recognized as an Industry pioneer in propelling organizations to an all-round, multifold growth, and helping them reach leadership positions.

He is a member of the Board Committees of Audit Committee, Nomination & Remuneration Committee, Risk Management Committee (Chairman), and Business Responsibility Committee

Srinath Batni
Independent Director

Mr. Srinath Batni is a global IT veteran. He is a Co-Founder of Axilor Ventures Private Limited. At Infosys Limited, he served as Group Co-Head of Worldwide Customer Delivery, Head of Delivery (GCARE), Head of Strategic Groups & Co-Customer Delivery and Whole-Time Director of Infosys Limited from May 2000 to July 2014. He serves as Director of Infosys Technologies China (Shanghai) and Infosys Technologies Australia Pty Limited, subsidiaries of Infosys Technologies Ltd. He has a B.E. in Mechanical Engineering from Mysore University and an M.E. in Mechanical Engineering from the Indian Institute of Science, Bangalore.

He is a member of the Board Committees of Audit Committee, Nomination & Remuneration Committee (Chairman), CSR Committee, and Business Responsibility Committee

Nooraine Fazal
Independent Director

Ms. Nooraine Fazal is the Managing trustee, CEO, and Co-Founder of Inventure Academy. Ms. Nooraine has a Master of Science degree in Management from Boston University. She worked with IBM and Reuters for a period of 10 years in a front-line and managerial capacity. Post a period of introspection about the future, she returned to India in 2003 (after twelve years across the UK, USA, Middle East, Australia, and the Greater China region) in order to be a 'citizen with a say' in the way the country is developing.

She is a member of the Board Committees of Nomination & Remuneration Committee, Stakeholders Relationship Committee (Chairperson), and CSR Committee (Chairperson)

K. Ch. Subba Rao
Non-Executive Director

Mr. K. Ch. Subba Rao is a post graduate in science and has got varied experience in Real Estates and other related activities. He has 3 decades of rich entrepreneurial experience in real estate and logistics. He is a successful entrepreneur who cofounded one of South India's largest transport and logistics organization which continues to grow stronger since inception. He is on Board of Cigniti since 2003 and contributing his honorary services for the growth of the Company.

Corporate Information

BOARD OF DIRECTORS:

Mr. C V Subramanyam
Chairman & Managing Director
(DIN:00071378)

Mr. Ram Krishna Agarwal
Independent Director (DIN: 00416964)

Mr. Phaneesh Murthy
Independent Director (DIN:00388525)

Mr. Srinath Batni
Independent Director (DIN:00041394)

Ms. Nooraine Fazal
Independent Director (DIN: 03110948)

Mr. K. Ch. Subba Rao
Non-Executive Director (DIN: 01685123)

Mr. C Srikanth
Non-Executive Director(DIN:06441390)

CHIEF FINANCIAL OFFICER:

Mr. Krishnan Venkatachary

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mrs. Naga Vasudha

REGISTERED OFFICE:

Suit No.106 & 107, 6-3-456/C,
MGR Estates
Dwarakapuri Colony, Panjagutta,
Hyderabad - 500082.
Telangana State
Tel: No (040) 40382255,
Fax: (040) 30702299

GLOBAL DELIVERY CENTER:

6th Floor, ORION Block, "The V"
(Ascendas), Plot No# 17, Software
Units Layout, Madhapur,
Hyderabad – 500 081.
Tel: (040) 30702255,
Fax: (040) 30702299
Website: www.cigniti.com
Email: info@cigniti.com

CORPORATE IDENTITY NUMBER:

L72200TG1998PLC030081

STATUTORY AUDITORS:

S. R. Batliboi & Associates LLP

AUDIT COMMITTEE:

Mr. Ram Krishna Agarwal - Chairman
Mr. Phaneesh Murthy - Member
Mr. Srinath Batni - Member
Mr. C V Subramanyam - Member

NOMINATION & REMUNERATION COMMITTEE:

Mr. Srinath Batni - Chairman
Mr. Phaneesh Murthy - Member
Ms. Nooraine Fazal - Member
Mr. C Srikanth - Member
Mr. C V Subramanyam - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Ms. Nooraine Fazal - Chairperson
Mr. Ram Krishna Agarwal - Member
Mr. C Srikanth - Member

RISK MANAGEMENT COMMITTEE:

Mr. Phaneesh Murthy - Chairman
Mr. R. K. Agarwal - Member
Mr. C V Subramanyam - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Ms. Nooraine Fazal - Chairperson
Mr. Srinath Batni - Member
Mr. C Srikanth - Member
Mr. C V Subramanyam - Member

BUSINESS RESPONSBILITY COMMITTEE:

Mr. C V Subramanyam - Chairman
Mr. Phaneesh Murthy - Member
Mr. Ram Krishna Agarwal - Member
Mr. Srinath Batni - Member
Mr. C Srikanth - Member

REGISTRAR & SHARE TRANSFER AGENTS:

M/s. Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad-29.
Tel: (040) 27642217 / 27638111
Fax: (040) 27632184
Email: info@aarthiconsultants.com

LISTED AT:

BSE Limited
National Stock Exchange Limited

DEMAT ISIN NUMBER IN NSDL & CDSL:

INE675C01017

WEBSITE:

www.cigniti.com

INVESTOR E-MAIL ID:

company.secretary@cigniti.com

BANKERS:

Federal Bank Ltd
Secunderabad Branch

Axis Bank Ltd
Madhapur Branch, Hyderabad

HDFC Bank Ltd
Lakidikapool, Branch, Hyderabad

Oriental Bank of Commerce
Secunderabad Branch. S.D Road,
Secunderabad

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of M/s. Cigniti Technologies Limited will be held on Thursday, 23rd day of June, 2022 at 10.00 A.M. at Deccan Stateroom, ITC Kohenur, A Luxury Collection Hotel, Madhapur, Hitech City, Hyderabad, Telangana- 500081 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of financial statements

To receive, consider and adopt the Audited Balance Sheet (including the consolidated financial statements) as at March 31' 2022, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.

Item No. 2 – Declaration of dividend

To declare a final dividend of Rs. 2.50/- per equity share for the year ended March 31, 2022.

Item No. 3 – To Appoint Mr. C. Srikanth (DIN: 06441390) as director, liable to retire by rotation and being eligible offers himself for re-appointment

To consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. C. Srikanth (DIN: 06441390), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director liable to retire by rotation.

Item No. 4 – To Re-appoint M/s. S R Batiliboi & Associates, LLP, as statutory auditors of the Company and to fix their remuneration.

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. S R Batliboi & Associates, LLP, Chartered Accountants, having registration No. 101049W/E300004 be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 24th Annual General Meeting till the conclusion of the 29th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

Item No.5 – Re-Appointment of Mr. Ram Krishna Agarwal (DIN- 00416964) as an Independent Director of the Company.

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, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Ram Krishna Agarwal (DIN: 00416964), as an Independent Director of the Company for the second and final term of five years commencing from the date of members approval at this 24th Annual General Meeting till the conclusion of 29th Annual General Meeting proposed to be held in the year 2027."

"RESOLVED further that Mr. C.V.Subramanyam, Chairman & Managing Director be and is hereby authorized to do all such deeds necessary and incidental there to including filing of requisite forms with Registrar of Companies, Hyderabad."

Item No.6 – Re-Appointment of Mr. Phaneesh Murthy (DIN- 00388525) as an Independent Director of the Company.

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, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Phaneesh Murthy (DIN: 00388525), as an Independent Director of the

Company for the second and final term of five years commencing from the date of members approval at this 24th Annual General Meeting till the conclusion of 29th Annual General Meeting proposed to be held in the year 2027."

"RESOLVED further that Mr. C.V.Subramanyam, Chairman & Managing Director be and is hereby authorized to do all such deeds necessary and incidental there to including filing of requisite forms with Registrar of Companies, Hyderabad."

Item No.7 – Re-Appointment of Ms. Nooraine Fazal (DIN- 03110948) as an Independent Director of the Company.

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, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Ms. Nooraine Fazal (DIN- 03110948), as an Independent Director of the Company for the second and final term of five years commencing from the date of members approval at this 24th Annual General Meeting till the conclusion of 29th Annual General Meeting proposed to be held in the year 2027."

"RESOLVED further that Mr. C.V.Subramanyam, Chairman & Managing Director be and is hereby authorized to do all such deeds necessary and incidental there to including filing of requisite forms with Registrar of Companies, Hyderabad."

Item No.8 – Re-Appointment of Mr. Srinath Batni (DIN- 00041394) as an Independent Director of the Company.

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, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Srinath Batni (DIN- 00041394), as an Independent Director of the Company for the second and final term of five years commencing from the date of members approval at this 24th Annual General Meeting till the conclusion of 29th Annual General Meeting proposed to be held in the year 2027."

"RESOLVED further that Mr. C.V.Subramanyam, Chairman & Managing Director be and is hereby authorized to do all such deeds necessary and incidental there to including filing of requisite forms with Registrar of Companies, Hyderabad."

Item No.9 -Payment of one percent commission to Non-whole time Directors

To consider and if thought fit to pass with or without modification(s), the following Resolution as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act), as amended from time to time, a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of section 198 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year, for a period of three years, commencing April 1 2022."

"RESOLVED further that Mr. C.V. Subramanyam, Chairman & Managing Director be and is hereby authorized to do all such deeds necessary and incidental there to including filing of requisite forms with Registrar of Companies, Hyderabad."

Item No.10– To approve the "Cigniti Employee Stock Option Plan-2022" (ESOP-2022) for employees of the Company.

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution, as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b), and all other applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, including the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified or re-enacted from time to time (hereinafter referred to as "SEBI Regulations") or any other provisions applicable and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval and consent of the Company be and is hereby accorded to the "Cigniti Employee Stock Option Plan-2022" ("ESOP 2022") and to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, in India or out of India, including any director of the Company, except an employee/director who is a promoter or belongs to the promoter group and Independent Directors as defined in Companies Act, 2013 and related rules, options exercisable into not more than 14,00,000 Equity Shares of the Company ("Equity Share(s)") which shall be acquired from the secondary market through a Trust (viz., Cigniti Employees Foundation) set-up by the company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board of Directors in accordance with the provisions of the ESOP 2022 and the applicable laws and regulations, provided that such equity shares acquired by the said trust through secondary market at any point of time under ESOP-2022 shall in aggregate not exceed 5% of the paid up equity capital of the company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 14,00,000 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued."

RESOLVED FURTHER THAT the maximum number of Securities issued/granted in terms of this resolution, to any single Employee (including any Director) during any one year shall be less than one percent of the issued and paid-up equity shares of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect the ESOP-2022 on such terms and conditions as contained in the Explanatory Statement to this Item in the Notice and to make any modification(s), changes, variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP-2022 from time to time including but not limited to, amendment(s) with respect to vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOP-2002.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of Securities, without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all the lapsed options will be added back to ESOP-2022 pool and the Board be and is hereby authorised to allot these lapsed options to the eligible employees as per the ESOP-2022.

FURTHER RESOLVED THAT notwithstanding anything contained anywhere, the employees are free to surrender their options voluntarily, if in their opinion, the options granted are not beneficial to them, even before the expiry of their exercise period."

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors with a power to further delegate to any executives/officers of the company to do all such acts, deed, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard.

Item No.11 – To approve the Cigniti Employee Stock Option Plan-2022" (ESOP-2022) for employees of the subsidiary companies, holding companies and associate companies of the Company.

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 Section 62(1)(b), and all other applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, including the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified or re-enacted from time to time (hereinafter referred to as "SEBI Regulations") or any other provisions applicable and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the board of directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to extend the benefits of "Cigniti Employee Stock Option Plan-2022" (ESOP-2022) to the benefit of such person(s) who are in permanent employment of the subsidiary companies and associate companies of the Company by way of grant of options exercisable into fully paid up equity shares of Rs.10/- each which shall be acquired from the secondary market through a Trust (Viz., Cigniti Employees Foundation) set-up by the company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP-2022 and the applicable laws and regulations, provided that such equity shares acquired by the said trust through secondary market at any point of time under ESOP-2022 shall in aggregate not exceed 5% of the paid up equity capital of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the Scheme, from time to time or to suspend, withdraw or revise the Scheme from time to time and settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the company, SEBI Regulations and any other applicable laws.

Item No.12– To approve the Secondary Acquisition of equity shares for implementing "Cigniti Employee Stock Option Plan-2022" (ESOP-2022) through Trust.

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 applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, including the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified or re-enacted from time to time (hereinafter referred to as "SEBI Regulations") or any other provisions applicable and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Trust (viz., Cigniti Employees Foundation) to acquire shares not exceeding 5% of the total paid-up share capital of the Company from secondary market at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP-2022 and the applicable laws and regulations to implement the ESOP-2022.

"RESOLVED FURTHER THAT the Trust can acquire additional shares from secondary market at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board, in case the share capital expands due to capital expansion undertaken by the company including preferential allotment of shares or qualified institutions placement, subject to ceiling of five per cent prescribed above."

RESOLVED FURTHER THAT the board be and is hereby authorized to do all acts, deeds and things that may be required to implement the ESOP-2022**.**

Item No.13 – To approve the additional acquisition of equity shares through Trust.

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 applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, including the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified or re-enacted from time to time (hereinafter referred to as "SEBI Regulations") or any other provisions applicable and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the board of directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the and Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Trust (viz., Cigniti Employees Foundation) to acquire additional shares from secondary market at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the board, in case the share capital expands due to capital expansion undertaken by the company including preferential allotment of shares or qualified institutions placement, to maintain the five per cent of the total paid-up capital of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things that may be required in this regard.

Item No.14-To approve the provision of money by company for purchase of its own shares by trustees for the benefit of employees pursuant to "Cigniti Employee Stock Option Plan-2022" (ESOP-2022):

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 applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, including the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified or re-enacted from time to time (hereinafter referred to as "SEBI Regulations") or any other provisions applicable and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to provide financial assistance to the Trust (viz., Cigniti Employees Trust) (including without any interest), as may be deemed fit, to enable the Trust to acquire or purchase the equity shares of the company subject to compliance with the applicable laws and regulations.

FURTHER RESOLVED THAT THE aggregate of the monies lend by the Company to Trust for purchase of shares of the company from secondary market at any point of time shall not exceed five percent of the aggregate of the paid-up capital and free reserves of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things that may be required in this regard."

For and on behalf of the Board
Cigniti Technologies Limited

Place: Hyderabad
Date: 04.05.2022

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. Corporate Members are requested to send to the Company's Registrar & Share Transfer Agent (RTA), a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 18.06.2022 to 23.06.2022 (both days inclusive).
5. Shareholders holding shares in physical form may write to the company/company's RTA for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
6. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form

are requested to bring their Client ID and DP ID Numbers for identification. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Aarthi Consultants Pvt. Ltd).

8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

9. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Aarthi Consultants Pvt. Ltd., RTA of the Company for doing the needful.

10. SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from 1 April 2019. The shareholders who continue to hold shares in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.

11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

12. In respect to shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

14. Electronic copy of the Annual Report for 2021-2022 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2021-2022 is being sent in the permitted mode.

15. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2021-2022 will also be available on the Company's website www.cigniti.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: company.secretary@cigniti.com

16. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.

17. Members may note that the Board of Directors, in its meeting held on May 4, 2022 has recommended a final dividend of 2.50/- per share for fiscal year 2021-22. The record date for the purpose of final dividend will be June 17, 2022. The final dividend, once approved by the members in the ensuing AGM will be paid with in 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses once the postal facility is available. To avoid delay in receiving the

dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the pay-out date.

18. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate email will be sent at the registered email ID of the members describing about the detailed process to submit the documents/ declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/ declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company- www.cigniti.com. Shareholders holding shares in physical form may write to the company/ company's R&T agents for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.

19. Voting through electronic means:

A. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) 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 Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(ii) The remote e-voting period commences on Monday, June 20, 2022 (9:00 a.m. IST) and ends on Wednesday, June 22, 2022 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, June 17, 2022 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM 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.

(iii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, 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. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. 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. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
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 toll free no. 1800 22 55 33
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

(v) **Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; company.secretary@cigniti.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

20. Mr. S. Chidambaram, Practicing Company Secretary, bearing C.P. Number 2286 has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.

21. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cigniti.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited.

22. The route map for the 24th AGM is annexed to this Annual Report 2021-22.

For and on behalf of the Board
Cigniti Technologies Limited

Place: Hyderabad
Date: 04.05.2022

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LODR) REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS:

Sl	Particulars	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni
1.	Directors Identification Number (DIN)	00416964	00388525	00041394
2.	Nationality	Indian	Non-Resident Indian	Indian
3.	Date of birth/Age	28/08/1952	21/07/1963	14/11/1954
4.	Qualification	Chartered Accountant	B'Tech in Mechanical Engineering, MBA from IIM, Ahmedabad	Masters in mechanical engineering
5.	A brief resume of the director	Mr. R. K. Agarwal is a qualified Chartered Accountant and has the rare distinction of being probably the first recipient of Gold Medals for securing 1st Rank on all India basis in both the Intermediate and Final Examinations of the Institute of Chartered Accountants of India. He has been a Partner with S. R. Batliboi & Associates LLP since 1978 and was the Managing Partner of the Firm at the time of his retirement in June, 2013. Mr. Agarwal has over 40 years post qualification experience in various fields like Audit, Taxation, Company Law, Consultancy, etc. He has got a wide exposure of various industries, including Steel, Paper, Cement, Automobiles, Textile, Milk & Dairy Products, etc. both in India and abroad.	Phaneesh Murthy, global IT industry veteran, who spearheaded the growth story of companies like Infosys and iGate, has joined the board of Cigniti Technologies Ltd as Independent Director. Phaneesh is a business leader with 25 years of experience in structuring and managing large outsourcing deals for Fortune 500 companies. Phaneesh's previous roles include CEO & President of iGate Corporation and Worldwide Head of Sales and Marketing, Head of Communications, and Product Solutions Group at Infosys Ltd. He also consults for various businesses. Phaneesh is widely recognized as an Industry pioneer in propelling organizations to an all-round, multifold growth, and helping them reach leadership positions. K. Ch. Subba Rao Independent Director Mr. K.	Mr. Srinath Batni is a global IT industry veteran. He is a Co-Founder of Axilor Ventures. Mr. Batni served as Group Co-Head of Worldwide Customer Delivery at Infosys Limited. He served as Head-Delivery (GCARE) and Head of Strategic Groups & Co-Customer Delivery at Infosys Limited. From 1996 to 2000, he served as Senior Vice President and Head-Retail and Telecommunications Business Unit of Infosys Limited. He has been an Independent Director at AXISCADES Engineering Technologies Limited since 2014. He serves as Director of Infosys Technologies China (Shanghai) and Infosys Technologies Australia Pty Limited, subsidiaries of Infosys Technologies Ltd. He served as the Whole-Time Director of Infosys Limited from May 2000 to July 31, 2014. He received B.E. in Mechanical Engineering from Mysore University and an M.E. in Mechanical Engineering from the Indian Institute of Science, Bangalore.

Sl	Particulars	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni
6.	Nature of expertise in specific functional areas;	Audit, Governance & General Business Management	Innovation, Technology, Entrepreneurship & General Business Management	Innovation, Entrepreneurship & General Business Management
7.	Disclosure of relationships between directors inter-se;	There is no inter-se relationship among the directors	There is no inter-se relationship among the directors	There is no inter-se relationship among the directors
8.	1. Names of listed entities in which the person holds the directorship;	1. PCBL Limited (w.e.f.26/07/2021)	No Directorships in listed Companies	No Directorships in listed Companies
	2. Names of listed entities in which the person holds the membership of Committees of the board;	2. Member of Audit Committee in PCBL Limited		
	3. Names of listed entities from which the person has resigned/ retired in the past three years;	3. Srei Infrastructure Finance Ltd (w.e.f.17/09/2021)		
9.	In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. R.K. Agarwal is a qualified Chartered Accountant, having over 40 years post qualification experience. He has his expertise in various fields like Audit, Taxation, Company Law, Consultancy. Mr. R. K. Agarwal possesses the requisite skills and capabilities, which would be of immense benefit to the Company	Mr. Phaneesh Murthy has done B'Tech in Mechanical Engineering, MBA from IIM, Ahmedabad. He has expertise in areas of Innovation, Technology, Entrepreneurship & General Business Management. Mr. Phaneesh Murthy possesses the requisite skills and capabilities, which would be of immense benefit to the Company	Mr. Srinath Batni has done Masters in Mechanical engineering. He has expertise in areas of Innovation, Entrepreneurship & General Business Management. Mr. Srinath Batni possesses the requisite skills and capabilities, which would be of immense benefit to the Company

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LODR) REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS:

Sl	Particulars	Nooraine Fazal	Srikanth Chakkilam
1.	Directors Identification Number (DIN)	03110948	06441390
2.	Nationality	Indian	Indian
3.	Date of birth/Age	14/07/1970	16/01/1985
4.	Qualification	Masters degree in Management from Boston University	MS in computer science, PG in Management Program
5.	A brief resume of the director	Ms. Nooraine Fazal is the Managing trustee, CEO and Co-Founder of Inventure academy. Ms. Nooraine has a Master of Science degree in Management from Boston University. Nooraine worked with IBM and Reuters for a period of 10 years in a front-line and managerial capacity. Post a period of introspection about the future, Nooraine returned to India in 2003 (after twelve years across the UK, USA, Middle East, Australia and the Greater China region) in order to be a 'citizen with a say' in the way the country is developing.	Srikanth is the Chief Executive Officer and a member of the founding group at Cigniti Technologies Inc. He is responsible for developing the company strategy to be in-line with the vision, mission and the values of the organization. Prior to taking over as CEO, Srikanth worked as Executive Director and was responsible for driving Sales at U.K., EU, ANZ, SA, Middle East and APAC regions. He also handled Marketing, worked closely with CFO for Investor Relations, client relationship activities in his earlier stints at Cigniti. Srikanth has an MS from the University of Southern California where he was a teaching assistant to Barry Boehm, one of the legends of software engineering and quality. He holds a Graduate Degree in Electronics and Communication Engineering from India.
6.	Nature of expertise in specific functional areas;	Innovation, Global Marketing & HR, Entrepreneurship & General Business Management	Innovation, Technology, Entrepreneurship & General Business Management
7.	Disclosure of relationships between directors inter-se;	There is no inter-se relationship among the directors	Son of Mr.C.V.Subramanyam, Promoter, Chairman & Managing Director of the Company
8.	1. Names of listed entities in which the person holds the directorship; 2. Names of listed entities in which the person holds the membership of Committees of the board; 3. Names of listed entities from which the person has resigned/ retired in the past three years;	No Directorships in listed Companies	No Directorships in listed Companies
9.	In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Ms. Nooraine Fazal holds a Masters degree in Management from Boston University. Her expertise is in the fields of Innovation, Global Marketing & HR, Entrepreneurship & General Business Management Innovation, Global Marketing & HR, Entrepreneurship & General Business Management. Ms. Nooraine Fazal possesses the requisite skills and capabilities, which would be of immense benefit to the Company	Not Applicable

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item No. 4: To Re-appoint M/s. S R Batiliboi & Associates, LLP, Chartered Accountants, as statutory auditors of the Company and to fix their remuneration.

M/s. S R Batiliboi & Associates, LLP, Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company for the second & final term of five consecutive years, who shall hold office from the conclusion of this 24th Annual General Meeting till the conclusion of the 29th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

M/s. S R Batiliboi & Associates, LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 18th Annual General Meeting ('AGM') held on June 30, 2017 for a period of 5 years, up to the conclusion of 24th AGM. M/s. S R Batiliboi & Associates, LLP are eligible for re-appointment for a further period of 5 years. M/s. S R Batiliboi & Associates, LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. S R Batiliboi & Associates, LLP have confirmed that they are eligible for the proposed appointment under the Companies Act, 2013 read with rules made thereunder.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. S R Batiliboi & Associates LLP, Chartered Accountants, having registration No. 101049W/E300004, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 24th AGM till the conclusion of the 29th AGM of the Company. The Board of Directors has approved a remuneration of Rs. 1.3 crore for conducting the audit for the financial year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

M/s. S.R. Batliboi & Associates LLP (FRN:101049W/E300004, ("the Audit Firm"), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 1965 and is a Limited Liability Partnership firm ("LLP") incorporated in India. It has registered office at 22, Camac Street, Kolkata and has 11 branch offices in various cities in India. The Audit Firm has valid Peer Review certificate and is part of S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 5: Re-Appointment of Mr. Ram Krishna Agarwal (DIN- 00416964) as an Independent Director of the Company.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Ram Krishna Agarwal (DIN- 00416964) was appointed as an Additional Director on the Board of the Company on June 30, 2017 and subsequently as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on July 31, 2018, for a tenure of 5 years until the conclusion of this AGM.

Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on May 4, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Ram Krishna Agarwal as an Independent Director for a second and final term of five years from the conclusion of this 24th AGM up to the conclusion of 29th AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Ram Krishna Agarwal (DIN- 00416964) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Mr. Ram Krishna Agarwal as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Mr. Ram Krishna Agarwal fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Ram Krishna Agarwal as an Independent Director, the Board recommends the resolution set forth in Item No. 5 relating to the re-appointment of Mr. Ram Krishna Agarwal as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

Except Mr. Ram Krishna Agarwal, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No.6 – Re-Appointment of Mr. Phaneesh Murthy (DIN- 00388525) as an Independent Director of the Company.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Phaneesh Murthy (DIN- 00388525) was appointed as an Additional Director on the Board of the Company on June 30, 2017 and subsequently as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on July 31, 2018, for a tenure of 5 years until the conclusion of this AGM.

Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on May 4, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Phaneesh Murthy as an Independent Director for a second and final term of five years from the conclusion of this 24th AGM up to the conclusion of 29th AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Phaneesh Murthy (DIN- 00388525) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Mr. Phaneesh Murthy as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Mr. Phaneesh Murthy fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Phaneesh Murthy as an Independent Director, the Board recommends the resolution set forth in Item No. 6 relating to the re-appointment of Mr. Phaneesh Murthy as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

Except Mr. Phaneesh Murthy, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No.7 – Re-Appointment of Ms. Nooraine Fazal (DIN- 03110948) as an Independent Director of the Company.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Ms. Nooraine Fazal (DIN- 03110948) was appointed as an Additional Director on the Board of the Company on June 30, 2017 and subsequently as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on July 31, 2018, for a tenure of 5 years until the conclusion of this AGM.

Based on her skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on May 4, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Ms. Nooraine Fazal as an Independent Director for a second and final term of five years from the conclusion of this 24th AGM up to the conclusion of 29th AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Ms. Nooraine Fazal (DIN- 03110948) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Ms. Nooraine Fazal as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Ms. Nooraine Fazal fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and she is independent of the Management.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Nooraine Fazal as an Independent Director, the Board recommends the resolution set forth in Item No. 7 relating to the re-appointment of Ms. Nooraine Fazal as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

Except Ms. Nooraine Fazal, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution

Item No.8 – Re-Appointment of Mr. Srinath Batni (DIN- 00041394) as an Independent Director of the Company.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Srinath Batni (DIN- 00041394) was appointed as an Additional Director on the Board of the Company on August 24, 2017 and subsequently as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on July 31, 2018, for a tenure of 5 years until the conclusion of this AGM.

Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on May 4, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Srinath Batni as an Independent Director for a second and final term of five years from the conclusion of this 24th AGM up to the conclusion of 29th AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Srinath Batni (DIN- 00041394) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Mr. Srinath Batni as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Mr. Srinath Batni fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Srinath Batni as an Independent Director, the Board recommends the resolution set forth in Item No. 8 relating to the re-appointment of Mr. Srinath Batni as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

Except Mr. Srinath Batni, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution

Item No.9 -Payment of one percent commission to Non-whole time Directors

Section 197 of the Companies Act, 2013, provides for payment of remuneration to the directors who are neither managing directors nor whole-time directors (i.e. non-executive directors) which shall not exceed 1% of the net profits of the Company. The Board of Directors of the Company, may propose to remunerate the non-executive directors (i.e. directors other than Managing Director and the Whole time Directors) not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

Non-executive & Independent Directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the versatile experience, and highly qualified profile of

Non-executive & Independent Directors, enhanced role, responsibilities and duties of directors, it is considered appropriate that the Non-Executive & Independent Directors of the Company should be remunerated by the Company which should commensurate with their increased role, responsibilities and duties.

Accordingly, it is proposed that in terms of section 197 of the Act, the Directors (apart from the Managing Director and Whole-time Directors) be paid, for each of the three consecutive financial years commencing April 1, 2022, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board in consultation with the Nomination & Remuneration Committee.

None of the other Directors, Key Managerial Personnel of the Company / their relatives except Mr. Ram Krishna Agarwal, Ms. Nooraine Fazal and Mr. Srinath Batni is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board accordingly recommends the resolution set out at Item No. 9 of the Notice for your approval.

Item No.10 & 11

Brief description of the scheme

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share-based compensation scheme/plan. Your Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary company(ies) for their continuous hard work, dedication, and support, which has led the Company on the growth path. The Company intends to implement Cigniti Employee Stock Option Plan 2022 ("Cigniti ESOP-2022") with a view to attract and retain key talents working with the Company and its Subsidiary company(ies), if any, by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of Cigniti ESOP-2022 and for grant of Stock Options to the eligible employees/Directors of the Company, that of its Subsidiary company(ies), if any, as may be decided by Board and / or the Nomination and Remuneration Committee ("Committee") from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), SEBI SBEB Regulations and other applicable laws and regulations.

The main features of the Cigniti ESOP-2022 are as under:

1. **Total number of Options to be granted:**

   14,00,000 (Fourteen Lakh) Options would be available for grant to the eligible employees of the Company and / or eligible employees of the Subsidiary company(ies), if any, in aggregate under Cigniti ESOP-2022, in one or more tranches exercisable into not exceeding 14,00,000 (Fourteen Lakh) equity shares in aggregate in the Company of face value of Rs. 10/- each fully paid-up. Vested Options lapsed due to non-exercise and/ or unvested Options that get cancelled due to resignation / termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorised to re-grant such lapsed / cancelled options as per the provisions of Cigniti ESOP-2022. The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of Options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

2. **Identification of classes of employees entitled to participate in Cigniti ESOP-2022**

   Following class / classes of employees are entitled to participate in Cigniti ESOP-2022:

   a) Permanent employees of the Company working with the Company or on deputation with any other company in India or out of India.

   b) Directors of the Company; and

   c) Permanent employees and Directors of the Subsidiary company(ies) / working with respective subsidiary company or on deputation with any other company.

      Following class / classes of employees are not eligible:

      a) an employee who is a Promoter or belongs to the Promoter Group.

b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

c) an Independent Director within the meaning of the Companies Act, 2013.

3. **Transferability of Employee Stock Options:**

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under Cigniti ESOP-2022.

4. **Requirements of vesting and period of vesting:**

The Options granted shall vest in accordance with the terms of the each grant under Cigniti ESOP-2022, so long as an employee continues to be in the employment of the Company or the subsidiary company, if any, as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

5. **Maximum period within which the Options shall be vested:**

Options granted under Cigniti ESOP-2022 would vest in accordance with the terms of the each grant, subject to maximum period of 4 years from the date of grant of such Options.

6. **Exercise price or pricing formula:**

The exercise price per Option shall be market price as defined in the Scheme less discount if any, as may be decided by the Nomination and Remuneration Committee from time to time at its own discretion subject to maximum discount of 20%. However in no case such exercise price shall be less than face value.

7. **Exercise period and the process of Exercise:**

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 2 years from the date of vesting of such Options. The vested Option shall be exercisable by the employees by a written application to the Trust or Company expressing his / her desire to exercise such Options in such manner and on such format as may be prescribed by the Trust/ Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

8. **Appraisal process for determining the eligibility of employees under Cigniti ESOP-2022:**

The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time. The employees would be granted Options under Cigniti ESOP-2022 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Committee from time to time.

9. **Maximum number of Options to be issued per employee and in aggregate:**

The number of Options that may be granted to any specific employee of the Company or of its subsidiary company under the Plan, in any financial year and in aggregate under Cigniti ESOP-2022 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. **Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:**

The ESOP-2022 shall be implemented through Trust.

11. **Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:**

The ESOP-2022 is implemented by Secondary acquisition of shares and does not involve any fresh issue of shares.

12. **The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:**

Subject to the provisions of Section 67 of the Companies Act, 2013 and rules made thereunder, the Company will provide an amount not exceeding 5% of the Paid up capital and free reserves in one or more tranches to the Trust for implementing the Scheme. The Board or the Committee shall decide on the amount, tenure, utilization, repayment and other terms of loan to be provided to the Trust for the purpose of implementation of the Scheme.

13. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

Subject to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 the Trust can acquire a maximum of 5% of the total paid-up share capital of the Company through Secondary Acquisition. Further, the number of equity shares of the Company that can be acquired by the Trust from the secondary market in any financial year shall not exceed 2% of the number of paid-up equity share capital of the Company as at the end of the previous financial year.

The Trust can acquire additional shares from secondary market at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the board, in case the share capital expands due to capital expansion undertaken by the company including preferential allotment of shares or qualified institutions placement, subject to ceiling of five per cent prescribed above.

14. Method of Valuating the Options:

The company will adopt the fair value method to value the options granted under the Scheme or such other valuation as may be decided by the Nomination and Remuneration Committee/Compensation Committee.

15. The Lock-in period, if any:

There shall be no lock-in period on shares issued/transferred to employee pursuant to exercise of option.

16. The conditions under which option vested in employees may lapse e.g., in case of termination of employment for misconduct:

If the employee/Director voluntarily terminates employment with the Company or the termination is due to misconduct as per the rules of the company, the options to the extent not vested shall lapse/expire and be forfeited forthwith. The Committee may from time at its absolute discretion decide and fix the conditions under which the options vested in employees may lapse.

17. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

The Committee shall decide at its absolute discretion the time within which the employee shall exercise the vested options in case of termination other than voluntary termination and resignation of employee, however in no case such time shall be more than one year from the date of such termination or resignation.

18. Disclosure and Accounting Policy and other disclosures:

The company shall comply with the disclosure and accounting policies specified in regulation 15 the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any other appropriate authority, from time to time. The Company shall also disclose such information in its directors' report as may be required under applicable laws from time to time.

In addition to the information that the company is required to disclose in relation to employee benefits under the Companies Act, 2013, the Board of Directors of the company shall also disclose the details of the ESOP - 2022 being implemented, as specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The trust shall be required to make disclosures and comply with the other requirements applicable to insiders or promoters under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or any modification or re-enactment thereto.

19. Compliance with the policies and procedures:

The Trust, the Company and the its employees shall comply with the policies and procedures framed by the Committee to ensure that there is no violation of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time.

20. Compliance of Accounting Standards:

The Company shall comply with the accounting standards as may be applicable to ESOP schemes from time to time.

21. Tax Liability

Any tax liability on account of issue of options/shares shall be that of employee alone.

22. Modifications to the Scheme

Subject to a special resolution passed at a General meeting the Board of Directors reserves the right to change the terms and conditions of the scheme at any time, at its discretion, however such changes shall be beneficial to the employees.

23. Contract of Employment

23.1 This scheme shall not form part of any contract of employment between Cigniti Technologies Limited and the Employee. The rights and obligations of any individual under the contract of employment shall not be affected by his/her participation in this scheme.

23.2 Nothing in this scheme shall afford upon any Employee any additional right(s) as to compensation or damages in consequence of the termination of such office or employment for any reason.

23.3 The scheme shall not confer any Employee any legal or equitable right against Cigniti Technologies Limited either directly or indirectly or give rise to any cause of action in law or equity.

23.4 Where an eligible employee is a director nominated by an institution as its representative on the Board of Directors of the company –

(i) the contract or agreement entered into between the institution nominating its employee as the director of a company and the director so appointed shall, inter alia, specify the following: -

a. whether the grants by the company under its scheme(s) can be accepted by the said employee in his capacity as director of the company;

b. that grants if made to the director, shall not be renounced in favour of the nominating institution; and

c. the conditions subject to which fees, commissions, other incentives, etc. can be accepted by the director from the company.

(ii) the institution nominating its employee as a director of the company shall file a copy of the contract or agreement with the said company, which shall, in turn file the copy with all the recognised stock exchanges on which its shares are listed.

(iii) the director so appointed shall furnish a copy of the contract or agreement at the first board meeting of the company attended by him after his nomination.

24. Government Regulations:

24.1 This Scheme is subject to all applicable laws, rules, regulations, guidelines and to such approvals from any governmental agencies as may be required. In case of any contradiction between the provisions, rules, regulations, guidelines, issued by any governmental agencies, the provisions of law shall override the provisions of this scheme.

24.2 The Employees who are granted warrants/shares under the scheme shall comply with such requirements of law as may be necessary.

25. General Risks:

Cigniti Technologies Limited does not guarantee any return on the equity investment made by Employee as part of the scheme.

26. The procedure for funding the exercise of options;

The Company shall not fund the exercise of options. The employee shall make payment at the time of exercise of their vested options.

27. Terms & conditions for buyback, if any, of specified securities covered under these regulations:

Not Applicable

In terms of the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ESOP-2022 is required to be approved by the members by passing of special resolution and as the Scheme will entail further shares to be offered to persons other than existing shareholders of the company, consent of the members is sought pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and as per the requirement of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

SEBI Regulations also require separate approval of members by way of special resolution to grant stock options to the employees of holding and/or subsidiary companies. Accordingly, a separate resolution under item no. 11 is proposed to extend the benefits of ESOP-2022 to the employees of holding, subsidiary and associate company(ies) of the company, as may be decided by the Nomination and Remuneration Committee/ Compensation Committee from time to time under Applicable Laws.

The Options to be granted under the Plan shall not be treated as an offer or an invitation made to public for subscription in the securities of the company.

Directors/Key Managerial Personnel of the Company/their relatives other than i) Promoter Directors (iii) those directors if any, holding directly or indirectly more than 10% of the outstanding equity shares of the company, and (iii) Independent Directors of the Company shall be deemed to be interested or concerned in passing of this resolution to the extent of benefit they may derive under the Scheme.

The Board accordingly recommends the resolutions at item no. 10 & 11 for approval of the members as special resolutions.

All the relevant documents including ESOP-2022 will be available for inspection during the office hours at the registered office of the Company till the date of conclusion of voting.

Item No.12, 13 & 14

To attract talented employees / Directors, it is necessary to provide incentive to the employees to remain with the company and to reward them with the opportunities to have a share in the success of the company. To achieve this objective, it is proposed to grant an option to the employees to subscribe to the shares of the company.

Accordingly, the Board of Directors ("the Board") of the Company at its meeting held on May 4, 2022, has approved introduction of the 'Employee Stock Option Plan 2022' (hereinafter referred to as the "ESOP-2022"), subject to the approval of the Members and in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (the "SEBI Regulations") and authorised the Nomination and Remuneration Committee/Compensation Committee to formulate the detailed terms and conditions of the ESOP-2022 and to administer and implement the ESOP-2022 in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The ESOP-2022 will be implemented through a trust by acquiring the shares from Secondary Markets as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

To implement the ESOP-2022 the Company would provide funds to the trust for acquiring shares of the Company from the secondary markets.

As per rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, the Company is required to approve the lending of monies for purchasing its shares by passing a special resolution. As required under said the following information is provided:

1. **the class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares:**

   Employees entitled to participate in the ESOP-2022 are:

   a. Permanent employee of the company who has been working in India or outside India; or, as may be decided by the board / committee.
   b. Directors (Including whole – time Directors) of the company at any time.
   c. An employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India, or of a holding company of the company or of an associate company.
   d. Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the board for this purpose.

   Above persons are referred herein collectively as the "Eligible Employees"

   An employee who is a promoter or belongs to promoter group or a director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10 percent of the outstanding equity shares of the company at the time of granting of option shall not be eligible to participate in ESOP-2022. Independent Directors shall not be eligible to receive any stock options.

2. **the particulars of the trustee or employees in whose favour such shares are to be registered;**

   The shares acquired pursuant to ESOP-2022 will be registered in the joint names of trustees. However, the Trustees with the approval of majority of trustees can change the same from time to time.

3. **the particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any;**

   The name of the trust through which the ESOP-2022 is to be implemented is Cigniti Employees Trust. The Trust is situated at Suit No.106&107,6-3-456/C, MGR Estates, Dwarakapuri Colony Panjagutta, Hyderabad-500082, Telangana

   The details of the Trustees of "Cigniti Employees Trust" are as mentioned below:

Name of the Trustee	Address	Occupation	Nationality	Relationship with promoters/directors/ Key managerial person
Veera Reddy Patlolla	H.no.2-1, Nandigaon Patancheru Mandal, Mandal Nandigaon, Patancheru.medak-Pin-502300.	Employee	Indian	No
Sundar Rao Behata	H.no.7-53/17/3, Balasaraswathi Nagar, Malkajgiri, 500047	Employee	Indian	No
Urmila Markili	H No 1-3-307 207, Sri Sai Apartments, Kavadiguda Gandhi Nagar, Hyderabad Pin:500080, Telangana,	Employee	Indian	No

4. **the particulars of any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof;**

   Directors/Key Managerial Personnel of the Company/their relatives other than i) Promoters (ii) those directors if any, holding directly or indirectly more than 10% of the outstanding equity shares of the company, and (iii) Independent Directors of the Company shall be deemed to be interested or concerned in Scheme to the extent the Committee may grant them the options. However, they are in no way concerned or interested in the Trust.

5. **the detailed particulars of benefits which will accrue to the employees from the implementation of the scheme;**

   The eligible employee to whom the committee has granted the options will get one equity shares for every vested option on exercise.

6. **the details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised;**

   As per the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 the trustees of a trust, which is governed under these regulations, shall not vote in respect of the shares held by such trust, so as to avoid any misuse arising out of exercising such voting rights.

   Directors/Key Managerial Personnel of the Company/their relatives other than i) Promoter Directors (ii) those directors if any, holding directly or indirectly more than 10% of the outstanding equity shares of the company, and (iii) Independent Directors of the Company shall be deemed to be interested or concerned in passing of this resolution to the extent of benefit they may derive under the Scheme.

   The Board accordingly recommends the resolutions at item no. 12, 13 & 14 for approval of the members as a special resolution.

   All the relevant documents will be available for inspection during the office hours at the registered office of the Company till the date of conclusion of voting.

For and on behalf of the Board
Cigniti Technologies Limited

Place: Hyderabad
Date: 04.05.2022

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company along with the audited financial statements, for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS:

The performance during the period ended 31st March 2022 has been as under: (Rs. In Lakhs)

Particulars	2021-2022		2020-2021	
	Consolidated	Standalone	Consolidated	Standalone
Revenue from Operations	1,24,180.00	45,551.89	89,652.69	31,106.90
Other Income	1,344.01	1,394.44	1,345.27	1,268.42
Profit/loss before Depreciation, Finance Costs and Tax Expense	14,272.07	7,044.57	15,891.87	7,352.31
Less: Depreciation/ Amortisation/ Impairment	1,615.55	1,338.92	1,226.92	1,007.92
Profit /loss before Finance Costs and Tax Expense	12,656.52	5,705.65	14,664.95	6,344.39
Less: Finance Costs	504.60	308.20	559.19	379.35
Profit /loss before Tax Expense	12,151.92	5,397.45	14,105.76	5,965.04
Less: Tax Expense (Current & Deferred)	2,977.51	1,471.17	3571.26	521.02
Profit /loss for the year (1)	9,174.41	3,926.28	10,534.50	5,444.02
Total Comprehensive Income/(loss)(2)	(176.18)	(56.76)	(40.43)	(40.43)
Total (1+2)	9,350.59	3,869.52	10,494.07	5,403.59
Balance of profit /(loss) for earlier years	6225.17	2826.89	(4,268.90)	(2,576.70)
Less: Transfer to Debenture Redemption Reserve	-		-	-
Less: Transfer to Reserves	-		-	-
Less: Dividend paid on Equity Shares	-		-	-
Less: Dividend paid on Preference Shares	-		-	-
Less: Dividend Distribution Tax	-		-	-
Balance carried forward	14,665.54	6,019.13	6,225.17	2,826.89

STATE OF AFFAIRS/ COMPANY'S PERFORMANCE:

Software has become an integral part of our lives. Your Company's vision is to help companies improve the quality of software being delivered worldwide. More than 40% of the software development efforts are spent in testing. By focusing on a niche area like software testing, your Company hopes to make a mark in the IT industry. Your Company aims to be a thought leader in software testing using a combination of onsite consulting, offshore test execution and application of tools and frameworks that will reduce the number of post release defects and do it faster.

The total revenue of the Company for the financial year under review on consolidated basis was Rs. 1,24,180.00 lakhs as against Rs. 89,652.69 lakhs for the previous financial year. The company recorded a net profit of Rs.9,174.41 lakhs for the financial year 2021-22 as against the net profit of Rs. 10,534.50 lakhs for the previous year.

On Standalone basis, the total revenue of the Company for the financial year 2021-22 was Rs. 45,551.89 lakhs as against Rs. 31,106.90 lakhs for the previous financial year. The net profit for the financial year 2021-22 is Rs. 3,926.28 Lakhs as against the net profit of Rs. 5,444.02 lakhs for the previous year.

During the period under review and the date of Board's Report there was no change in the nature of Business.

FUTURE PROSPECTS & OUTLOOK

Pre-pandemic, digital adoption was already recognized as a key driver of enterprise transformation. For an organization to thrive in the coming years, it must become Digital-First. IDC forecasts that by 2026, enterprises that successfully generate digital innovation will derive over 25% of revenue from digital products, services, and/or experiences. The think tank also adds that this growth will be driven by a staggering $6.8 trillion globally by as early as 2023. In accordance with these trends and analyst reports, Cigniti firmly believes that Digital Assurance is the bedrock of digital transformation.

Next-gen technologies such as cloud, IoT, AI, and robotics have moved out of the 'emerging' space and proven their ability to help organizations differentiate themselves by effectively leveraging these technologies to elevate the customer's digital experience. BlueSwanTM, our AI-powered proprietary AI-led and next-generation Digital Assurance and Quality Engineering platform enables clients with the AI-based insights they need to assure digital experiences and accelerate their digital transformation journeys.

Through 2021, despite prolonged curbs across industries, Cigniti was able to ascertain its global and Digital Assurance leadership by winning 68 new logos including Fortune 500 companies in high growth sectors such as Banking, Financial Services and Insurance, Healthcare and Life Sciences, and Retail and E-commerce. Furthermore, we embarked on strategic, long-term partnerships as seen by the $10 million ACV deal to assure the digital transformation of a renowned Financial Services institution in the US. Through FY 2022-23, in addition to winning new logos across geographies, we are driven by a renewed focus to nurture high potential partnerships with select 'Strategic' and 'Growth' accounts.

The new fiscal year began with a firm step toward offering clients greater breadth and depth of digital services. Cigniti announced the acquisition of Aparaa Digital (RoundSqr) – a specialized and veteran-led AI/ML, Data, and Blockchain Engineering services company. The all cash acquisition helps to bolster our digital ambitions and expand into Digital Engineering services, a $300 billion market annually. Our deep-rooted Digital Assurance expertise coupled with a purposeful direction for growth in Digital Engineering services pave the way for our global leadership in the digital domain.

MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this report.

TRANSFER TO RESERVES

Your Company has not transferred any amount to reserves during the year under review and proposes to retain the entire amount in its Statement of Profit and Loss/retained earnings.

DIVIDEND:

Your Directors recommend payment of final dividend of Rs. 2.50/- per equity share of Rs.10/- each for the year ended 31st March 2022. The dividend will be paid after approval of members at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if approved by the members at the AGM scheduled on 23rd June 2022, will result in cash outflow of Rs. 701.31 lakhs.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's website viz. https://www.cigniti.com/policies/Dividend-Distribution-Policy.pdf.

REVISION OF FINANCIAL STATEMENTS

There was no revision of the financial statements for the year under review.

SHARE CAPITAL

During the year, your Company has allotted 32,500 equity shares of Rs.10/- each to employees under Cigniti ESOP scheme. Consequently, the paid-up share capital of the Company stands increased to Rs.28,05,25,090/- divided into 2,80,52,509 equity shares of Rs.10/- each.

EMPLOYEE STOCK OPTION SCHEME

During the year, the company had granted options under Cigniti ESOP scheme 2014-I and Cigniti ESOP scheme 2015. Details of the options up to 31st March 2021 are set out in the **Annexure -IV** to this report, as required under clause 12 of the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014.

TRANSFER OF UN-CLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION:

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, declared dividends which remained unpaid or unclaimed

for a period of seven years has to be transferred by the company to the IEPF, which has been established by the Central Government. The above-referred rules also mandate transfer of shares on which dividend has been unpaid or unclaimed for a period of seven consecutive years to the IEPF. During the Financial year 2021-22, the Company was not required to transfer Un-paid or Unclaimed Dividend amount of Rs. 49,500/- to IEPF as it pertains to dividend declared in previous financial year 2020-21 and aforesaid seven years has not expired.

Financial Year	Rate of Dividend	Date of Declaration of Dividend	Due date to claim the Dividend
2021-22	Rs. 2.50/- per share	04.06.2021	09.07.2028

Members, are requested to make their claims without any delay to the Company's Registrar and Transfer Agent M/s.Aarthi Consultants Private Limited, at email id: info@aarthiconsultants.com by providing folio no and other necessary details for the unclaimed dividend as mentioned in the above table. Pursuant to the provisions of IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company www.cigniti.com, as also on the website of the Ministry of Corporate Affairs.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. The Directors possess requisite qualifications and experience in general corporate management, strategy, finance, administration and other allied fields, which enable them to contribute effectively to the Company in their capacity as Directors of the Company. None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of Remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the Annexure -III to this report

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the key Managerial Personnel (KMP) of the Company are Mr.C.V.Subramanyam, Chairman & Managing Director, Mr. C. Srikanth, Director & CEO of Cigniti Technologies Inc; USA, Mr. Krishnan Venkatachary, CFO and Mrs. Naga Vasudha, Company Secretary. There have been no changes in the key managerial personnel during the year.

CHANGES IN DIRECTORS

Mr. Ram Krishna Agarwal (DIN: 00416964), Mr. Phaneesh Murthy (DIN:00388525), Mr. Srinath Batni (DIN:00041394) and Ms. Nooraine Fazal (DIN: 03110948) are being proposed to be re-appointed as Independent Directors for second & final term of 5 years at this Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. C. Srikanth (DIN: 06441390), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that he/ she meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

The Directors possess integrity, expertise and experience in their respective fields.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2021-22 are also disclosed on the Company's website at https://www.cigniti.com/investors/familiarisation programme

BOARD MEETINGS

During the year, six (6) meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act and the details of which are given in the Corporate Governance Report.

COMMITTEES OF THE BOARD

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility (CSR) Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance - of these Committees during the year have been enumerated in Corporate Governance report.

AUDIT COMMITTEE RECOMMENDATIONS:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

In adherence to the provisions of Section 134(3)(e) and 178(1) & (3) of the Companies Act, 2013, the Board of Directors upon recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The said Policy extract is covered in Corporate Governance Report which forms part of this Report and is also uploaded on the Company's website at www.cigniti.com.

BOARD EVALUATION

In line with the Guidelines and / Rules as prescribed by SEBI and the Companies Act, evaluation of all Board members is performed on an annual basis. The evaluation of all the directors, Committees, Chairman of Board and Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation parameters and the process have been explained in the Corporate Governance Report.

PARTICULARS OF EMPLOYEES

A table containing the particulars in accordance with the provisions of section 197(12) of the act, read with rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure -III** to this report.

DIRECTORS RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Board of Directors hereby confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) 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;

(d) They have prepared the annual accounts on a going concern basis; and

(e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, there are no qualifications, reservations or adverse remarks made by the Statutory Auditors/

Secretarial Auditors in their respective reports.

DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

NO FRAUDS REPORTED BY STATUTORY AUDITORS

During the Financial Year 2021-22, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards Ind AS-10 and Ind AS-28 on consolidated financial statements, your Directors have provided the consolidated financial statements for the financial year ended March 31, 2021 which forms part of the Annual Report.

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / BRANCHES/ ASSOCIATES/ JOINT VENTURES:

Your Company has six wholly owned foreign subsidiary companies (WOS), one Indian wholly owned subsidiary company (WOS) and two foreign Branches.

Cigniti Technologies Inc., USA, (Foreign WOS)
Cigniti Technologies (Canada) Inc., Canada (Foreign WOS)
Cigniti Technologies (UK) Limited, UK (Foreign WOS)
Cigniti Technologies (Australia) Pty. Limited, Australia (Foreign WOS)
Cigniti Technologies (SG) PTE. Limited (Foreign WOS)
Cigniti Technologies (CZ) Limited s.r.o. (Foreign WOS)
Gallop Solutions Private Limited (Indian WOS)
Cigniti Technologies Limited, South Africa (Foreign Branch)
Cigniti Technologies Limited, Dubai (Foreign Branch)

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary companies is prepared in **Form AOC-1** and is attached as **Annexure-I** and forms part of this report.

In accordance with the provisions of the Companies Act, 2013, the Balance sheet, Statement of Profit and Loss and other documents of the subsidiary companies are being made available on the website of the Company.

PUBLIC DEPOSITS

The Company has not accepted any public deposits during the Financial Year ended March 31, 2022 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2022, there are no instances of non-compliance with the requirements of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees or investments made under section 186 of the companies Act, 2013 are given in the note to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2021-22, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure- II** to this report.

CORPORATE SOCIAL RESPONSIBILITY POLICY ("CSR")

The Company has constituted a CSR Committee in accordance with Section 135 of the Act. The details of the CSR Policy of the Company, its development and initiatives taken by the Company on CSR during the year in terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure-VIII** to this Report.

With the mission to discover the social responsibility of developing economic, social and environmental capital towards sustainability, Cigniti crafted CSR projects in achieving the mission. Your Company believes and strives hard in sustainable development of society in which the enterprise draws economic and natural resources by enriching its capacity in contributing to the significant positive change in the economy.

The said policy is available on the website of the Company at: https://www.cigniti.com.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

Your Company has not undertaken any research and development activity for any manufacturing activity nor was any specific technology obtained from any external sources which needs to be absorbed or adapted.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs. 45073.80 Lakhs

Foreign Exchange Outgo: Rs.345.71 Lakhs

RISK MANAGEMENT POLICY

The Board of Directors have constituted a Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The policy provides for adequate safeguards against the victimisation of the employees who use the vigil mechanism. The details of establishment of such mechanism has been disclosed on the website www.cigniti.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

STATUTORY AUDIT AND AUDITORS REPORT

Pursuant to Section 139(2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 the members of the Company at their Annual General Meeting held on 30th June, 2017 have appointed M/s. S R Batiliboi & Associates, LLP, as statutory auditors of the Company to hold office until the conclusion of ensuing Annual General meeting of the Company.

The Board is of the opinion that continuation of M/s. S R Batiliboi & Associates, LLP, as Statutory Auditors will be in the best interests of the Company and therefore, the members are requested to consider their re-appointment as Statutory Auditors of the Company, for a further term of five years, from the conclusion of the ensuing Annual General Meeting, till the Annual General Meeting to be held in the calendar year 2027, at such remuneration as may be mutually agreed and approved by the Board.

The Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.

The Auditors' Report for FY 2021-2022 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for both Standalone and Consolidated audited financial results of the Company for the Financial Year ended March 31, 2022 from the statutory auditors of the Company.

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company has appointed M/s. BDO India LLP, Chartered Accountants, Hyderabad as Internal Auditors for the Financial Year 2021-22.

The summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee on a periodical basis and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

SECRETARIAL AUDITOR & AUDIT REPORT

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors have appointed Mr. S. Chidambaram, Practicing Company Secretary (CP No. 2286) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2022.

The Secretarial Audit was carried out and the Report given by the Secretarial Auditor is annexed herewith as **Annexure-VII** and forms integral part of this Report.

Directors Explanation to Secretarial Auditor observation

In the earlier years, the Company had made foreign investments in Cigniti Technologies Inc., USA and Cigniti Technologies (Canada) Inc., Canada without obtaining ODI/UIN from Reserve Bank of India (RBI). The Company is in the process of obtaining the UIN from Reserve Bank of India regarding the said Investments. Once the same is obtained the company shall file Annual Performance Reports.

ANNUAL RETURN

In accordance with the Companies Act, 2013, a copy of the annual return in the prescribed format as on 31 March 2022 is available on the Company's website at https://www.cigniti.com/investors/Annual Return

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to Regulation 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Business Responsibility Report for 2021-22 describing various initiatives taken by the Company on social, environmental and governance perspective, is attached at **Annexure-VI** which forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure-V** to this report.

INSURANCE

The properties and assets of your Company are adequately insured. Further the Directors have been adequately covered under D & O policy.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Regulations. A separate section on Corporate Governance, forming a part of this Report and the requisite certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance as Annexure.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors have adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (https://www.cigniti.com/investors/insider-trading-policy.pdf)

CEO/CFO CERTIFICATION

As required under Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is attached with the annual report as **Annexure-IX.**

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place a Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- Number of complaints received: Nil
- Number of complaints disposed of: Nil

OTHER DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no such transactions during the year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise.

b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

c. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

In terms of sub rule 5(vii) of Rule 8 of Companies (Accounts) Rules, 2014, there are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable mandatory Secretarial Standards

ACKNOWLEDGEMENTS:

The Board thanks all the customers, vendors, investors and bankers for their continued support during the year. It places on record its appreciation for the contribution made by employees of the company at all levels. The Board also wishes to record its appreciation for business constituents like SEBI, BSE, NSE, NSDL, CDSL etc. for their continued support for the growth of the Company. The Board thanks the governments of various countries where the company has operations. It also thanks the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise Departments, the Income Tax Department, the Reserve Bank of India, the State Governments, and other government agencies for their support, and look forward to their continued support in the future.

For and on behalf of the Board
Cigniti Technologies Limited

Place: Hyderabad
Date: 04.05.2022

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

Annexure - I

AOC 1

Statement containing the salient features of the financial statements of subsidiaries pursuant to section 129(3) of Companies Act, read with Rule 5 of the Companies (Accounts) Rules, 2014.

(Amount in INR)

Name of the Subsidiary	Cigniti Technologies Inc; USA	Cigniti Technologies (UK)Ltd	Cigniti Technologies (Australia) Pty Ltd	Cigniti Technologies (Canada)Ltd	Cigniti Technologies (SG) Pte. Ltd	Cigniti Technologies (CZ) Limited s.r.o	Gallop Solutions Private Limited
Financial period ended	**31st March 2022**	**31st March 2022**	**31st March 2022**	**31st March 2022**	**31st March 2022**	**31st March 2022**	**31st March 2022**
Exchange Rate	75.77	99.42	56.72	60.49	55.96	3.44	1
Share Capital	30,539,885	85,000,181	49,066,905	60	56	17,200	100,000
Reserves & Surplus	901,071,521	(54,570,141)	(144,364,762)	62,330,390	(8,313,164)	(15,181,301)	5,753,751
Total Assets	2,664,919,033	265,812,292	163,656,402	172,733,288	293,570	13,618	5,933,751
Total Liabilities	1,733,307,626	235,382,253	258,954,259	110,402,838	8,606,678	15,194,919	80,000
Investments	-	-	-	-			-
Turnover	10,017,181,334	921,649,170	365,529,248	654,449,523	-	-	-
Profit/(Loss) before Tax	603,280,251	44,383,482	18,288,397	32,819,415	(8,200,926)	(15,018,427)	(106,333)
Provision for Taxation	141,642,407	-	-	8,991,567	-	-	-
Profit/(Loss) After Tax	461,637,843	44,383,482	18,288,397	23,827,849	(8,200,926)	(15,018,427)	(106,333)
Proposed Dividend	-	-	-	-	-	-	-
% of Shareholding	100%	100%	100%	100%	100%	100%	100%

Note: Turnover includes Other income and Other operating revenue. Profit/(Loss) figures do not include Other Comprehensive Income

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Place: Hyderabad
Date: May 4, 2022

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Annexure-II

AOC 2

Particulars of contracts / arrangements made with related parties

[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]

This Form pertains to the disclosure of particulars of contracts / arrangements entered 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.

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

   There are no contracts or arrangements or transactions not at arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2022, are as follows:

   (i) Contracts with Wholly owned Subsidiary Companies

<table>
<tr><th>Name of related party</th><th>Nature of relationship</th><th>Duration of Contract</th><th>Salient terms (1)</th><th>Amount (Rs in ` Lakhs)</th></tr>
<tr><td>Cigniti Technologies Inc; USA</td><td>Wholly Owned Subsidiary</td><td>Running contract</td><td rowspan="4">All type of support services by the holding Company are at cost plus mark up:
• Testing Services
• Human resources services
• Financial & Accounting support services
• Legal & Compliance
• Other:
Provision of any other services as may be agreed in writing between the Parties from time to time</td><td>37,127.48</td></tr>
<tr><td>Cigniti Technologies (UK) Limited</td><td>Wholly Owned Subsidiary</td><td>Running contract</td><td>2,911.95</td></tr>
<tr><td>Cigniti Technologies (Australia) Pty Limited</td><td>Wholly Owned Subsidiary</td><td>Running contract</td><td>320.44</td></tr>
<tr><td>Cigniti Technologies (Canada) Inc</td><td>Wholly Owned Subsidiary</td><td>Running contract</td><td>600.10</td></tr>
</table>

   (ii) The wholly owned subsidiary company M/s. Cigniti Technologies Inc, USA has appointed M/s. Primentor Inc as consulting firm for rendering advisory services in which Mr. Phaneesh Murthy is one of the founder promoters. Mr. Phaneesh Murthy is independent Director on the Board of Cigniti Technologies Ltd; India

   (iii) Mr. C. Srikanth is Director & CEO of wholly owned subsidiary Company M/s. Cigniti Technologies Inc; USA and is also director on the Board of Cigniti Technologies Ltd; India

The aforesaid contracts are approved by the Board in their meeting held on 29.04.2021.

For and on behalf of the Board
Cigniti Technologies Limited

Place: Hyderabad
Date: 04.05.2022

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

Annexure-III

INFORMATION AS PER RULE 5(1) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No	Disclosure requirement	Disclosure Details	
i.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	Executive Directors	Ratio to median remuneration
		Mr. C.V. Subramanyam	45.16 (Rs.635100 median remuneration)
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year	Directors, Chief Executive Officer, Company Secretary and Manager	% increase in remuneration in the financial year
		Mr. C.V.Subramanyam	(27%)
		Mr. C. Srikanth*	-
		Mr. Krishnan Venkatachary	5.57%
		Mrs. Naga Vasudha	16.42%

*Mr. C.Srikanth is drawing remuneration from Wholly Owned Subsidiary Company i.e. Cigniti Technologies Inc; USA. Hence comparison can not be made.

iii. Percentage increase/ (decrease) in the median remuneration of employees in the FY 2021-22 : 5.81%

iv. Number of permanent employees on the rolls of the company as on March 31, 2022: 3835

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not Applicable since there is no increase in managerial remuneration.

vi. The key parameters for any variable component of remuneration availed by the Directors:

Not applicable as there is no variable component of remuneration availed by the Directors. However, commission is payable to Managing Director and Independent Directors of the Company depending on the net profit for the financial year not exceeding the overall limit as per section 198 read with schedule V of the Companies Act, 2013.

vii. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company is in compliance with its remuneration policy.

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Names of top ten employees of the company in terms of remuneration drawn.

S. No	Name of the Employee	Designation	Age & Experience in yrs	Date of Joining	Remuneration per anum (Rs. In lakhs)	Previous Employment & Designation	Nature of employment, whether contractual or otherwise	The percentage of equity shares held by the employee in the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	C.V. Subramanyam	Chairman & MD	Age: 67 Exp:24	01-08- 1998	287.00	Not Applicable since founder of Cigniti	permanent	11.53	He is the Promoter & MD of the Company
2.	Nanda Padmaraju	President, Sales	Age:47 Exp:23	02-05-2014	204.67	App Labs, AVP	permanent	0.12	No
3.	Krishnan Venkatachary	Chief Financial Officer	Age:57 Exp:35	08-06-2015	141.20	Yashoda Hospitals,CFO	permanent	0.09	No
4.	Jaya Raghuram K	President, Global Delivery	Age:47 Exp:23	20-08-2014	129.20	Accenture, Senior Manager	permanent	0.07	No
5.	Rajesh Pawar	Senior Vice President	Age:49 Exp:24	04-06-2021	94.88	DMI India , Vice President	permanent	-	No
6.	R. Jagdish Kumar	Senior Vice President, ICT	Age:55 Exp:25	05-02-2015	88.22	JDA, Vice President	permanent	0.01	No
7.	Venkateswara Rao Kovvuri	Senior Vice President, Global Delivery	Age:45 Exp:10	14-11-2013	84.80	DXC-Lead Manager	permanent	0.04	No
8.	Rajesh Sarangapani	Senior Vice President, Global Delivery	Age:48 Exp:24	20-08-2014	84.19	Accenture, Senior Manager	permanent	0.05	No
9.	Veera Reddy Patlolla	Vice President & Global Head, Human Resources	Age:40 Exp:17	16-12-2019	83.25	VP, Genpact	permanent	-	No
10.	Sundar Rao B	Vice President, Finance	Age:56 Exp:23	05-04-2012	81.16	Cheminnova Pharmaceuticals Finance Manager	permanent	0.75	No

(ii) Particulars of employees posted and working in a country outside India, not being Directors or their relatives, drawing more than sixty lakh rupees per year or five lakh rupees per month, as the case may be, as may be decided by the Board, need not be circulated to the members in the Report, but such particulars shall be filed with the Registrar of Companies while filing the financial statement and the Report.

Not Applicable as no employee was posted in a Country outside India for working on behalf of the Company.

(iii) Particulars of employees drawing remuneration aggregating to Rs.1.02 crores per anum employed during the year 2021-22 and employees drawing remuneration to Rs.8.5 lakhs per month employed for the part of financial year.

S.No	Name of the Employee	Designation	Remuneration per anum (Rs in lakhs)
1.	C.V. Subramanyam	Chairman & MD	287.00
2.	Nanda Padmaraju	President, Sales	204.67
3.	Krishnan Venkatachary	Chief Financial Officer	141.20
4.	Jaya Raghuram K	President, Global Delivery	129.20

Annexure-IV

Employee Stock Option Schemes

Pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and Regulation 14 of SEBI (Share based Employee Benefits) Regulations, 2014 as amended, the details of stock options as on 31st March,2021 under company's Employee Stock Option Schemes are as under:

Sr. No.	Description	Esop Scheme 2011	Esop Scheme 2013	Esop Scheme 2014(I)	ESOP Scheme 2014(II)	ESOP Scheme 2015
1	No of options outstanding at the beginning of the period	-	-	33,750	-	333,750
2	Options granted during the year	-	-	100,000	Nil	200,000
3	Pricing formula	Grant Price is the face value of the Equity shares of the Company, i.e., Rs. 10.00				Market price as defined in SEBI (Share Based Employee Benefits) Regulations, 2014
4	Options vested during the year	-	-	-	-	-
5	Options exercised during the year	-	-	3,750	-	28,750
6	Total number of shares arising as a result of exercise of options	-	-	3,750	-	28,750
7	Options lapsed during the year	-	-	-	-	-
8	Options forfeited during the year	-	-	50000	-	250000
9	Variation in terms of options	N.A.	N.A.	N.A.	N.A.	N.A.
10	Money realized by exercise of options during the year	-	-	-	Rs. 37,500	RS. 6,900,000
11	Total number of options outstanding at the end of the period	-	-	75,000	-	255,000
12	Total no. of options exercisable at the end of the Period	-	-	-	-	-
13	Employee wise details of options granted during the year :					
(i)	Senior managerial personnel	Nil	Nil	Mr. Vinay Rawat Chief revenue officer of Cigniti Technologies Inc; USA a wholly owned subsidiary Company	Nil	Mr. Vinay Rawat Chief revenue officer of Cigniti Technologies Inc; USA a wholly owned subsidiary Company
(ii)	Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during the year.	Nil	Nil	Nil	Nil	Nil

Sr. No.	Description	Esop Scheme 2011	Esop Scheme 2013	Esop Scheme 2014(I)	ESOP Scheme 2014(II)	ESOP Scheme 2015
(iii)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil	Nil	Nil	Nil	Nil
14	Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 – Earning per share.	-	-	Rs. 13.99	Rs. 13.99	Rs. 13.99
15	Method of calculation of employee compensation cost	The Company has calculated the employee compensation cost using the fair value of the stock options.				
16	Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options	Nil	Nil	Nil	Nil	Nil
	The Impact of this difference on profits and on EPS of the Company	Not Applicable	-	Not Applicable	Not Applicable	Not Applicable
17	Weighted-average exercise prices and weighted-average fair values of options, whose exercise price either equals or exceeds or is less than the market price of the stock			The weighted Average exercise price is Rs. 10/- whereas the weighted average fair value is Rs. 462.73/-		The weighted Average exercise price is Rs. 394/- whereas the weighted average fair value is Rs. 190.99/-
18	Description of the method and significant assumptions used during the year to estimate the fair values of options.	The Black Scholes option pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.				
19	The main assumptions used in the Black Scholes option-pricing model during the year were as follows:					
	Risk free interest rate (%)			4.31% to 6.20%		4.31% to 5.39%
	Expected life of options from the date(s) of grant			2-5 years		2-5 years
	Expected volatility (%)			42.98% - 47.40%		42.98% - 46.66%
	Dividend yield (%)	0%	0%	0%	0%	0%

Annexure-V

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Cigniti Technologies Limited, a global leader in providing AI-driven, IP-led, strategic digital assurance, software quality engineering, testing, and consulting services, is headquartered in Hyderabad, India, with offices in the USA, U.K., UAE, Australia, Czech Republic, and Singapore. Leading global enterprises including Fortune 500 & Global 2000, trust us to accelerate their digital transformation, continuously expand their digital horizons and assure their digital next. We bring the power of AI into Agile and DevOps and offer digital services encompassing intelligent automation, big data analytics, cloud migration assurance, 5G assurance, customer experience assurance, and much more. Our IP, next-gen quality engineering platform, BlueSwan helps assure digital next by predicting and preventing unanticipated application failures, thereby assisting our clients in accelerating their adoption of digital.

At Cigniti, we deliver strongly differentiated continuous testing services leveraging our flagship IP, BlueSwan, powered by AI & ML to help you achieve your business outcomes at speed. We continuously invest in our IP and R&D keeping in mind things that are important to you and your customers, to help find the best ways to help you become successful.

Over the last decade, we have helped global enterprises build quality software while improving time-to-market leveraging automation and reducing overall cost of quality.

Our clients hugely benefit from our investments into building India's first of its kind Robotics Test Lab, a cloud-based Mobile Testing Lab, a Cloud-based Performance Test Lab, and an IoT & Smart Meter Lab and multiple CoEs for diverse industries we work with.

Cigniti considers industry verticals as its go-to-market business segments. The key vertical clusters are: Banking, Financial Services & Insurance (BFSI), Retail and Ecommerce, Travel Transportation and Hospitality, Life Sciences and Healthcare others.

Quick Facts

- 3700+ Experienced Professionals
- 60+ Fortune 500 Companies Trust Us
- In fiscal FY'22 Cigniti won large multi-million-dollar deals across BFSI, Retail & Ecommerce, HCLS and ISVs.
- Industry-leading revenue growth of 38.5%

Global Economy: Source IMF World Economy Update April' 22

Global growth is expected to slow from 6.1 in 2021 to 3.6 percent in 2022 and 2023—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. There is a difference in January projection of 0.8 for 2022 and 0.2 for 2023. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. Global growth is expected to slow to around 3.3 percent in the medium term. Commodity price hikes caused by the war and spreading price pressures have resulted in 2022 inflation forecasts of 5.7 percent in advanced economies and 8.7 % in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected in January.

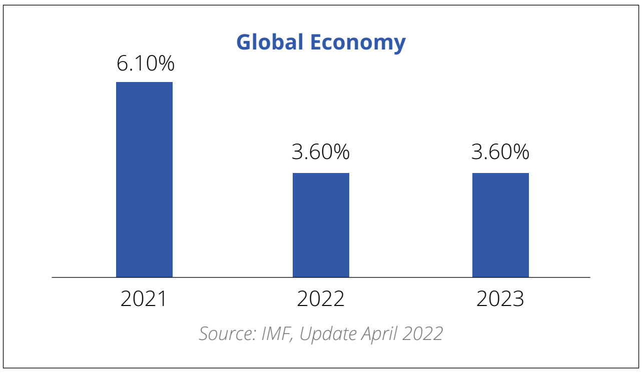


Figure 1: Emerging market trends, 2022

Technology will play a pivotal role in bringing back these numbers in growth path

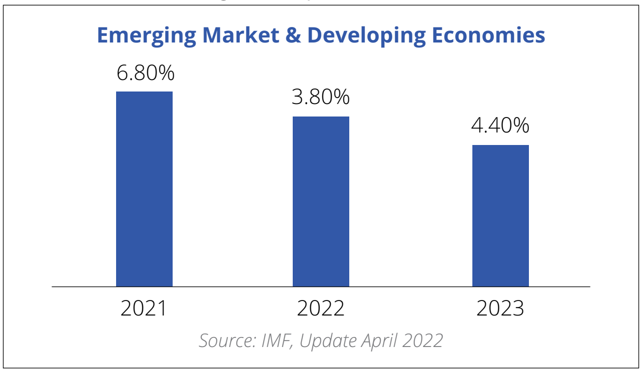
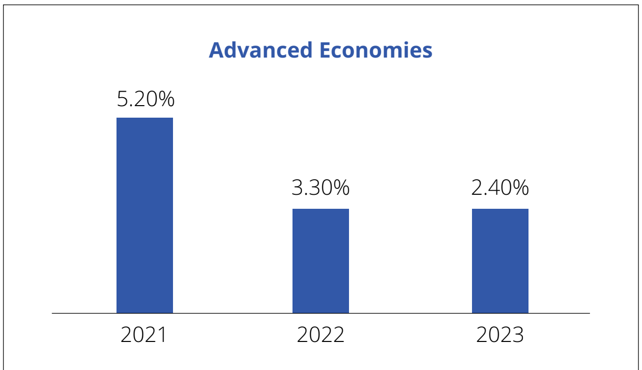


Figure 2: Global Economy growth curve, 2022

Indian Economy

In India, real GDP growth of 9.2 percent for 2021-22 is slightly higher than the level of GDP in 2019-20. Private consumption, the backbone of domestic demand, remains below pre-pandemic levels. The ongoing rise in international commodity prices, the surge in volatility in global financial markets, and global supply bottlenecks can all enhance the outlook's dangers. Inflation has remained close to the upper band of the Reserve Bank of India (RBI) but should ebb as supply chain disruptions are overcome. Considering the pandemic and elevated global commodity prices, the Reserve Bank of India has set the economic growth rate for 2022-23 at 7.8 percent, down from 9.2 percent predicted in 2021-22. Financial markets remain strong and capital inflows support the build-up in reserves.



Source: IMF, Update April 2022

Figure 3: Advanced economies, 2022

Global financial market volatility, rising international commodity prices, particularly crude oil, and ongoing global supply-side disruptions all offer dangers to the outlook.

Global IT Industry

The global information technology (IT) market size is expected to grow from $8.3 Trillion in 2021 to $9.3 Trillion in 2022 at a compound annual growth rate (CAGR) of 11.2%. The growth in the market is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The IT market size is expected to reach $13.9 Trillion in 2026 at a CAGR of 10.3%.

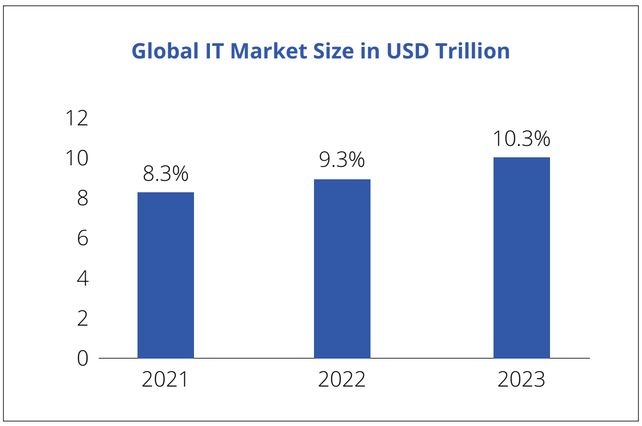
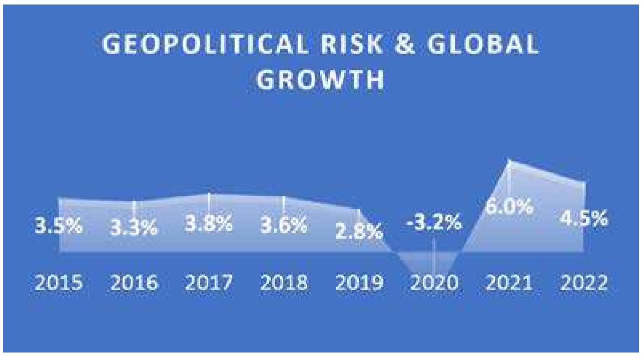


Figure 4: Global IT Market Movement, 2022

Worldwide IT spending is expected to reach $4.5 trillion in 2022, a 5.5 percent rise from 2021. However, digital technology projects continue to be a top strategic business goal for firms as they continue to rethink the future of work, focusing spending on making their infrastructure robust and enabling increasingly complex hybrid work for people as we approach 2022.



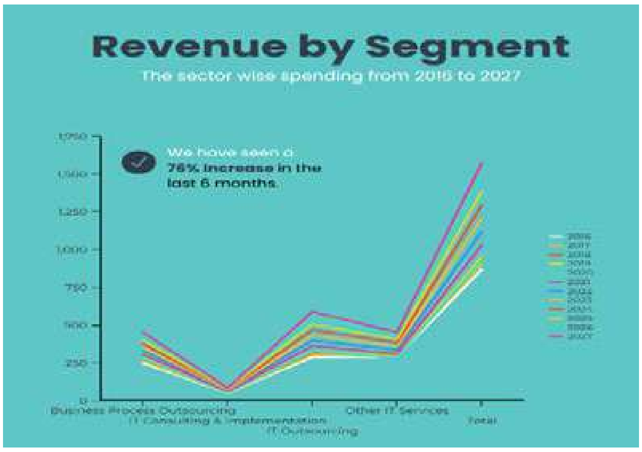
Source: IMF, Update April 2022

Figure 6: Global growth curve, 2022

Software and tech consulting and outsourcing services will see the fastest growth in 2022, outpacing pre-pandemic levels.

According to **Gartner the** Global Tech market will see robust overall 6% growth in 2022. W

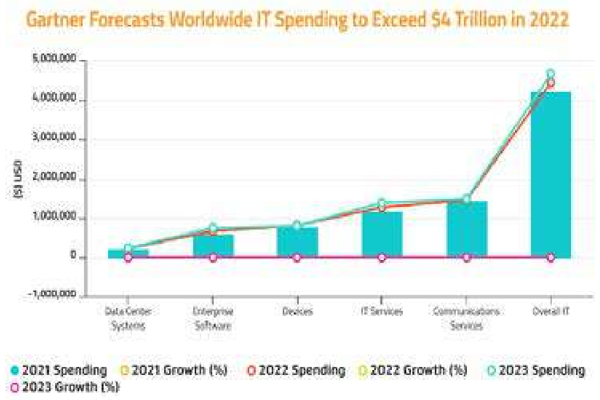
While software business is projected to grow at the rate of 10.5%, IT Services business growth rate is projected as 6.8%.



Source: Gartner

Figure 5: Global IT Market Revenue, 2022

IT services will grow significantly faster than pre-pandemic levels, driven both by digital and cloud investment and the momentum of 2021. Data privacy, software security, and data management services create consulting opportunities. Pure-play digital IT services firms saw the fastest growth, outperforming digital transitioning and legacy IT service providers.



Source: Gartner

Figure 6: IT Spending in the global market, 2022

Indian IT Industry

While the global economy and multiple industries continued to grapple with the challenges thrown up by the extended pandemic, India's technology industry has seen big bang growth in FY2022. The global sourcing market in India continues to grow at a higher pace compared to the IT-BPM industry. India is the leading sourcing destination across the world, accounting for approximately 55% market share of the US$ 200-250 billion global services sourcing business in 2019-20.

Over the next five years, the Indian IT industry is predicted to reach $300-350 billion in sales, rising at a rate of 10% each year. This means that India's $194 billion tech industry will develop at a far quicker rate than the 7.5 percent growth rate seen over the last five years. India's IT and business services market is projected to reach US$ 19.93 billion by 2025. The BPM sector in India currently employs >1.4 million people, while IT and BPM together have >4.5 million workers, as of FY21.

This was primarily because technology became the fulcrum which allowed businesses to not just keep the lights on, but also to accelerate their journey towards becoming future-ready, agile, and resilient.

Evolving Business Landscape

Putting the choice in the customers' hands is no longer an option anymore. Multi-channel and omni-channel experiences need to be carefully crafted for customers, irrespective of the nature of business. New age technologies, especially AI & ML, RPA, IoT, Blockchain etc. are redefining the digital experiences.

Business landscape has evolved from being more conventional to how you are able to serve your customer in better way while leveraging technology. IDC says that by 2026, enterprises that successfully generate digital innovation will derive over 25% of revenue from digital products, services, and/or experiences. This is a clear-cut validation of the fact that digital is the way ahead. This throws a lot of opportunity for service providers like Cigniti who understand the power of software to help enable businesses to become digital-first.

Some of the trends that are driving the current business landscape are:

- **Going Digital:** Increased digital transformation efforts across domains in the post-COVID world
- **Distributed delivery:** Enterprises are opting for hybrid and co-located delivery
- **Experience matters:** Accelerating business through customer-centric digital engineering
- **Automation at Scale:** Constant look out for smart and intelligent automation solutions
- **AI-driven:** Smarter & faster testing with reduced cost & effort
- **Service Partnership:** Improved technology transformations with service providers

We at Cigniti are helping global customer go first digital while working towards enhancing our capabilities in DevOps, Cloud Migration Assurance, 5G Assurance, RPA etc. These enhancement helps in creating better customer experience while automating processes in the system in robust partnership with our channel and OEM partners.

As per NASSCOM current demands trends on technology spending and economic growth point to a positive outlook. FY'2023 is poised to be another growth year for the industry where digital skills will be high on demand. There is huge focus on innovation and partnership across the ecosystem.

Cigniti is well aligned with these trends where we have developed an ecosystem of skill development, digital reskilling and matching to latest technologies. Cigniti's L&D team is focused on investing in upskilling individuals with the latest technology skills and providing them with career paths that match their aspirations by acquiring the best talent available in each of the industry it operates in, providing a supportive and vibrant workplace to engage that talent.

We are doing high investments in innovation added new capabilities to our services as well as our product portfolio. We have launched iNSta which is a low Code/No Code test automation with self-healing, AI-powered Scriptless test automation platform. Scriptless Test Automation enables testers and business users to automate test cases without worrying about the coding. It helps to achieve faster results and reduces the time expended to understand and develop the code, leading to faster TTM, higher ROI and increased coverage with low maintenance.

As per forester IT decision-makers are moving more of their software to the cloud; those whose organizations are migrating to cloud plan to have 58% of their application portfolio on the cloud in two years' time, and 43% have already migrated to the cloud. Cloud software — both multitenant software-as-as-service and single-instance hosted subscription — continues to expand its share of the software market. Public cloud spending is expected to more than double by 2025, with only a fraction of noncritical workloads on the cloud today

At Cigniti we are well aligned with the emerging trends. Cigniti's Cloud Assurance Platform (CLAP) has been built on top of BlueSwan™ to provide comprehensive testing services across the migration lifecycle. The migration assurance platform is a differentiator which helps in gaining access to value-added services across the migration lifecycle by accelerating automation. Our partnership with OEMs such as AWS, Azure, IBM Cloud, Google Cloud etc. helps enterprises in accelerating their cloud journey.

Our capabilities in Cloud and AI led testing has been positioned as a leader in the NelsonHall Vendor Evaluation and Assessment Tool (NEAT) chart 2022 for Overall Quality Engineering, AI and Cognitive Testing, Continuous Testing, and Application Security Testing capabilities, as well as a High Achiever in Cloud Migration Testing and a Major Player in UX Testing capabilities.

We are well aligned in our OEM and Channel partner strategy and continuously leveraging their expertise

Digital Engineering and Digital Assurance

Engineering services have undergone significant transformations in the recent past, with paradigm shifts observed in manufacturing and product development across industry spectrums from automotive and aircraft original equipment manufacturers (OEMs) to healthtech and smart infrastructure systems developers. With the rapid industrial application of AI, machine learning (ML), predictive analytics, IoT, 5G, intelligent automation and other technologies, foundational engineering services such as product innovation, ideation, strategy and design, R&D and testing services, operations, product life cycle management (PLM) and aftermarket services have become digitized.

Travel and Hospitality

The transportation sector comprises two different stories, both influenced by recovery from the pandemic. After a major drop in public transportation passengers last year and a mild recovery this year, CIOs and tech executives in public transportation look at 2022 with greater optimism. Transportation of goods didn't really see a slowdown in 2021 but has been hit by several disruptions, like issues with truck drivers and 2020, these companies' resilience through a greater and better use of technology.

The travel industry, 2022 is about more than simply watching air passenger volumes increase and hotels' occupancy rates pick up as visitors return to cities and beaches. Some trip types will fare better than others, and some demographic groups will lag others. The pandemic has brought changes to the way we live and work. Some of those changes are likely to continue to affect travel once the health crisis subsides.

Cigniti's domain expertise in T&T enhances customer experience, while our Hospitality TCoE provides deep product testing for restaurant service. Our association with world's some of the largest Hospitality giants makes us expert in this field.

Retail and Ecommerce

The past few years have been a roller coaster for the e-commerce industry. 2020 was a year like no other with record sales, up 45% from 2019, much of it due to the partial or entire closure of brick-and-mortar sales channels.

Then, in 2021, as pandemic concerns abated and traditional stores re-opened, e-commerce sales settled back into a more realistic growth rate of 17% year-over-year. That's still an impressive trajectory that looks set to continue. By 2025, online purchases are expected to accelerate at a healthy clip, reaching nearly 24% of total retail sales.

By far the more vibrant and forward-thinking of the two consumer areas is retail consumer goods online. It had an 18% proportion of total worldwide retail sales in 2020 and is expected to expand at a rate of more than 1% per year, hitting a nearly 22% share of total global retail sales by 2024. Online sales are likely to increase further and take a larger share of the retail pie. By 2025, global retail online sales are expected to exceed $7.3 trillion, with ecommerce accounting for 24.5 percent of total retail sales.

Cigniti's experience in Retail Testing has enabled multi-channel retailers transform their businesses through a quality-optimized, results-driven strategy, leveraging an unbiased quality engineering approach, customized retail testing frameworks & solutions, and a strong domain expertise. Some of the largest retailers are already utilizing our capabilities.

Healthcare and Life Science

The best healthcare companies are responding to disruption with digital and innovation initiatives that enable new business models, address the challenges of increasing demand and escalating costs. As the healthcare landscape changes, providers are embracing technology to help improve patient outcomes. This is especially true when it comes to acute and chronic disease management. Finding more consumer-facing solutions that are hybrid models, including both face-to-face and telemedicine, could be the future, while making telemedicine more mainstream and improving consumer access. Challenges will continue to emerge regarding the best way to use telemedicine effectively, but more virtual options are likely on their way.

The following three years are predicted to be less favourable for the healthcare industry's economics, with profit pools more likely to remain flat. COVID-19 may result in economic headwinds and a realignment of system funds. Current unemployment statistics (6.9 percent as of October 2020) imply that some people may opt out of employer-sponsored insurance in favour of other possibilities. When compared to the pre-COVID-19 trend, it is anticipated that between $70 billion and $100 billion in financing will depart the healthcare system by 2022. Coverage transfers out of employer-sponsored insurance, product buy-downs, and state Medicaid pricing pressures are driving the outflow, which is largely countered by rising federal funding in the form of subsidies and cost sharing in the Individual market.

Cigniti offers software testing solutions for diverse life science and healthcare players such as hospitals, pharmaceutical companies, healthcare services, clinical labs, diagnostic centers, third-party administrators etc. During the COVID-19 we have been one the vendor who supported with trials of the applications when it was critical to meet the demand of the world which only technology was able to fulfill. Our expertise in this domain and quick response to the change makes some of the leading Healthcare and Pharma companies trust us in North America and European region.

Banking, Financial Services and Insurance

The banking sector has largely weathered the pandemic crisis. While revenues remain squeezed by low interest rates and sluggish loan growth, this will change on the back of rising consumer spending and inflation. In 2022, to make the most of the recovering market, banks will shift gears, ramping up their spending on technology, talent, and fintech. Keen to maintain the digital momentum gained during the pandemic and to fend off competition, banking executives will pursue innovation by launching new digital and sustainable products, unlocking the potential of open finance, evolving their business models, and experimenting with digital currency initiatives

Cigniti's Financial domain competency group (DCG) has in-depth experience in testing Fintech applications covering the spectrum of Capital Markets, sophisticated Order Management Systems interlaced with Smart Order Routers, and intricate Execution Management Systems. This helps you assure the best user-experience to your customers consistently. Additionally, Cigniti's repertoire of proprietary tools, reusable artifacts, & automation framework can positively impact your time-to-market significantly.

Human Resources

HR is critical in ensuring that our most valuable asset, employees, are empowered, enabled, and supported in driving our key business objectives. Our employee, Our policies, processes, and practices are centered around to attract, engage, empower, and retain the best and the brightest talent. Over the last year, HR has focused on continuous process reengineering, automation and bringing in innovative ways of employee engagement. Detailed review of HR activities is covered on page no. 30 to 35.

Corporate Social Responsibility

Corporate Social Responsibility has been a core part of Cigniti's business strategy, rallying our global employees under a common purpose and giving them opportunities to contribute and bring about positive change.

Cigniti's Corporate Social Responsibility program under the name 'Project Significance' focuses on two pillars: Education and Health. Our programs largely encompass and support the aspirations of the community we work for and live in. These include ensuring that each child studying in government schools gets better access to education, creating digital platforms for students to discover the exciting world of science, supporting the aspirations of young girls through scholarships; and building the health infrastructure of our country through medical equipment support and revamping government hospital ICU wards in rural areas of Karnataka and Telangana. All these initiatives are aimed at improving and enhancing the lives of the less privileged. Our employees have continued to embrace Cigniti's belief in giving back to society by being an active part of our teaching and mentoring programs.

Cigniti's Corporate Social Responsibility initiatives have strengthened more than ever before. We have now not only reached out to around 2,00,000 people and positively impacted their lives so far, but have also collaborated successfully with our various partners to implement our initiatives to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all as part of sustainable development goals. Through its focused Corporate Social Responsibility programs, we ensure that our support reaches out to the neediest communities for their well-being and will continue to strategize and measure the outcomes constantly so that the impact is sustainable.

Some of the significant key achievements:

15,000 specially designed Telugu and English Workbooks and Notebooks were distributed to the students in 13 government schools.

51% of the total beneficiaries were girls. Education of girls gets priority by bringing about an attitudinal change in the parents' outlook towards their education.

- 90% children supported through these programmes were able to develop class appropriate minimum learning levels.

- 40% reduction in dropout rates after the introduction of activity and game-based learning methods.
- 50% increase in the regular attendance due to various interventions such as availability of toilets, safe drinking water, proper health checkup, sports facility etc.
- 50% were able to develop the basics of computer fundamentals and usage of technology to continue their studies.
- 1,00,000 lakh people were directly benefitted through COVID 19 relief support and healthcare intervention program.

Outlook

We have appointed software industry leaders Vinay Rawat as the Chief Revenue Officer and Sairam Vedam, Chief Marketing Officer to strengthen our leadership team. This year in FY23, the board has approved to acquire Apaara Digital (RoundSqr), an AI/ML, Data Analytics and Blockchain Engineering Services company to offer digital engineering services to our customers. With the above-mentioned developments, and with our continued focus to grow existing clients and offer innovative solutions, I am confident that we are all set to accelerate the next phase of our growth.

Risks and concerns

While the U.S. contributes to a major of Cigniti's revenue, Cigniti has also been steadily expanding across geographies such as Europe & Asia Pacific and focusing on strategies to enhance revenues from existing geographies. Besides USA, Cigniti also has offices in UK, UAE, Czech Republic, Singapore, South Africa and Australia to add new logos and deepen its presence in the existing accounts from these geographies.

Internal Controls

The Company has framed satisfactory internal controls and governance within the company as detailed elsewhere in this annual report.

Opportunities & Threats

As mentioned in the Chairman's message, CEO's Review and in further discussions made in the Management Discussion and Analysis section (MD&A), there is ample growth opportunity for the company in the independent software testing services business market. The company looks forward to technologically advanced innovations for mitigating its business threats. The company consistently invests in future technologies along with getting accredited by the leading industry technology analysts.

Review of Financial Performance

Revenue

Revenue for the current year was at Rs. 45,552 lakhs , a growth of 46% as compared to the FY 2020-21.

EBITDA

The EBITDA for the year stood at Rs. 5,650 lakhs as against Rs.6,084 lakhs in the previous year , decreased by 7%.

Earnings Per Share

The EPS (Basic) of the Company stood at Rs. 14 in FY 2021-22 as against Rs. 19.52 in FY 2020-21.

Profit After Tax

The Company has reported Profit After Tax (PAT) of RS. 3,926 lakhs in the FY 2021-22 as against Rs. 5,444 lakhs in the previous year.

Financial Ratios

Following are ratios for the current financial year and their comparision with preceeding financial year,

along with explanations where the change has been 25% or more when compared to immediately

preceeding financial year:

S. No	Ratio	March 31, 2022	March 31, 2021	% change	Reason for variance
1	Current ratio	4.35	5.30	-18%	
2	Debt- Equity Ratio	0.14	0.13	10%	
3	Debt Service Coverage ratio	6.79	6.94	-2%	
4	Return on Equity ratio	11%	17%	-37%	Note (a)
5	Trade Receivable Turnover Ratio	5.24	3.86	36%	Note (b)
6	Trade Payable Turnover Ratio	34.61	24.30	42%	Note (c)
7	Net Capital Turnover Ratio	1.64	1.16	41%	Note (d)
8	Net Profit ratio	9%	18%	-51%	Note (a)
9	Return on Capital Employed	13%	16%	-19%	

Notes:

a) Change in ratio is due to decrease in net profit on account of increase in salary cost and other general and administrative expenses.

b) Change in ratio is due to revenue growth and improvement in collections from customers.

c) Change in ratio is due to increase in business/operations during the year.

d) Change in ratio is due to revenue growth along with higher efficiency on working capital improvements.

Annexure-VI

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Chairman's Message

This is the decade of delivering on the promise of digital and technology. A time to redefine growth and work in new ways to help address the unprecedented challenges that the world is facing – such as the future of work, climate change, equality, and responsible innovation.

The digital networks and applications are the building block of the new economy and we at Cigniti provide assurance services meeting the demanding customer expectations while conducting the business in a responsible manner. We take pride in being nimble and hungry in bringing innovation in everything we do.

Cigniti Technologies Limited is guided by the values Collaborative, Assertive, Passionate, Innovative, Transparent & Learning (CAPITAL) across all our relationships with clients, stakeholders, and associates. We strongly believe that our vision "to help companies improve the quality of software being delivered worldwide" can be achieved by maintaining the highest standards of corporate ethics and good governance practices while keeping our core values intact. At Cigniti, how we achieve success is as important as success itself. Our governance structure, well-defined Code of Business Conduct and Ethics, and our CAPITAL values are all designed to help ensure that our people live by our core values.

The Paris Agreement on climate change commits world leaders to act to limit global temperature rise to below 2°C above pre-industrial levels and calls for efforts to pursue a more challenging target of a maximum 1.5°C increase. Climate scientists now recommend keeping below 1.5°C to avoid some of the worst impacts, as highlighted in the recent International Panel on Climate Change Special Report on Global Warming. Energy conservation has always been a very important part of our operations.

As much as we are passionate about solving clients' problems, we are as much passionate about giving back to the society. Our Corporate Social Responsibility work has been our way to reach out to communities, understand their needs, and be a socially responsible organization. Cigniti has been associated with GMR Varalakshmi Foundation to provide quality education to the underprivileged children and support building better infrastructure at schools run by local governments. We have collaborated with the Khan Academy and created 1000s of videos relevant to the Indian context so that children across a wide socio-economic background can have access to learning.

We also supported the Belagavi Institute of Medical Sciences (BIMS) in Karnataka and the Maternity and Child Health Center in Nalgonda district with the distribution of medical equipment and the renovation of ICU units in collaboration with Nirmaan Organisation.

This ward is going to benefit around 30,000 people in a year and treat over 1,000 infants from marginalized communities.

Finally, I am very grateful for having such dedicated and exceptional people around the world advancing our Values. They were the reason for our resilience in 2021-22 and will also be the key to our success in the years ahead. As mutual stakeholders in a sustainable future, we are working towards growth and success for all.

Your Truly,
C.V. Subramanyam
Chairman & Managing Director

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	-	L72200TG1998PLC030081
2.	Name of the Listed Entity	-	Cigniti Technologies Limited
3.	Year of Incorporation	-	1998
4.	Registered Office Address	-	Suit No.106 & 107, 6-3-456/C, MGR Estates Dwarakapuri Colony, Panjagutta, Hyderabad - 500082. Telangana State
5.	Corporate Address	-	6th Floor, ORION Block, "The V" (Ascendas), Plot No# 17, Software Units Layout, Madhapur, Hyderabad – 500 081.
6.	E-mail id	-	company.secretary@cigniti.com
7.	Telephone	-	+91 (040) 40382255
8.	Website	-	www.cigniti.com
9.	Financial year for which reporting is being done	-	2021-22
10.	Name of the Stock Exchange(s) where shares are listed		BSE Ltd (BSE) National Stock Exchange of India Limited (NSE)
11.	Paid up Capital (INR)	-	INR 28.05 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	-	
	Name		Mr. Midhun Pingili
	Designation		Senior Director, Marketing
	Telephone number		8886093093
	E-mail id		Midhun.pingili@cigniti.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)		The disclosures under this report has been made on standalone basis, unless specified in a particular disclosure.

II. Products / Services

14. Details of business activities (accounting for 90% of the Turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Technical Testing and Analysis	Cigniti Technologies provides Specialized Quality Engineering Services. It offers Services including, Digital Assurance, Quality Engineering, Quality Assurance, and Advisory and Transformation	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total contributed	Turnover
1.	Technical Testing and Analysis	71200	100%	

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	2	2
International	0	12	12*

*Cigniti Technology Limited has 12 international offices including overseas subsidiaries.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	National Market
International (No. of Countries)	24

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributes 96% of the total turnover of the entity on standalone basis.

c. A brief on types of customers

Cigniti offers services to Large Enterprise Clients. Cigniti has a client base of 230+ enterprise clients, with 50+ Fortune 500 customers.

IV. Employees

18. Details as at the end of 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)	2890	1955	68%	935	32%
2.	Other than Permanent (E)	107	66	62%	41	38%
3.	**Total employees (D + E)**	2997	2021	67%	976	33%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	1	1	100%		
2.	Other than Permanent (E)					
3.	**Total employees (D + E)**	1	1	100%		

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.28%
Key Management Personnel	4	1	25%

20. Turnover rate for permanent employees and workers

	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33.22%	36.63%	34.28%						

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Cigniti Technologies Inc., USA	Subsidiary	100%	No
2.	Cigniti Technologies (UK) Limited.	Subsidiary	100%	No
3.	Cigniti Technologies (Australia) Pty Ltd.	Subsidiary	100%	No
4.	Cigniti Technologies Canada Inc.	Subsidiary	100%	No
5.	Gallop Solutions Private Limited.	Subsidiary	100%	No
6	Cigniti Technologies (SG) PTE. LTD	Subsidiary	100%	No
7	Cigniti Technologies (CZ) Limited s.r.o.	Subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)** YES

(ii) Turnover (in Rs.) 455.51 Crores

(iii) Net worth (in Rs.) 383.26 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

    No complaints have been received from any stakeholders. All the policies / grievance redressal are available on https://www.cigniti.com/policies/

    Complaints from stakeholders like community, suppliers and contractors are addressed by relevant Departments on a case to case basis.

24. Overview of the entity's material responsible business conduct issues

    Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Training & Skill Development of employees	Opportunity	Our Learning & Development Team organizes several technical and personality development trainings for employees to upskill and make them be ready for any challenge they face. We also collaborate with our external partners to train our employees on latest tools and technology.	Not Applicable	Not Applicable
2.	Environmental Sustainability	Risk	With Global Warming happening the environmental sustainability has become very important for all businesses.	We comply with applicable legal requirements which relate to our environmental aspects. The company prevents pollution, reduces waste and minimizes the consumption of resources. We educate, train and motivate employees to carry out tasks in an environmentally responsible manner and encourage environmental protection among suppliers.	Not Applicable

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.

We have implemented following policies towards adopting National Guidelines on Responsible Business conduct (NGRBC):

Principle P1: Transparency & Accountability
Code of Business Conduct and Ethics
Code of Conduct for Senior Management
Vigil Mechanism
Code of Conduct for Prevention of Insider Trading & Fair Disclosure

Principle P2: Product Responsibility
Environment Policy

Principle P3: Employee Development
Code of Business Conduct & Ethics Policy
Health & Safety Policy

Principle P4: Stakeholder Engagement
Corporate Social Responsibility Policy

Principle P5: Human Rights
Code of Business Conduct & Ethics Policy
Sexual Harassment Policy
Modern Slavery Statement

Principle P6: Environment Principle
Environment Policy

Principle P7: Policy Advocacy
Code of Business Conduct & Ethics Policy

Principle P8: Inclusive Growth
Corporate Social Responsibility Policy

Principle P9: Customer Value
Code of Business Conduct & Ethics Policy

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**
b. Has the policy been approved by the Board? (Yes/No)	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**
c. Web Link* of the Policies, if available	https://www.cigniti.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies have been formulated and implemented in accordance with National Guidelines on Responsible Business conduct, requirements of the Companies Act, 2013 and SEBI regulations. aligned with the internationally renowned quality standards and models like ISO 9001:2015, ISO 27000:2013, AS9100D, ISO 13485:2003, ISO 22163:2017(IRIS), TL9000R 5.5, ISO 140001:2015, BS-OHSAS 18001-2007 and CMMI-DEV Version1.3 Level 5.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	- Not Applicable -								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) - **CMD Message is at the beginning of the report**									

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. C. V. Subramanyam, (Chairman & Managing Director)								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Implementation and oversight of the Business Responsibility Policies and the decision making on sustainability related issues is the responsibility of the Corporate Social Responsibility Committee of the Board of Directors, which comprises of following members as on March 31, 2022: Ms. Nooraine Fazal – Independent & Non Executive Mr. Srinath Batni - Independent & Non Executive Mr. C. V. Subramanyam – Promoter & Executive Mr. C. Srikanth - Promoter & Non-Executive								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes, The Corporate Social Responsibility Committee of the Board / CMD has reviewed the performance against above policies.									The frequency of review is annual.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances.	Compliance with statutory requirements of relevance to the principles have been carried out by the relevant committees of the Board.									The frequency of review is quarterly.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

The evaluation of the working of its policies by been done internally.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-----------Not Applicable------------								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

   The employees of the company undergo various training programs on various topics. Board and KMPs are apprised about the changing requirements from time to time in the Board meeting and Management meetings. Structured training program on the nine principles of Responsible Business conduct will be done during the FY 2022-23.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

   No such fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings either by the entity or by directors / KMPs.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   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.

   Cigniti Code of Business Conduct and Ethics policy provides a detailed guidance on the business ethics, values, policies and procedures to prevent bribery in all the activities and business dealings of Cigniti Technologies Ltd. It sets forth the policy of zero tolerance of bribery applicable to the organization and its subsidiaries who have an obligation to have adequate procedures for monitoring, detecting, preventing and punishing any violations of the Anti-bribery laws and other anti-corruption laws.

   All the policies are accessible at https://www.cigniti.com/policies/

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

   No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors / KMPs/ Employees.

6. Details of complaints with regard to conflict of interest:

   No complaint was received with regard to conflict of interest of the Directors, KMPs or any other employee.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not Applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

   The company provides technical services and is not in business of producing any product with environmental impact. However, Cigniti is committed to protecting the environment of the Earth and related resources. To minimize environmental impacts concerning Cigniti's services and activities, we:

   - Comply with applicable legal requirements and other requirements which relate to its environmental aspects.
   - Prevent pollution, reduce waste and minimize the consumption of resources.
   - Educate, train and motivate employees to carry out tasks in an environmentally responsible manner.

• Encourage environmental protection among suppliers.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   b. If yes, what percentage of inputs were sourced sustainably?

   Not applicable considering that the sourcing of materials is not significant part of the company's operations.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Not applicable in view of the nature of the business of the company

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Extended Producer Responsibility (EPR) is not applicable to the entity's activities.

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	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1955	1955	100%	1955	100%	NA		1955	100%	0	0%
Female	935	935	100%	935	100%	935	100%	NA		0	0%
Total	2890	2890	100%	2890	100%	935	100%	1955	100%	0	0%
Other than Permanent employees											
Male	66	0	0%	0	0%	0	0%	0	0%	0	0%
Female	41	0	0%	0	0%	0	0%	0	0%	0	0%
Total	107	0	0%	0	0%	0	0%	0	0%	0	0%

   b. Details of measures for the well-being of workers: Not Applicable

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2020-21			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	97%	97%	Y	96%	96%	Y
Gratuity	97%	97%	Y	96%	96%	Y
ESI	Not Applicable					
Other - Pls. specify						

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the office is accessible for persons with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. All the policies of the company are accessible on https://www.cigniti.com/policies/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	The grievance redressal mechanism is available in the Code of Business Conduct & Ethics Policy
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

We do not have any employee association recognised by management.

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	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	2021	165	8%	528	26%	1958	28	1%	597	30%
Female	976	72	7%	698	72%	783	9	1%	229	29%
Total	2997	237	8%	1226	41%	2741	37	1%	826	30%

9. Details of performance and Career development reviews of employees:

Category	FY 2021-22			FY 2020-21		
	Total Employees	Total Performance Review done	%	Total Employees	Total Performance Review done	%
Male	2021	1955	97%	1958	1470	75%
Female	976	935	96%	783	639	82%
Total	2997	2890	96%	2741	2109	77%

10. Health and safety management system:

    a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

    b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

    c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

    d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

    Yes

    First aid kits are provided on all floors reception. Wheel Chairs are placed on floors. Ambulance is being arranged by BMS team for campus. Sick Rooms are available for employees.

    ERT Team at office are trained at office by external team for:

    - Taking appropriate personal protective measures.
    - Advising employees in the area of any potential threat and / initiate evacuation procedures when required.
    - Restrict access to the incident scene or effected area and surrounding area as the situation demands.
    - Take any other steps necessary to minimize any threat to health and safety of the employees.
    - Request medical assistance, if necessary or perform Basic Life support(BLS) activities.
    - Evaluate the severity, potential Impact, safety concerns, and response requirements based on the initial information provided by the first person on-scene.
    - Communicate and provide incident updates to company management, as appropriate.

11. Details of safety related incidents, in the following format:

    No recordable safety related incidents has happened during the FY 2021-22.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    Explained under point no. 10 above

13. Number of Complaints on the following made by employees and workers:

    No complaints have been received by the company during the last 2 years. All the queries of employees are responded by the HR function in a timely manner.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	All the offices were assessed for health, safety and working condition as part of the business operating processes.
Working Conditions	

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

    Not Applicable as no significant risks / concerns arising from assessments of health & safety practices and working conditions

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Cigniti Technologies Limited acknowledges its responsibility towards the society and supports inclusive growth and equitable development of all its stakeholders. We strongly believe in growing together responsibly leading to success of our business. We aim at balancing the needs and address the concerns of our stakeholders and endeavours to take into the consideration of the impact it has on the environment, society and the community.

2. the society and as documented/detailed 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
Customers	No	Customer Meetings, Customer Feedback, Website, Product Catalogues,	Ongoing	Customer Satisfaction, Product Quality,
Employees	No	Notice Boards, Website, Employee Survey feedback, Annual Performance Review, Meetings, Trainings	Ongoing	Working condition, employee performance, Employee Satisfaction
Community, NGOs	Yes	Corporate Social Responsibility engagements, Meeting with community representative	On going	Welfare of the community,
Investors & Shareholders & Analysts	No	AGM, Investor meets, Investor Grievance redressal mechanism	On going	Business Strategies and Performance
Regulatory Bodies	No	Compliance Reports	On Going	Compliance with the Law of the land

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

We abide by the spirit of the Fundamental Rights and Directive Principles of State Policy of the Indian Constitution which acts as our guiding framework for promoting human rights. We strictly adhere to the human rights laws and guidelines of the International Bill of Human Rights. Cigniti Technologies has also published a Modern Slavery Statement on the corporate website, which outlines the steps that the company has taken to ensure that there is no modern slavery in our business and supply chains. In addition to ensuring compliance with the applicable laws, this demonstrates Cigniti's commitment to transparent business practices and commitment to protection of workers' rights.

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. employees of / workers covered (D)	% (D / C)
	Employees					
Permanent	2890	1813	63%	2465	614	25%
Other than permanent	107	101	94%	276	30	11%
Total Employees	2997	1914	64%	2741	644	24%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Total (A)	FY 2021-22				Total (D)	FY 2020-21			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
						Employees				
Permanent										
Male	1955	0	0%	1955	100%	1761	11	1%	1750	99%
Female	935	0	0%	935	100%	704	0	0%	704	100%
Other than Permanent										
Male	66	1	2%	64	98%	197	0	0%	197	100%
Female	41	0	0%	41	100%	79	0	0%	79	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	28,679,700.00	1	N.A since female director is not drawing any remuneration
Key Managerial Personnel	4	INR 1,97,28,900	1	INR 17,10,696
Employees other than BoD and KMP	1949	INR 15,72,607	929	INR 11,72,408

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)**

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   Considering the nature of business as of now we don't have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business.

6. Number of Complaints on the following made by employees and workers:

   There have been no complaints made by employees during the last 2 years.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The Code of Business Conduct & Ethics and Whistle Blower Policy provides the mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases.

8. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

   No. We are studying this requirement and we are findings the most relevant clauses to be included in the agreements.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	**100%**
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	

All the assessments have been done by the entity during the course of operations of business.

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

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	4156 GJ	3904 GJ
Total fuel consumption (B)	617 GJ	747 GJ
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	4773 GJ	4651 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	10.5 GJ/Crores of Turnover	15 GJ/Crores of Turnover
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the Company is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water	4677 KL	3974 KL
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4677 KL	3974 KL
Total volume of water consumption (in kilolitres)	4677 KL	3974 KL
Water intensity per rupee of turnover (Water consumed / turnover)	10.27 KL / Crores of Turnover	12.78 KL / Crores of Turnover
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Not applicable. Water is recycled as per the practices of the office building maintenance agencies.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

   Air emissions (other than GHG emissions) by the entity are insignificant and not being tracked.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

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	45.7	55.4
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	912	856.7
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 Equivalent / Crores of Turnover	2.1	2.9
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   Energy Consumption is the main source of Green House Gas Emission for the company. Cigniti is committed to protecting the environment of the Earth and related resources. To minimize environmental impacts concerning Cigniti's services and activities, we:

   a) Comply with the applicable legal requirements with respect to environment.
   b) Prevent pollution, reduce waste and minimize the consumption of resources
   c) Educate, train and motivate employees to carry out tasks in an environmentally responsible manner
   d) Encourage environmental protection among suppliers
   e) Perform regular performance reviews to ensure that environmental objectives are met.

8. Provide details related to waste management by the entity, in the following format:

   Considering the nature of the business the waste generation is not significant and is disposed of in a responsible manner by the building maintenance agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   Our waste management approach is based on the philosophy of Reduce, Reuse and Recycle. We seek to uphold our ambition of zero waste to landfills. We follow a process of waste segregation at source through which the entire volume is treated or disposed of in line with applicable legislative requirements.

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:

    None of our offices are in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The operations of the company are not covered by the 2006 notification on Environmental Impact Assessment.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

    Yes, the company is compliant with all applicable environmental laws / regulations / guidelines in India.

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.

   6 (One)

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	National Association of Software and Service Companies	National
2.	Indo-American Chambers of Commerce	National / International
3.	National HRD Network	National
4.	Society of Cyberabad Security Council	State
5.	HYSEA	State
6.	All India Management Association	National

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.

   No requirement of Social Impact Assessments (SIA) of projects was applicable to the company.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

   There was no project involving R&R during the FY 2021-22

3. Describe the mechanisms to receive and redress grievances of the community.

   Considering the nature of the business, any concern/ grievance from the community is dealt with by respective departments on a case to case basis. No complaints / concerns have been raised by community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

   We are consciously incorporating sustainable and local sourcing in our supply chain as far as possible

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

The company is committed to creating and delivering engineering services and solutions that exceed customer expectations and enhance the level of business profitability. We consistently strive forth to ensure higher customer satisfaction by our efforts in product innovation, R&D activities and ensuring enhanced life-cycle of the product.

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

   Considering the nature of the business, this is not applicable.

3. Number of consumer complaints in respect of the following:

   No complaints from customers were received during the last 2 years. The company is committed to creating and delivering engineering services and solutions that exceed customer expectations and enhance the level of business profitability of clients through our efforts in product innovation, R&D activities and effective quality management systems.

4. Details of instances of product recalls on account of safety issues:

   Not applicable to our operations

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

   Yes, the company has data privacy policy. We acknowledge the needs of the client in protecting their personal and confidential data during their dealing with us. Cigniti's privacy policy strives to protect its own data and client's intellectual property and provide seamless services in the areas of consulting, software product development and software testing. We accomplish this by addressing the following objectives:

   - Maintaining the confidentiality, integrity and availability of sensitive information in the company with minimal to no disruptions
   - Proactively initiating business continuity practices to minimize the system failures and interruptions to business

   We have multi-level security implemented to sustain the IT compliance.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No regulatory action has ever been done regarding advertising, essential services, cyber security, data privacy or product recalls.

Annexure-VII

FORM MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To,
The Members,
Cigniti Technologies Limited
Suit No.106 &107, 6-3-456/C,
MGR Estates Dwarakapuri Colony
Panjagutta, Hyderabad – 500082

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cigniti Technologies Limited (hereinafter called 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, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made 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 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st 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;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (f) 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;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

  (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

(vi) The Management has identified and confirmed the following laws as being specifically applicable to the Company:

  (a) Information Technology Act, 2000 and the rules made thereunder.

  (b) Software Technology Parks of India rules and regulations

(vii) I have also examined compliance with the applicable clauses of the following:

  (a) Secretarial Standards issued by The Institute of Company Secretaries of India;

  (b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and no members have dissented to any of the Resolutions.

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.

During our Audit for the period under review we observe the following:

1. The Company has to file Annual Performance Report (APR) with RBI on or before 31st December 2021. However the Company could not file APR for some of the subsidiaries, as it has not yet received the UIN from RBI regarding investments in the said subsidiaries.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935D000262226

Place: Hyderabad
Date: 04.05.2022

Annexure- A to Secretarial Audit Report

To,
The Members,
Cigniti Technologies Limited
Suit No.106 &107, 6-3-456/C,
MGR Estates Dwarakapuri Colony
Panjagutta, Hyderabad – 500082

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness 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 processes and practices we followed provide a reasonable basis for our opinion.
3. I have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935D000262226

Place: Hyderabad
Date: 04.05.2022

Annexure-VII

Certificate on Compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of
Cigniti Technologies Limited
Suit No.106 &107, 6-3-456/C, MGR Estates
Dwarakapuri Colony Panjagutta, Hyderabad - 500082

I have examined the compliance of conditions of corporate governance by Cigniti Technologies Limited (The Company) for the financial year ended March 31, 2022, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 1, 2021 to March 31, 2022.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935D000262171

Place: Hyderabad
Date: 04.05.2022

CORPORATE GOVERNANCE

Cigniti Technologies Limited (CTL) is committed to best practices in the area of Corporate Governance. Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all stakeholders.

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc.

Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is backed by principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. CTL's Corporate Governance policies ensures, among others, the accountability of the Board of Directors and the importance of its decisions to all its participants viz employees, investors, customers, regulators etc. The Company respects the inalienable rights of the shareholders to information on the performance of the Company. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

Date of Report

The information provided in the Report on Corporate Governance for the purpose of uniformity is as on 31st March, 2022. The Report is updated as on the date of the report wherever applicable.

1. BOARD COMPOSITION AND CATEGORY OF DIRECTORS

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors are as follows:

Promoter, Executive Director	Mr.C.V.Subramanyam
Promoter, Non-Executive Director	Mr. C. Srikanth
Independent Directors	1. Mr. Ram Krishna Agarwal 2. Mr. Phaneesh Murthy 3. Mr. Srinath Batni 4. Ms. Nooraine Fazal
Non-Executive Non-Independent Directors	Mr. K. Ch. Subba Rao

Mr. C. Srikanth is the son of Mr. C.V. Subramanyam. None of the other directors is related to any other director on the Board.

The Company is managed and controlled through a professional body of Board of Directors which comprises of 7 members (including four independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 committees across all the Companies in which he/she is a Director. The Board has been enriched with the advices and skills of the Independent Directors. The composition of the board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. During the year, the Board of Directors duly met 6 (six) times on 29.04.2021, 07.06.2021, 23.07.2021, 21.10.2021, 01.12.2021 and 28.01.2022 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

B. The names and categories, inter personal relationship of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting (AGM), as also the details of Directorships across all Companies and Committee membership/chairpersonship held by them are given below:

S. No	Name of the Director	Designation	Attendance of meetings held on						Attendance at last AGM held on 04.06.2021	No of equity shares held
			29.04.2021	07.06.2021	23.07.2021	21.10.2021	01.12.2021	28.01.2022		
1	Mr. C.V. Subramanyam	Promoter Chairman & MD	Y	Y	Y	Y	Y	Y	Y	3235165
2	Mr. C. Srikanth	Promoter Non-executive Director	Y	Y	Y	Y	Y	Y	Y	2500000
3	Mr. Ram Krishna Agarwal	Independent & Non-executive Director	Y	Y	Y	Y	Y	Y	Y	Nil
4	Mr. Phaneesh Murthy	Independent & Non-executive Director	Y	N	Y	Y	Y	Y	Y	Nil
5	Ms. Nooraine Fazal	Independent & Non-executive Director	Y	Y	Y	Y	Y	Y	Y	Nil
6	Mr. Srinath Batni	Independent & Non-executive Director	Y	Y	Y	Y	Y	Y	Y	Nil
7	Mr. K. Ch. SubbaRao	Non-Independent & Non-executive Director	Y	N	Y	Y	N	N	Y	25000

C. Details of skills / expertise / competence matrix of the Board of Directors:

Skill Description	C.V. Subramanyam	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni	K.Ch. Subba Rao	Nooraine Fazal	C.Srikanth
Leadership Innate leadership skills including the ability to represent the organization and set appropriate Board and organization culture. Demonstrated strengths in talent development, succession planning and bringing change and long term future growth.	Y	Y	Y	Y	Y	Y	Y
Strategic Planning and Analysis Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long-term objectives and the organizations' relevant policies and priorities.	Y	Y	Y	Y	-	-	Y
Technology Reasonable knowledge and experience in technology with an ability to foresee technological trends and changes, apply new technology and bring about innovations in business strategies.	Y	-	Y	Y	-	-	Y

Skill Description	C.V. Subramanyam	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni	K.Ch. Subba Rao	Nooraine Fazal	C.Srikanth
Governance Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of shareholder interests.	Y	Y	Y	Y	Y	Y	Y
Financial Wide ranging knowledge and financial skills, oversight for risk management and internal controls and profi ciency in financial management and financial reporting processes.	Y	Y	Y	Y	Y	Y	Y
Diversity An appropriate mix of varied cultures, ethnicity, geography, gender, age, philosophies, life experiences and other diversity perspectives that expand the Board's understanding of the needs of diverse stakeholders and a better ability to respond to changes.	Y	Y	Y	Y	Y	Y	Y
Mergers & Acquisitions Significant experience in mergers and acquisitions and other business combinations, with strong insight of risks and opportunities, valuations and diligence processes, structural impact on the organization, and ability to leverage integration planning.	Y	Y	Y	Y	-	-	Y
Global Business Understanding of diversified business environments, economic, political, cultural and regulatory framework across the globe, and a broad perspective on global market opportunities.	Y	-	Y	Y	-	-	Y
Marketing and Communications Ability to analyze the market and technological impacts, developing strategies for brand awareness and brand building and enhancing market share.	Y	Y	Y	Y	Y	Y	Y

D. The number of directorships, committee chairmanships/memberships held in other companies by each of the Directors is tabled below:

Name	No. of other Directorships and Committee Membership / Chairmanship			
	Board#		Committee**	
	Chairmanship	Directorships*	Chairmanship	Membership
Mr.C.V.Subramanyam	Nil	Nil	Nil	Nil
Mr. C. Srikanth	Nil	Nil	Nil	Nil
Mr. Ram Krishna Agarwal	Nil	2	2	1
Mr. Phaneesh Murthy	Nil	Nil	Nil	Nil
Ms. Nooraine Fazal	Nil	Nil	Nil	Nil
Mr. Srinath Batni	Nil	Nil	Nil	Nil
Mr. K. Ch. Subba Rao	Nil	Nil	Nil	Nil

* Other directorships do not include section 8 companies, private limited companies and companies incorporated outside India.

** Chairmanships / memberships of board committees include only in Audit and Stakeholders Relationship committees as required under regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.

Details of directorships of aforesaid Directors, in other listed entities are given below:

Sl.No	Name of the Director	Name of the listed entity	Category
1.	Mr.C.V.Subramanyam	Nil	Nil
2.	Mr. C. Srikanth	Nil	Nil
3.	Mr. Ram Krishna Agarwal	PCBL Limited	Independent
4.	Mr. Phaneesh Murthy	Nil	Nil
5.	Ms. Nooraine Fazal	Nil	Nil
6.	Mr. Srinath Batni	Nil	Nil
7.	Mr. K. Ch. Subba Rao	Nil	Nil

During the financial year 2021-22, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, has been placed before the Board for its consideration.

E. Independent Directors

Independent directors play a pivotal role in maintaining a transparent working environment in the company. They provide a valuable outside perspective to the deliberations of the board and contribute significantly to the decision making process. They help the company in improving corporate credibility and governance standards. They bring an element of objectivity to the board processes and deliberations.

(i) Independent Directors' Meeting

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors) read with Regulation 25(3) of SEBI LODR Regulations, 2015, a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 04.05.2022 to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

(ii) Familiarization Program for Independent Directors

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarize with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. During the financial year 2021-22, there has been no change in the independent directors of the Company.

The Company's Policy of conducting the Familiarization Program and details of such familiarisation program during the year, is placed on its website viz., www.cigniti.com.

(iii) Declaration by Independent Directors

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Section 149(6) of the Act.

(iv) Declaration by Board

The Board has confirmed that in its opinion, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

During the year under review, no Independent Director has resigned before expiry of his tenure.

(v) Monitoring Governance of Subsidiary Companies

The Company has one foreign unlisted material subsidiary i.e. Cigniti Technologies Inc; USA., and is required to appoint Independent Director on the Board of its material subsidiary. Pursuant to regulation 16(1)(c) and Regulation 24 of the SEBI(LODR) Regulations, 2015 the Company has appointed Mr. Phaneesh Murthy on the Board of Cigniti Technologies Inc; USA.,

The financial statements of the subsidiaries are reviewed by the Audit Committee. The minutes of the meetings of the subsidiaries are placed before the Board of Directors of the Company, and the Board has periodically noted and reviewed all significant transactions entered into by the subsidiaries. Investment proposals beyond threshold values are executed by the subsidiary companies only after positive recommendation by the Board/ Investment and Risk Management Committee of the Company.

2. AUDIT COMMITTEE (Constituted in terms of Sec 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations, 2015)

Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

A. Brief Description of Terms of Reference: - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;

iii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

iv. Approval of payment to statutory auditors for any other services rendered by them.

v. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:

(a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

vi. Review of the quarterly and half yearly financial results with the management and the statutory auditors;

vii. Examination of the financial statement and the auditors' report thereon;

viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;

ix. Approval or any subsequent modification of transactions with related parties;

x. Scrutiny of inter-corporate loans and investments;

xi. Review of valuation of undertakings or assets of the company wherever it is necessary;

xii. Evaluation of internal financial controls and risk management systems;

xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;

xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;

xvii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;

xviii. Review the functioning of the whistle blower mechanism;

xix. Review and monitor the end use of funds raised through public offers and related matters;

xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

xxi. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;

xxii. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.

Review of the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice in terms of Regulation 32(7).
- The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- Carrying out any other function as may be referred to the Committee by the Board.
- Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

B. COMPOSITION, MEETINGS & ATTENDANCE

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Ram Krishna Agarwal (Chairman)	Independent Non-Executive	4	29.04.2021
Mr. Phaneesh Murthy (member)	Independent Non-Executive	4	23.07.2021
Mr.C.V.Subramanyam (member)	Managing Director	4	21.10.2021
Mr. Srinath Batni (member)	Independent Non-Executive	4	28.01.2022

C. Previous Annual General Meeting of the Company was held on 4th June, 2021 and Mr. Ram Krishna Agarwal, Chairman of the Audit Committee for that period, attended previous AGM.

D. On quarterly basis, the members of the audit committee meet and interact with both the statutory auditors and internal auditors without the presence of the management. The audit committee is suitably apprised of the same.

3. NOMINATION AND REMUNERATION COMMITTEE (Constituted in terms of Sec 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR Regulations, 2015)

The Nomination and Remuneration Committee ('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board. The terms of reference of the NRC includes

i. Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a Director.

ii. Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

iii. Support the Board in matters related to the setup, review and refresh of the Committees.

i. Devise a policy on Board diversity.

ii. Recommend to the Board the appointment or reappointment of Directors.

iii. Recommend to the Board how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiaries.

iv. Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.

v. Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.

vi. Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.

vii. Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.

viii. On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.

ix. Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP and executive team.

x. Review matters related to voluntary retirement and early separation schemes for the Company.

xi. Provide guidelines for remuneration of Directors on material subsidiaries.

xii. Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.

xiii. Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.

xiv. Oversee familiarisation programmes for Directors.

xv. Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.

xvi. Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.

xvii. Perform other activities related to the charter as requested by the Board from time to time

B. COMPOSITION OF THE COMMITTEE

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Srinath Batni (Chairman)	Independent & Non-Executive	5	29.04.2021 07.06.2021 23.07.2021 21.10.2021 28.01.2022
Mr. Phaneesh Murthy (member)	Independent & Non-Executive	5	
Ms. Nooraine Fazal (member)	Independent & Non-Executive	5	
Mr.C.V.Subramanyam (Member)	Promoter & Executive	5	
Mr. C. Srikanth (Member)	Promoter & Non-Executive	5	
Mr. Ram Krishna Agarwal*	Independent & Non-Executive	N.A*	

* Mr. Ram Krishna Agarwal was inducted as member of Nomination & Remuneration Committee in the Board meeting held on 18.05.2022

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. **Scope:**

   This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. **Terms and References:**

2.1 **"Director"** means a director appointed to the Board of a Company.

2.2 **"Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 read with Regulation 16 (1) (b) of SEBI LODR Regulations, 2015)

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not b disqualified under the companies Act, 2013;
- shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

1. Scope:

   1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

   In this policy the following terms shall have the following meanings:

   2.1 "Director" means a director appointed to the Board of the company.

   2.2 "key managerial personnel" means

   (i) The Chief Executive Office or the managing director or the manager;

   (ii) The company secretary;

   (iii) The whole-time director;

   (iv) The chief finance Officer; and

   (v) Such other office as may be prescribed under the companies Act, 2013

   2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and Regulation 19 of SEBI LODR Regulations, 2015).

3. Policy:

   3.1 Remuneration to Executive Director and key managerial personnel

   3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

   3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

   3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

   (i) Basic pay

   (ii) Perquisites and Allowances

   (iii) Stock Options

   (iv) Commission (Applicable in case of Executive Directors)

   (v) Retrial benefits

   (vi) Annual performance Bonus

   3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

   3.2 Remuneration to Non – Executive Directors

   3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non–Executive Directors of the Company within the overall limits approved by the shareholders.

   3.2.2 Non–Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

   3.3. Remuneration to other employees

   3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. Directors Remuneration

i) Executive Directors

The remuneration paid to the Executive Directors is given below:

(Amount in Rs lakhs)

S. No.	Name of the Director	Salary	Commission	Benefits	Total
1	Mr. C.V.Subramanyam	260.00	27.00	-	287.00

(ii) None of the directors have been granted stock options during the year.

(iii) The percentage of commission (incentive) is linked to the overall performance of the Executive Director and the company.

(iv) The terms and conditions including remuneration of Managing Director is as per the resolution passed by the shareholders at their meeting held on 03.08.2020

(v) Non-Executive Directors

The commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the Board and the shareholders.

The remuneration paid to the Non-Executive Directors is given below:

(Amount in Rs lakhs)

Name of the Director	Sitting fees	Commission
Mr. Ram Krishna Agarwal	17.00	19.00
Ms. Nooraine Fazal	16.00	19.00
Mr. Srinath Batni	17.00	19.00

* Mr. C. Srikanth, Non-Executive Director is drawing a remuneration of $ 6 lacs from Cigniti Technologies Inc; USA a wholly owned subsidiary Company

(vi) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity ;There are no pecuniary relationship or transactions between Non-executive Directors and Listed entity

(vii) Service Contracts, notice period, severance fees ;

Not Applicable as there is only one Executive Director Mr. C. V. Subramanyam who is founder of the Company.

E. MECHANISM FOR EVALUATION OF THE BOARD

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted Board Evaluation Policy to comply with the various provisions of the Act, the Listing Regulations and the SEBI circular dated January 5, 2017 which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note") and SEBI circular dated February 5, 2019.

Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfilment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and

Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman.

An IDs' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on May 04, 2022, mainly to review the performance of Independent Directors and the Chairman & Managing Director as also the Board as a whole. All IDs were present at the said meeting.

The above evaluation was done keeping in view the following factors:

(i) Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

(ii) Executive Directors: Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.

(iii) Independent Directors: Participation, managing relationship, ethics and integrity, Objectivity, brining independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.

(iv) Chairman: Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.

(v) Committees: Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

The evaluation process elicited responses from the directors in a judicious manner ranging from composition and induction of the board to effectiveness and governance. It also sought feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The evaluation process also ensures the fulfilment of independence criteria as specified in the applicable regulations and that the latter are independent of the management.

Performance evaluation was done on the scale of 1 to 5, 1 being very poor and 5 being outstanding. The outcome of performance evaluation is given below:

Categories	**Rating (out of 5)**
Board as a whole	4.98
Individual Directors	
Mr.C. Venkata Subramanyam	4.89
Mr.Phaneesh Murthy	4.78
Mr.Srinath Batni	4.76
Mr.Ram Krishna Agarwal	4.78
Mr.K.China Subba Rao	4.69
Ms. Nooraine Fazal	4.71
Mr.C.Srikanth	4.89
Audit Committee	4.91
Stakeholder Relationship Committee	4.25
Nomination & Remuneration Committee	4.87
Corporate Social Responsibility Committe	4.25
Risk Management Committee	4.67

Disclosures as prescribed under SEBI circular dated May 10, 2018 are given below:

Observations of Board evaluation carried out for the year	No observations.
Previous year's observations and actions taken	Since no observations were received, no actions were taken.
Proposed actions based on current year observations	Since no observations were received, no actions were taken.

4. STAKEHOLDER'S RELATIONSHIP COMMITTEE (Constituted in terms of Sec 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations, 2015)

Terms of reference to the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Act, 2013 which inter-alia include:

i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/ KMPs, as may be required and identifying actionable points for implementation.

i. Review of measures taken for effective exercise of voting rights by shareholders.

ii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

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

A. Composition and Attendance for Meetings

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Ms. Nooraine Fazal (Chairperson)	Independent & Non-Executive	4	29.04.2021 23.07.2021 21.10.2021 28.01.2022
Mr. Ram Krishna Agarwal(member)	Independent & Non-Executive	4	
Mr. C. Srikanth(member)	Promoter & Non-Executive	4	

B. Status of Investor Complaints as on 31 March, 2022 and reported under Regulation 13(3) of the Listing Regulations is as under:

Particulars	Number of Complaints
Complaints as on 1 April, 2021	Nil
Received during the year	Nil
Resolved during the year	Nil
Number of pending complaints as on 31 March 2022	Nil

C. SCORES

The Securities Exchange Board of India has initiated a platform for redressing the investor grievances through SCORES, a web-based complaints redressal system. The system processes complaints in a centralized web-based mechanism. The company is in compliance with this system.

D. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mrs. Naga Vasudha

Company Secretary & Compliance officer

Telephone No: 040-40382211

E-mail: company.secretary@cigniti.com

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules 2013, the Company constituted a Corporate Social Responsibility Committee. One meeting was held during the year on The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013, comprises 4 members with two Independent Director and two executive Directors.

Composition of the committee during the year 2021-22 is as follows:

Name of the Director	Position	Category
Ms. Nooraine Fazal	Chairperson	Independent & Non-Executive
Mr. Srinath Batni	Member	Independent & Non-Executive
Mr.C.V.Subramanyam	Member	Promoter & Executive
Mr. C. Srikanth	Member	Promoter & Non-Executive

A detailed overview of the CSR initiatives of the company is published elsewhere in the Annual Report.

6) RISK MANAGEMENT COMMITTEE

A.) COMPOSITION AND ATTENDANCE FOR MEETINGS:

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Phaneesh Murthy (Chairman)	Independent & Non-Executive	2	21.10.2021 28.01.2022
Mr. Ram Krishna Agarwal (member)	Independent & Non-Executive	2	
Mr. C.V. Subramanyam (member)	Promoter & Executive	2	

B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that al known and emerging risks have been identified and mitigated or managed.

7. GENERAL BODY MEETINGS

A. **Location, date and time of last three AGMs and special resolutions there at as under:**

NO. OF AGM AND FY	DATE OF MEETING	VENUE	TIME	SPECIAL RESOLUTION PASSED
23rd AGM 2020-21	04.06.2021	VC/OAVM	9.00 A.M.	Yes
22nd AGM 2019-20	03.08.2020	VC/OAVM	10.00 A.M.	Yes
21st AGM 2018-19	24.07.2019	Hall 5 & 6, Novotel & HICC Complex, (Near Hitec City), P.O. Bag 1101, Cyberabad Post Office, Hyderabad - 500 081, INDIA	10.00 A.M.	No

(B) **Extraordinary General Meeting**

No Extra-ordinary General Meetings were held during the year 2021-22.

(C) **Postal Ballot**

During the year, the shareholders of the company passed no resolutions through postal ballot.

(D) **Procedure for postal ballot**

Company conducts a postal ballot, where required, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations. At present, there are no postal ballots proposed to be held.

8. MEANS OF COMMUNICATION

A. Publication of results in newspapers

The quarterly, half-yearly & nine months un-audited financial results and annual audited financial results of the company are generally published in Business Standard or Financial Express, at national level in English language as well as Andhra Prabha at regional level in Telugu language circulating in the state of Telangana.

A. Website and News Release

The financial results of the company are available on the website of the company i.e. www.cigniti.com. Official news releases, detailed presentations made to media, analysts, institutional investors, etc., are sent to BSE Limited and National Stock Exchange of India Limited and also made available on the website of the company i.e. www.cigniti.com . Your company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI (LODR) Regulations, 2015 and other rules and regulations issued by the Securities and Exchange Board of India.

B. Channels of Communication with the investors

All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre.

Further the management of the Company conducts investor call after approving Quarterly financial results in the Board meeting.

9. General Shareholder Information

The following information would be useful to the shareholders:

A. Annual General Meeting:
Date & Time : 23rd June, 2022 at 10.00 A.M.
Venue : Deccan Stateroom, ITC KOHENUR,
MADHAPUR, HITECH CITY,
Telangana-500081

B. Financial Calendar
Financial Year - 1 April 2021 to 31 March 2022
Tentative calendar for declaration of financial results in financial year 2022-23

Results for the quarter ended	**Tentative Dates**
30th June 2022	27th July 2022
30th September 2022	21st October 2022
31st December 2022	20th January 2023
31st March 2023	02nd May 2023

C. Book Closure dates

The dates for book closure are from 19th June, 2022 to 23rd June, 2022 (both days inclusive)

D. Listing on Stock Exchanges & Stock Code :

The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Ltd.

EXCHANGE & ADDRESS	STOCK CODE
National Stock Exchange of India Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	CIGNITITEC
BSE Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.	534758

The Company has paid annual listing fees for the financial year 2021-22 to the BSE and NSE within stipulated time.

E. Dividend Payment Date: with in 30 days if declared at Annual General meeting held on June 23 2022

F. Performance in comparison to broad-based indices such as BSE Sensex, NSE nifty 50

G. Electronic Connectivity

Demat ISIN number: INE675C01017
NATIONAL SECURITIES DEPOSITORY LIMITED
Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED
25th Floor, A Wing, Marathon Futurex,
Mafatlal Mills Compound, NM Joshi Marg,
Lower Parel (E), Mumbai - 400 013.
H. Market Price Data

The monthly high / low prices of shares of the Company from April, 2021 to March, 2022 at BSE and NSE:

MONTH	BSE		NSE	
	High(Rs)	Low(Rs)	High(Rs)	Low(Rs)
April 2021	438.50	316.45	439.00	315.25
May 2021	435.00	362.00	436.00	362.65
June 2021	644.00	400.00	644.00	418.45
July 2021	677.00	553.00	678.00	552.25
August 2021	593.80	497.10	596.35	495.50
September 2021	618.55	524.10	618.40	524.40
October 2021	662.95	544.00	646.50	556.25
November 2021	670.00	574.65	670.80	575.00
December 2021	620.55	529.25	621.15	533.35
January 2022	608.80	481.65	609.80	487.00
February 2022	558.00	482.00	547.80	490.00
March 2022	547.00	405.00	527.50	410.00

I. There was no suspension of trading in securities of the Company during the year under review.

J. Registrars and Transfer Agents
Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad- 500 029.
Tel: (040) 27642217/27638111
Fax: (040) 27632184
Email: info@aarthiconsultants.com

K. Share Transfer System

The Transfer of Shares is effected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks. Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

L. Shareholding pattern as on 31.03.2022

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group				
-1	Indian	**60,49,513**	**21.60**	9,50,000	15.70
a.	Individuals/Hindu Undivided Family	60,49,513	21.56	9,50,000	15.70
b.	Central Government/State Government(s)	--	--	--	--
c.	Bodies Corporate	--	--	--	--
d.	Financial Institutions/Banks	--	--	--	--
	Others :-	--	--	--	--
e.	Mutual Funds	--	--	--	--
f.	Trusts	--	--	--	--
	Sub Total (A)(1)	**60,49,513**	**21.60**	**9,50,000**	**15.70**
-2	Foreign	**34,60,019**	**12.30**	0	0
a.	Individuals (Non Resident Individuals/ Foreign Individuals)	34,60,019	12.34	0	0
b.	Bodies Corporate	--	--	--	--
c.	Institutions	--	--	--	--
	Others :-	--	--	--	--
d.	Overseas Corporate Bodies	--	--	--	--
	Sub Total (A)(2)	**34,60,019**	**12.30**	**0**	**0**
	Total Shareholding of Promoter and Promoter Group(A) =(A)(1)+(A)(2)	**95,09,532**	**33.90**	**0**	**0**
(B)	Public Shareholding			0	0
(1)	Institutions				
a.	Mutual Funds/UTI	0	0	0	0

b.	Financial Institutions/Banks	90	0.00	0	0
c.	Central Government/State Government(s)	0	0	0	0
d.	Venture Capital Funds	0	0	0	0
e.	Insurance Companies	0	0	0	0
f.	Foreign Institutional Investors/Foreign Portolio Investors	2,10,741	0.75	0	0
g.	Foreign Venture Capital Investors	0	0	0	0
h.	Foreign Companies	0	0	0	0
i.	Alternate Investment fund	0	0	0	0
	Sub Total (B)(1)	**2,10,831**	**0.75**	0	0
(2)	**Non-Institutions**	**1,74,60,719**	**62.32**	**0**	**0**
a.	Bodies Corporate	6,69,281	2.39	0	0
b.	Individuals				
	i)Individual shareholders holding nominal share capital up to Rs.2 lakh	54,32,432	19.37	0	0
	ii)Individual shareholders holding nominal share capital in excess of Rs.2 lakh	1,08,45,309	38.66	0	0
c.	Any Others : -				
	I)Non Resident Individuals	4,97,022	1.77	0	0
	ii) Bodies Corporate	13,82,579	4.93	0	0
	iii)Trusts	11	0	0	0
	iv)Employees	5000	0.02	0	0
	v)Clearing Members	1,44,793	0.52	0	0
	vi)Foreign Nationals	25,000	0.09	0	0
	Sub Total (B)(2)	**1,83,32,146**	**65.35**	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**1,85,42,977**	**66.10**	0	0
	Total (A)+(B)	**2,80,52,509**	**100**	0	0
(C)	Shares held by Custodians and against Depository Receipts have been Issued	0	0	0	0
	Grand Total (A)+(B)+(C)	**2,80,52,509**	**100**	0	0

M. Distribution of Shareholding as on 31.03.2022

Range (Rs.)	No of Shareholders	% of Total Shareholders	No of Shares	% of Total Shareholding
Upto - 5000	13471	89.12	905931	3.23
5001 - 10000	529	3.51	422545	1.51
10001 - 20000	331	2.19	500516	1.78
20001 - 30000	152	1.01	388414	1.38
30001 - 40000	94	0.62	333403	1.19
40001 - 50000	79	0.52	370618	1.32
50001 - 100000	191	1.26	1357352	4.84
100001 & Above	268	1.77	23773730	84.75
TOTAL	15115	100	28052509	100

N. Dematerialisation & Liquidity of Shares

Trading in Company's shares is permitted only in dematerialised form for all investors. The ISIN allotted to the Company's scrip is INE675C01017. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Shares of the Company are actively traded in BSE Limited and NSE. Hence the Company's shares have good liquidity. The details of shares in physical and dematerialised form are as given below:

Particulars	No. of Shares	% Share Capital
NSDL	1,14,99,055	40.99
CDSL	1,65,34,724	58.94
PHYSICAL	18,730	0.07
Total	2,80,52,509	**100**

O. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

P. Commodity price risk or foreign exchange risk and hedging activities:

The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

Q. Global Delivery Centre

Plot No#17, Software Units Layout,
The 'V" Ascendas Park, Orion Block,
6th Floor, Madhapur, Hyderabd-500081.
Telangana State, India

R. Address for Correspondence

Mrs. Naga Vasudha
Company Secretary & Compliance Officer
6th Floor, Orion Block, "The V"(Ascendas),
Plot No#17, Software Units Layout,
Madhapur, Hyderabad-500081

S. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.]-

Not Applicable as the Company has not issued any debt instruments, any fixed deposit programme or any scheme or proposal involving mobilization of funds whether in India or abroad.

10. DISCLOSURES

A. Materially Significant Related Party Transactions

During the year under review, the Company had not entered in to any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. The Audit Committee has issued omnibus approval for the Related party transactions with in the limits. Transactions with the Related Parties as required under Ind AS are disclosed in Note No.35 of the standalone financial statements forming part of this Annual Report.

B. Compliances

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

C. Whistle Blower Policy (Set up in terms of Sec 177 of the Companies Act, 2013 read with Regulation 22 of SEBI LODR Regulations, 2015) With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

F. Policy on Material Subsidiaries

In terms of Regulation 34(3) of the SEBI (LODR) Regulations, 2015 the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website: www.cigniti.com

G. Policy on Related Party Transactions

The Policy on dealing with Related Party Transactions is available on the Company's website: www.cigniti.com

H. Disclosure of commodity price risks and commodity hedging activities. – Not Applicable

I. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).etc.

During the year ended 31st March 2022, there were no proceeds from public issues, rights issues, preferential issues etc.

J. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

K. Recommendations of Committees of the Board

There were no instances during the financial year 2021-22 wherein the Board had not accepted the recommendations made by any Committee of the Board.

L. Total fee for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part;

Amount in Rs.(INR)

Statutory Audit fees	70,00,000
Limited Review	60,00,000
Certification & other attest services	3,00,000
Non-audit services	31,80,000
Out of pocket expenses	63,919

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

a. Number of complaints filed during the financial year : 0

b. Number of complaints disposed of during the financial year: 0

c. Number of complaints pending as on end of the financial year: 0

N. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V:

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

O. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount': NOT APPLICABLE

P. Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the Internal auditor directly reporting to the Audit Committee.

Q. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/ No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i) and (t)	Functional Website	Yes

R. Disclosure with respect to Demat suspense account/unclaimed suspense account

There are no instances with respect to Demat suspense account/unclaimed suspense account.

S. Compliance with SEBI (listing obligations and disclosure requirements) regulations, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed the following policies which are available on Company's website i.e. www.cigniti.,com

- Board Diversity Policy
- Policy on preservation of Documents
- Policy for Materiality

T. CODE OF CONDUCT

The Board of Directors has laid down a 'Code of Conduct' (code) for all the Board members and the Senior Management of the Company and this code is posted on the website of the company. Annual declaration is obtained from every person covered by the code.

The Company has a comprehensive Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of un-published price sensitive information, in order to align the same with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

U. Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules.

V. Non-Executive Directors' Compensation and Disclosures

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

W. CEO/ CFO Certification

In terms of regulation 17(8) of the Listing Regulations, the CEO / CFO made a certification to the Board of Directors which has been reviewed by the Audit Committee and taken on record by the Board and enclosed as annexure IX to this Annual Report.

On behalf of the Board
Cigniti Technologies Limited

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

Place: Hyderabad
Date: 04.05.2022

Declaration on Code of Conduct for the year 2021-22

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2022 as envisaged in Regulation 26(3) of the Listing Regulations.

On behalf of the Board
Cigniti Technologies Limited

C.V. Subramanyam
Chairman & Managing Director
DIN: 00071378

Place: Hyderabad
Date: 04.05.2022

Annexure-VIII

Report on Corporate Social Responsibility (CSR) Activities
(Pursuant to Section 135 of Companies Act 2013read with rules thereunder)

1. **Brief outline on CSR Policy of the Company.**

   The Company recognizes its responsibility as an important stakeholder in the society and strives to work towards the betterment of the society constantly. With this objective, on the recommendation of the CSR Committee the Board of Directors have approved the CSR Policy which is available at: https://www.cigniti.com/investors/Policies/CSR Policy

1. **Composition of CSR Committee: The Company has constituted a CSR committee which provides oversight of CSR policy and guides the CSR activities of the Company.**

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.	Ms. Nooraine Fazal	Chairperson Independent Director	1	1
2.	Mr. Srinath Batni	Member Independent Director	1	1
3.	Mr. C. Srikanth	Member Non-Executive & Non Independent Director	1	1
4.	Mr.C.V.Subramanyam	Member Executive Director	1	1

2. **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 Company has constituted CSR committee, CSR policy in accordance with provisions of Companies Act, 2013 read with Companies(Corporate Social Responsibility) Rues, 2014 as amended there to. The details of Committee, CSR policy and ongoing projects are available at: https://www.cigniti.com/investors/Policies/CSR Policy

3. **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).** NOT APPLICABLE

4. **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:** NIL

5. **Average net profit of the company as per section 135(5):** Rs. 6390.50 lakhs

6. **(a) Two percent of average net profit of the company as per section 135(5):** Rs. 127.81 Lakhs

   (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: Nil

   (d) Total CSR obligation for the financial year (7a+7b7c): Rs. 127.81 Lakhs

7. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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.
109.55 lakhs	18.26 Lakhs	26-04-2022	N.A.	0	0

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

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 Rs.lakhs)	Amount spent in the current financial Year (in Rs.Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.Lakhs).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number
NOT APPLICABLE												

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

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 Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name..	CSR registration number
1	Project Significance	Health	Yes	Telangana	Rangareddy	25 lakhs	No	Cyberabad Security council	CSR00005045
2	Project Significance	Health	No	Karnataka	Belgavi	25 lakhs	No	Nirmaan org	CSR00000146
3	Project Significance	Health	Yes	Telangana	Nalgonda	36.05 lakhs	No	Nirmaan org	CSR00000146
4	Project Significance	Education	Yes	Telangana	Rangareddy	23.50 lakhs	No	GMR Varalakshmi Foundation	CSR00000851

(d) **Amount spent in Administrative Overheads:** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Nil

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** Rs.109.55 lakhs

(g) **Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs.) lakhs
(i)	Two percent of average net profit of the company as per section 135(5)	127.81
(ii)	Total amount spent for the Financial Year	109.55
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(18.26)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

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 Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1	2020-21	76.87	76.87	Not Applicable			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

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 Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	FY 31.03.2021_1	Project Significance – school intervention program	FY 22	1 year	76.87 lakhs	76.87 lakhs	76.87 lakhs	Ongoing

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).** NOT APPLICABLE

    (a) Date of creation or acquisition of the capital asset(s).

    (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).**

    During the year, the Company has spent Rs.109.55 lakhs out of Rs. 127.81 lakhs and transferred the unspent amount of Rs. 18.26 lakhs to a separate bank account in compliance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 vide MCA notification dated 22nd January 2021.

Place: Hyderabad
Date: 04.05.2022

Sd/-
C.V.Subramanyam
Managing Director
(DIN: 00071378)

Sd/-
Nooraine Fazal
Chairperson of CSR Committee
(DIN:03110948)

Annexure-IX

Certificate by the CEO AND CFO OF THE COMPANY

To
The Board of Directors
Cigniti Technologies Limited

Dear Sirs,

As required under Regulation 17(8) of SEBI LODR Regulations, 2015), we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2022 and to the best of our knowledge and belief;

    a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and

    b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,

4. That we have informed the auditors and the audit committee of:

    a) Significant changes in the internal control during the year;

    b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

    c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

Yours Sincerely,

	C. Srikanth	**Krishnan Venkatachary**
Place : Hyderabad	Director & CEO	Chief Financial Officer
Date : 04.05.2022	Cigniti Tech Inc; USA	

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Cigniti Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31 2022, the Consolidated Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Goodwill Impairment Assessment (as described in note 3.1 of the Consolidated Financial Statements)</td></tr>
<tr><td>As at March 31, 2022, the Group has goodwill amounting to Rs. 5,486.22 lakhs on consolidation pertaining to historical acquisitions.

In accordance with Ind AS, the goodwill is tested annually for impairment using discounted cash-flow models of Cash Generating Unit's (CGU) recoverable value compared to the carrying value of the assets.

The inputs to the impairment testing model include:
• Projected revenue growth, operating margins and operating cash-flows in the years 1-5;
• Stable long-term growth rates beyond five years and in perpetuity; and
• Discount rates that represent the current market assessment of the risks specific to CGU, taking into consideration the time value of money.

The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate.

The annual impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.</td><td>Our audit procedures included the following:
• We tested the design, implementation and operative effectiveness of management's key internal controls over goodwill impairment assessment.
• We assessed the Group's methodology and judgements applied in determining the CGU to which goodwill is allocated and impairment analysis. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process;
• With the assistance of a specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions;
• We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;
• We discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions like projected revenue growth, EBIDTA, etc. used in the cash flow forecasts were suitable;
• We tested the arithmetical accuracy of the impairment model; and
• We assessed the adequacy of the related disclosures as described in note 3.1 and 36 to the Consolidated Financial Statements.</td></tr>
<tr><td colspan="2">Allowance for credit losses for trade receivables including unbilled revenue (as described in note 38A of the Consolidated Financial Statements)</td></tr>
<tr><td>As at March 31, 2022 the Group has outstanding trade receivables and unbilled revenue of Rs.27,557.59 lakhs. The Group has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions.

We considered this as key audit matter due to the materiality of the amounts and significant estimate and judgements as stated above.</td><td>Our audit procedures included the following:
• We tested the design, implementation and operative effectiveness of management's key internal controls over allowance for credit losses
• We assessed the completeness and accuracy of the information used in the estimation of probability of default and tested historical payment records, correspondences with customers and subsequent collection of the customers' balances; and
• We performed procedures to test the ageing of receivables, tested the mathematical accuracy and computation of the allowance for credit losses and assessed the allowance for expected credit loss made by the management.</td></tr>
</table>

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing

our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

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

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

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

(e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company incorporated in India, as on March 31, 2022, taken on record by the respective Board of Directors, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to its subsidiary company incorporated in India for the year ended March 31, 2022;

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

i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated Financial Statements – Refer note **38(c)** to the Consolidated Financial Statements;

ii. The Group did not have any long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India during the year ended March 31, 2022;

iv. a) The respective managements of the Holding Company and its subsidiary company which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or such subsidiary company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary company which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) As stated in note 12 to the Consolidated Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

____
per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJQKQ2682

Place of Signature: Hyderabad
Date: May 4, 2022

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 of the companies included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable.

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

____
per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJQKQ2682

Place of Signature: Hyderabad
Date: May 4, 2022

Annexure 2 referred to the Independent auditor's report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited ('the Company")

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

We have audited the internal financial controls with reference to Consolidated Financial Statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") as of March 31, 2022, in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date. According to the information and explanations given by the Management, the provisions of the Section 143(3) (i) are not applicable to its subsidiary company incorporated in India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

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

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

____
per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJQKQ2682

Place of Signature: Hyderabad
Date: May 4, 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	3,258.42	1,671.05
Other intangible assets	3	-	-
Right-to-use asset	38(a)	2,550.62	2,165.75
Goodwill	3	5,486.22	5,486.22
Deferred tax asset, net	11	580.24	529.17
Financial assets			
Other financial assets	5	2,262.85	507.55
		14,138.35	**10,359.74**
Current assets			
Financial assets			
Investments	4	12,012.95	8,046.27
Trade receivables	6	22,678.05	15,771.84
Cash and cash equivalents	7	2,446.32	2,561.22
Bank balances other than cash and cash equivalents	8	9,093.59	10,230.40
Other financial assets	5	6,934.92	4,723.10
Current tax assets, net	9	120.17	259.22
Other current assets	10	2,350.15	1,258.36
		55,636.15	**42,850.41**
Total assets		**69,774.50**	**53,210.15**
Equity and liabilities			
Equity			
Equity share capital	12	2,805.25	2,802.00
Other equity	13	43,179.12	34,432.73
Total Equity		**45,984.37**	**37,234.73**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease obligations	16	2,328.25	2,048.56
Long term provisions	18	1,768.96	1,234.54
		4,097.21	**3,283.10**
Current liabilities			
Financial liabilities			
Short term borrowings	14	4,696.22	1,611.26
Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		25.29	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		9,359.95	6,189.01
Lease obligations	16	979.51	907.82
Other financial liabilities	17	366.33	287.79
Short term provisions	18	569.17	255.81
Current tax liability, net	19	1,818.67	1,833.64
Other current liabilities	20	1,877.78	1,606.99
Total liabilities		**19,692.92**	**12,692.32**
Total equity and liabilities		**69,774.50**	**53,210.15**
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors
Cigniti Technologies Limited

per Shankar Srinivasan
Partner
Membership No. 213271

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Place: Hyderabad
Date: May 4, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	21	1,24,180.00	89,652.69
Other income	22	8.18	359.95
Finance income	23	1,335.83	985.32
Total income		**1,25,524.01**	**90,997.96**
Expenses			
Employee benefits expense	24	73,926.79	52,158.27
Hired contractors cost	25	23,935.13	14,167.18
Other expenses	26	13,390.02	8,780.64
Depreciation and amortisation expense	27	1,615.55	1,226.92
Finance costs	28	504.60	559.19
Total expenses		**1,13,372.09**	**76,892.20**
Profit before tax		**12,151.92**	**14,105.76**
Tax expenses	29		
Current tax		3,191.59	3,205.78
Taxes of earlier years		(185.00)	894.65
Deferred tax credit		(29.08)	(529.17)
Total tax expense		**2,977.51**	**3,571.26**
Net profit for the year		**9,174.41**	**10,534.50**
Other Comprehensive Income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		232.94	(269.39)
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods		**232.94**	**(269.39)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement losses on employee defined benefit plans, net of tax		(56.76)	(40.43)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(56.76)**	**(40.43)**
Total other comprehensive income/(loss) for the year, net of tax		**176.18**	**(309.82)**
Total comprehensive income for the year, net of tax		**9,350.59**	**10,224.68**
Earnings per share (EPS) (Nominal value of equity share is Rs. 10/- each)	30		
Basic EPS		32.72	37.77
Diluted EPS		32.68	37.77
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Hyderabad
Date: May 4, 2022

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity share capital

Equity Shares of Rs.10 each, issued, subscribed and fully paid	No.	Rs.
As at April 1, 2020	**27,846,259**	**2,784.63**
Add: Issued during the year (refer note 12)	1,73,750	17.38
As at March 31, 2021	**28,020,009**	**2,802.00**
Add: Issued during the year (refer note 12)	32,500	3.25
As at March 31, 2022	**28,052,509**	**2,805.25**

b. Other equity

	Other components of equity				
	Securities premium	Share based payment reserve	Retained earnings	Foreign currency translation reserve	Total
As at April 1, 2020	**28,633.76**	**525.93**	**(4,268.90)**	**(951.70)**	**23,939.09**
Profit for the year	-	-	10,534.50	-	10,534.50
Exchange differences on translation of foreign operations	-	-	-	(269.39)	(269.39)
Re-measurement losses on employee defined benefit plans	-	-	(40.43)	-	(40.43)
Issue of equity shares on exercise of options	650.00	(537.88)	-	-	112.12
Share-based payment expense	-	156.84	-	-	156.84
As at March 31, 2021	**29,283.76**	**144.89**	**6,225.17**	**(1,221.09)**	**34,432.73**
Profit for the year	-	-	9,174.41	-	9,174.41
Dividend	-		(700.50)	-	(700.50)
Exchange differences on translation of foreign operations	-	-	-	232.94	232.94
Re-measurement losses on employee defined benefit plans	-	-	(56.76)	-	(56.76)
Issue of equity shares on exercise of options	106.44	(40.32)	-	-	66.12
Share options lapsed during the year	-	(23.22)	23.22	-	-
Share-based payment expense	-	30.18	-	-	30.18
As at March 31, 2022	**29,390.20**	**111.53**	**14,665.54**	**(988.15)**	**43,179.12**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Hyderabad
Date: May 4, 2022

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities			
Profit before tax		12,151.92	14,105.76
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense		1,615.55	1,226.92
Finance income		(1,335.83)	(985.32)
Profit on sale of property, plant and equipments		(8.65)	-
Finance cost		504.60	559.19
Export incentive written-off		974.11	-
Unrealised foreign exchange loss/(gain), net		50.78	7.78
Share based payment expense		30.18	156.84
Provision for expected credit loss, net		170.77	21.02
Liabilities no longer required written back, net		(41.78)	(92.98)
Bad debts written off		1.46	38.12
Operating profit before working capital changes		**14,113.11**	**15,037.33**
Movements in working capital			
Increase in trade payables		3,238.01	344.47
(Decrease)/increase in financial liabilities		(213.65)	133.26
Increase in other liabilities		270.79	244.39
Increase in provisions		791.02	263.89
(Increase)/decrease in trade receivables		(7,129.22)	602.25
(Increase)/decrease in financial asset		(3,252.36)	207.64
(Increase)/decrease in other assets		(1,091.79)	409.67
Cash generated from operations		**6,725.91**	**17,242.90**
Income taxes paid (net of refunds)		(2,904.51)	(2,757.04)
Net cash generated from operating activities	(A)	**3,821.40**	**14,485.86**
Cash flows used in investing activities			
Purchase of property, plant and equipments		(2,061.81)	(318.47)
Proceeds from sale of property, plant and equipments		8.65	-
Investments in mutual funds and debentures		(6,188.70)	(10,535.98)
Redemption of mutual funds and debentures		2,926.21	7,810.35
Investment in bank deposits		(10,859.67)	(6,148.52)
Redemption of bank deposits		10,229.32	4,218.49
Interest received		709.94	587.13
Net cash used in investing activities	(B)	**(5,236.06)**	**(4,387.00)**
Cash flows used in financing activities			
Proceeds from shares issued against stock options		69.37	129.50
Payment towards lease obligation		(1,153.53)	(815.65)
Interest, other borrowing cost and factoring charges paid		(233.48)	(578.30)
Dividend paid		(700.50)	-
Bill discounting with bank, net		52.17	(169.19)
Net cash used in financing activities	(C)	**(1,965.97)**	**(1,433.64)**
Net (decrease) /increase in cash and cash equivalents	(A+B+C)	**(3,380.63)**	**8,665.22**
Exchange differences on translation of foreign currency balances		232.94	(269.39)
Cash and cash equivalents at the beginning of the year		949.96	(7,445.87)
Cash and cash equivalents at the end of the year		**(2,197.73)**	**949.96**
Components of cash and cash equivalents			
Balances with banks on current accounts		2,365.97	2,561.15
Remittance in transit		80.32	-
Cash on hand		0.03	0.07
Cash credit facility		(4,644.05)	(1,611.26)
Total cash and cash equivalents		**(2,197.73)**	**949.96**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors
Cigniti Technologies Limited

per Shankar Srinivasan
Partner
Membership No. 213271

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Place: Hyderabad
Date: May 4, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Corporate information

The Consolidated Financial Statements comprise financial statements of Cigniti Technologies Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Dwarakapuri Colony, Panjagutta, Hyderabad. The Group is principally engaged in providing software testing services across the world.

The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the directors on May 4, 2022.

2. Significant Accounting Policies

2.1 Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on a historical cost basis and consistent with previous year subject to changes in accounting policies. The Consolidated Financial Statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset /eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Group Information:

Information about subsidiaries

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Place and Country of operation	% equity interest	
			March 31, 2022	March 31, 2021
Cigniti Technologies Inc.	Software testing services	USA	100%	100%
Cigniti Technologies (UK) Limited	Software testing services	UK	100%	100%
Cigniti Technologies (Australia) Pty Ltd	Software testing services	Australia	100%	100%
Cigniti Technologies (Canada) Inc	Software testing services	Canada	100%	100%
Gallop Solutions Private Limited	Software testing services	India	100%	100%
Cigniti Technologies (SG) Pte. Ltd. (Incorporated on April 30, 2021)	Software testing services	Singapore	100%	-
Cigniti Technologies (CZ) Limited s.r.o. (Incorporated on June 30, 2021)	Software testing services	Czech Republic	100%	-

2.3 Summary of significant accounting policies

(a) Use of Estimates

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

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

The Group has considered internal and external information upto the date of approval of these consolidated financial statements in assessing the recoverability of assets including trade receivables, unbilled receivables, goodwill and investments, based on which it expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these consolidated financial statements.

(b) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

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

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

(d) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit or loss.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

(e) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(f) Revenue from contracts with customer

The Group derives revenue primarily from software testing services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has concluded that it is the principal in its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks. Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of contract.

Rendering of services

The method for recognizing revenues and costs depends on the nature of services rendered as mentioned below:

- Time and material: Revenue from time and material contracts are recognized as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.
- Fixed price contracts: Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

Contract balances:

- **Contract assets**

  A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

- **Trade receivables**

  A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

- **Contract liabilities**

  A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Other income

- **Income from Government incentive:**

  Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 is recognised on expected realisable value based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS scrips are classified as 'Other financial assets' as "Export incentive receivable"

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

- Earnings and losses from investments is recognized based on changes in fair value of investments during the year and are reported on net basis.

- Foreign currency gains and losses are reported on net basis.

(g) Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The Group recognizes deferred tax asset for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as deferred tax asset. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is probable that it will pay normal tax during the specified period.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(h) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has made technical assessment of the useful lives of the following classes of assets which coincides with the lives prescribed under Schedule II of the Companies Act, 2013:

Asset	Useful lives estimated by the management (years)
Buildings	60
Electrical equipment	10

Asset	Useful lives estimated by the management (years)
Leasehold improvements	Over the period of lease
Furniture and fixtures	10
Office equipments	5
Computer and computer equipments	3
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives
Software licenses	Finite (3 years)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(j) Borrowing costs

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(k) Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

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

ROU	Useful lives
Office Premises	3-5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

ii. **Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

iii. **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

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

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

Impairment losses of continuing operations are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss. After impairment, amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(m) Provisions, Contingent Liabilities and Commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liability

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(n) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Employee State Insurance are defined contribution schemes. The Group has no obligation, other than the contribution payable to the fund. The Group recognizes contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment healthcare benefits to employees in the United States. These healthcare benefits are unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial

gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

However, the Group presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(p) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at Fair Value through Profit or Loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at FVTOCI
- Debt instruments, derivatives and equity instruments at FVTPL
- Equity instruments measured at FVTOCI

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in OCI subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

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

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

    i. the Group has transferred substantially all the risks and rewards of the asset, or

    ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Other financial assets

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts and cash credits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Cash and cash equivalents

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

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(r) Segment information

The Group has only one reportable business segment, which is rendering of software testing services. Accordingly, the amounts appearing in the financial statements relate to the Group's single business segment.

(s) Corporate Social Responsibility

The Group charges its Corporate Social Responsibility expenditure to the statement of profit and loss.

(t) Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(u) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.4 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank

offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021. These amendments had no impact on the financial statements of the Group.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020. These amendments had no impact on the financial statements of the Group.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS. These amendments had no impact on the financial statements of the Group.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the financial statements of the Group.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

(vi) Ind AS 16 – Property Plant and equipment –

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and there is no significant impact on its consolidated financial statements.

(vii) Ind AS 103 – Business Combinations –

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

(viii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

3. Property, plant and equipment, goodwill and other intangible assets

	Property, plant and equipment								Goodwill	Other intangible assets	
	Buildings	Electrical equipments	Leasehold improvements	Furniture and fixtures	Office equipments	Computer and computer equipment	Vehicles	Total property, plant and equipment	Goodwill (refer note 3.1)	Software License	Total other intangible assets
Cost											
As at April 01, 2020	**193.53**	**492.06**	**317.10**	**572.15**	**356.66**	**759.36**	**187.46**	**2,878.32**	**5,486.22**	**246.66**	**246.66**
Additions	-	33.36	-	0.50	4.14	312.98	-	350.98	-	-	-
Exchange differences	-	-	-	(3.38)	(0.06)	1.20	(0.80)	(3.04)	-	-	-
As at March 31, 2021	**193.53**	**525.42**	**317.10**	**569.27**	**360.74**	**1,073.54**	**186.66**	**3,226.26**	**5,486.22**	**246.66**	**246.66**
Additions	-	10.94	-	0.72	0.23	2,334.37	-	2,346.26	-	-	-
Exchange differences	-	-	-	8.10	0.24	15.76	1.32	25.42	-	-	-
As at March 31, 2022	**193.53**	**536.36**	**317.10**	**578.09**	**361.21**	**3,423.67**	**187.98**	**5,597.94**	**5,486.22**	**246.66**	**246.66**
Depreciation and amortisation											
As at April 01, 2020	**16.63**	**124.25**	**134.98**	**342.26**	**174.93**	**344.94**	**20.85**	**1,158.84**	**-**	**246.66**	**246.66**
Charge for the year	4.25	55.05	21.48	31.10	54.81	211.08	23.18	400.95	-	-	-
Exchange differences	-	-	-	(3.49)	(0.07)	(0.20)	(0.82)	(4.58)	-	-	-
As at March 31, 2021	**20.88**	**179.30**	**156.46**	**369.87**	**229.67**	**555.82**	**43.21**	**1,555.21**	**-**	**246.66**	**246.66**
Charge for the year	4.25	57.49	21.48	29.17	51.36	575.70	21.72	761.17			-
Exchange differences	-	-	-	7.99	0.24	13.60	1.31	23.14			-
As at March 31, 2022	**25.13**	**236.79**	**177.94**	**407.03**	**281.27**	**1,145.12**	**66.24**	**2,339.52**	**-**	**246.66**	**246.66**
Net book value											
As at March 31, 2021	172.65	346.12	160.64	199.40	131.07	517.72	143.45	1,671.05	5,486.22	-	-
As at March 31, 2022	168.40	299.57	139.16	171.06	79.94	2,278.55	121.74	3,258.42	5,486.22	-	-

Pledge on property, plant and equipment:

Property, plant and equipment with a carrying amount of Rs. 2,985.95 lakhs (March 31, 2021: Rs. 1,553.22 lakhs) are subject to charge to secure cash credit facility from bank.

3.1 Impairment testing of goodwill

Goodwill acquired through business combinations of Cigniti Inc, Gallop Solutions Inc, Cigniti Software Services Private Limited and Gallop Solutions Private Limited has been allocated to its single Cash Generating Unit (CGU) i.e. Software Testing for impairment testing.

Carrying amount of goodwill

	March 31, 2022	March 31, 2021
Software testing CGU	5,486.22	5,486.22

The Group performed its annual impairment test as at March 31, 2022 and March 31, 2021. Based on the approved business plan and valuation assessment, the management of the Group expects growth in operations and sustained profitability. The projections of the business is above the book value of its equity, indicating no signs of impairment of goodwill. Accordingly, these Consolidated Financial Statements do not include any adjustment relating to impairment of goodwill.

The recoverable amount of the software testing CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the management covering a five-year period and comparable multiple method. The projected cash flows are based on financial assumptions that are derived from the integrated results of economic outlook, industry outlook, project analysis, historical financial analysis etc. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 21.63% (March 31, 2021: 19.85%) and cash flows beyond the five-year period are extrapolated using a 2.5% growth rate (March 31, 2021: 2.5%) that is the same as the long-term average growth rate for the software testing industry. It was concluded that the value in use is higher than the carrying value. As a result of this analysis, management has not recognised any impairment charge for the year ended March 31, 2022.

Key assumptions used for value in use calculations

The calculation of value in use for the units is most sensitive to the following assumptions:

a. Revenue growth and EBITDA Margins

b. Discount rates

c. Growth rates used to extrapolate cash flows beyond the forecast period

Sensitivity to changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

a. EBITDA margins

Decrease in revenue growth projections and EBITDA margin by 2% would not result in any impairment in the Software testing CGU.

b. Discount rates

A rise in post-tax discount rate by 2% in the Software testing CGU would not result in impairment.

c. Growth rate assumption

The management recognizes that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions. The effect of new entrants is not expected to have an adverse impact on the forecasts, but could yield a reasonably possible alternative to the estimated long-term growth rate of 2.5% for Software testing CGU. A reduction to 1.5% in the long-term growth rate in Software testing CGU would not result in impairment.

Financial assets

There are no loans or deposits given, covered under section 186(4) of Companies Act, 2013.

4 Current investments

	March 31, 2022	March 31, 2021
Valued at fair value through profit and loss		
Investment in bonds, quoted		
Unsecured, considered good	4,452.27	4,498.62
Investment in debentures, quoted		
Unsecured, considered good	2,457.70	2,225.53
Investment in mutual funds, quoted		
Unsecured, considered good	5,102.98	1,322.12
	12,012.95	**8,046.27**
Aggregate book value of quoted investments	**12,012.95**	**8,046.27**
Aggregate market value of quoted investments	**12,012.95**	**8,046.27**

	March 31, 2022		March 31, 2021	
	Units	Amount	Units	Amount
Bonds				
Bharat Bond ETF - April 2030 Regular Growth	80,000.00	964.86	80,000.00	904.00
Shriram Transport Finance Company Ltd.	-	-	55.00	556.22
Bank of Baroda	60.00	605.70	60.00	604.38
Axis Bank Limited	50.00	503.95	50.00	506.60
State Bank of India	60.00	638.09	50.00	504.60
M&M Financial Services Limited	50.00	543.47	50.00	562.84
Tata Capital Financial Services Limited	-	-	30.00	356.13
IIFL Home Finance Limited	50.00	534.63	50.00	503.85
India Grid Limited	60,000.00	661.57	-	-
Debentures				
Non-convertible debentures of ECAP Equities Limited	1,775.00	2,457.70	1,775.00	2,225.54
Mutual Funds				
Kotak Debt hybrid -Regular Plan Growth	12,78,681.66	550.54	-	-
Kotak Credit Risk Fund - Gr Regular Plan	24,34,478.82	599.97		
Axis Ultra Short Term Fund - Regular Plan Growth	32,80,338.03	801.04	-	-
Aditya Birla Sun Life Low Duration Fund - Growth-Direct Plan	1,61,443.40	583.67	1,38,826.44	766.42
Aditya Birla Sun Life (ABSL) Regular Savings Fund_Growth	18,70,167.65	961.46	-	-
Aditya Birla Sun Life Low Duration Fund Direct Plan_GR-L1	37,907.80	219.12	-	-
ICICI Prudential PAMP Asset Allocation Fund (FOF)_Growth	5,08,022.72	401.80	-	-
ICICI PLFRAG Medium Term Bond Fund_Growth	5,13,087.45	405.81	-	-
ICICI Prudential Savings Fund- Direct Plan	1,32,407.63	579.57	1,32,407.63	555.70
		12,012.95		**8,046.27**

5 Other financial assets

	Non current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Bank deposits (having remaining maturity of more than twelve months)	1,170.27	-	-	-
Margin money deposits (having remaining maturity of more than twelve months)	596.89	-	-	-
Unsecured, considered good				
Interest receivable	-	-	224.13	302.42
Grant receivable	-	-	-	2.52
Export incentive receivable (refer note 38(c)(ii))	-	-	1,770.78	2,744.89
Security deposits	495.69	507.55	60.47	64.06
Unbilled receivables	-	-	4,879.54	1,609.21
	2,262.85	**507.55**	**6,934.92**	**4,723.10**

6 Trade receivables

	March 31, 2022	March 31, 2021
Trade receivables, considered good - Unsecured	23,077.82	15,995.92
Less: Allowance for expected credit losses	(399.77)	(224.07)
Trade receivables, credit impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
	22,678.05	**15,771.84**

Trade receivables ageing schedule

As at March 31, 2022

	Current, not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	17,820.86	5,006.85	94.20	94.51	61.40	-	23,077.82
Credit impaired	-	-	-	-	-	-	-
Total	**17,820.86**	**5,006.85**	**94.20**	**94.51**	**61.40**	**-**	**23,077.82**
Less: Allowance for expected credit losses							**(399.77)**
Balance as at year end							**22,678.05**

As at March 31, 2021

	Current, not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	12,549.92	3,335.52	48.86	61.61	-	-	15,995.92
Credit impaired	-	-	-	-	-	-	-
Total	**12,549.92**	**3,335.52**	**48.86**	**61.61**	**-**	**-**	**15,995.92**
Less: Allowance for expected credit losses							**(224.07)**
Balance as at year end							**15,771.85**

There are no disputed trade receivables in current and previous year.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally with the credit term of 30 to 90 days.

7 Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balance with banks		
-On current accounts	2,365.47	2,561.15
-Remittance in transit	80.32	-
Unpaid dividend	0.50	-
Cash on hand	0.03	0.07
	2,446.32	**2,561.22**

7.1 For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2022	March 31, 2021
Cash and cash equivalents (refer note 7)	2,446.32	2,561.22
Less: Cash credit facility (refer note 14)	(4,644.05)	(1,611.26)
	(2,197.73)	**949.96**

8 Bank balances other than cash and cash equivalents

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Other deposit accounts				
Bank deposits (having original maturity of more than three months)	1,170.27	-	9,093.59	10,230.40
Margin money	596.89	-	-	-
Less: Amount disclosed under other financial assets (refer note 5)	(1,767.16)	-	-	-
	-	**-**	**9,093.59**	**10,230.40**

9 Current tax assets, net

	March 31, 2022	March 31, 2021
Income tax receivable (net of provision for tax)	120.17	259.22
	120.17	**259.22**

10 Other current assets

	March 31, 2022	March 31, 2021
Unsecured, considered good unless stated otherwise		
Advances recoverable in cash or kind	82.46	21.49
Staff advances	68.07	56.25
Prepaid expenses	400.44	428.02
Balance with government authorities	1,739.89	752.61
Contract assets	59.29	-
	2,350.15	**1,258.36**

No advances are due from directors or other officers of the Group or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or a member.

11 Deferred tax asset, net

	March 31, 2022	March 31, 2021
Deferred tax asset		
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	-	22.38
Provision for employee benefits	560.77	350.74
Provision for doubtful debts	88.55	31.88
Right to use assets/lease obligation	189.20	197.42
Gross deferred tax asset	**838.52**	**602.42**
Deferred tax liability		
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	(36.31)	-
Revaluations of current investments to fair value	(221.97)	(73.25)
Gross deferred tax liability	**(258.28)**	**(73.25)**
	580.24	**529.17**

March 31, 2022

	Opening balance	Recognised in the statement of profit and loss*	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	22.38	58.58	(0.11)	(36.31)
Provision for employee benefits	350.74	(207.70)	2.33	560.77
Provision for doubtful debts	31.88	(55.99)	0.68	88.55
Right to use assets/lease obligation	197.42	8.22	-	189.20
Revaluations of current investments to fair value	(73.25)	148.72	-	(221.97)
	529.17	**(48.17)**	**2.90**	**580.24**

* Includes deferred tax credit of Rs. 19.09 lakhs recognised through other comprehensive income on re-measurement losses on employee defined benefit plans.

March 31, 2021

	Opening balance	Recognised in the statement of profit and loss	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	-	22.38	-	22.38
Provision for employee benefits	-	350.74	-	350.74
Provision for doubtful debts	-	31.88	-	31.88
Right to use assets/lease obligation	-	197.42	-	197.42
Revaluations of current investments to fair value	-	(73.25)	-	(73.25)
	-	**529.17**	**-**	**529.17**

12 Equity share capital

	March 31, 2022	March 31, 2021
Authorized share capital		
36,000,000 (March 31, 2021: 36,000,000) equity shares of Rs. 10/- each	3,600.00	3,600.00
Issued, subscribed and fully paid-up shares		
28,052,509 (March 31, 2021: 28,020,009) equity shares of Rs. 10/- each fully paid-up	2,805.25	2,802.00
Total issued, subscribed and fully paid-up share capital	**2,805.25**	**2,802.00**

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

Equity shares	March 31, 2022		March 31, 2021	
	No's	Amount	No's	Amount
At the beginning of the year	28,020,009	2,802.00	27,846,259	2,784.63
Shares issued during the year against stock options	32,500	3.25	173,750	17.38
Outstanding at the end of the year	**28,052,509**	**2,805.25**	**28,020,009**	**2,802.00**

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2022		March 31, 2021	
	No's (in Lakhs)	% holding	No's (in Lakhs)	% holding
P. Sapna	34.59	12.33%	34.59	12.34%
C. V. Subramanyam	32.35	11.53%	31.56	11.26%
C. Srikanth	25.00	8.91%	25.00	8.92%
Kukunuru Madhava Lakshmi	16.30	5.81%	-	-

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

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 32.

(e) Details of shares held by promoters

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year (in Lakhs)	Change during the year	No. of shares at the end of the year (in Lakhs)	% of Total Shares	% change during the year
P. Sapna	34.59	-	34.59	12.33%	-
C. V. Subramanyam	31.56	0.79	32.35	11.53%	2.50%
C. Srikanth	25.00	-	25.00	8.91%	-
C. Rajeshwari	13.14	(10.00)	3.14	1.12%	-76.10%
P. Sudhakar	0.01	-	0.01	0.00%	-

As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year (in Lakhs)	Change during the year	No. of shares at the end of the year (in Lakhs)	% of Total Shares	% change during the year
P. Sapna	34.59	-	34.59	12.34%	-
C. V. Subramanyam	30.54	1.02	31.56	11.26%	3.34%
C. Srikanth	25.00	-	25.00	8.92%	-
C. Rajeshwari	13.14	-	13.14	4.69%	-
P. Sudhakar	0.01	-	0.01	0.00%	-

(f) Dividends distribution made and proposed

	March 31, 2022	March 31, 2021
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021: Rs. 2.50 per share (March, 31 2020: Rs. Nil per share)*	700.50	-
	700.50	**-**
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on March 31, 2022: Rs. 2.50 per share (March 31, 2021: Rs. 2.50 per share)	701.31	700.50
	701.31	**700.50**

*Includes unclaimed dividend amount of Rs. 0.49 lakhs (March 31, 2021: Nil).

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2022. The dividend declared/ paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

There are no equity shared issued as bonus, issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

13 Other equity

	March 31, 2022	March 31, 2021
Securities premium		
Opening balance	29,283.76	28,633.76
Add: Issue of equity shares on exercise of employee stock options	106.44	650.00
Closing balance	**29,390.20**	**29,283.76**
Share based payment reserve		
Opening balance	144.89	525.93
Less: Issue of equity shares on exercise of employee stock options	(40.32)	(537.88)
Less: Lapsed share based options	(23.22)	-
Add: Share-based payment expense	30.18	156.84
Closing balance	**111.53**	**144.89**

	March 31, 2022	March 31, 2021
Retained earnings		
Opening balance	6,225.17	(4,268.90)
Less: Dividend	(700.50)	-
Add: Profit during the year	9,174.41	10,534.50
Add: Lapsed share based options	23.22	-
Items recognised directly in other comprehensive income		
Re-measurement losses on employee defined benefit plans (net of tax)	(56.76)	(40.43)
	14,665.54	**6,225.17**
Foreign currency translation reserve		
Opening balance	(1,221.09)	(951.70)
Add: Arisen during the year	232.94	(269.39)
Closing balance	**(988.15)**	**(1,221.09)**
	43,179.12	**34,432.73**

Nature and purpose of reserves

13.1 Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

13.2 Share based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Refer to note 32 for further details of these plans.

13.3 Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

13.4 Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

14 Short term borrowings

	March 31, 2022	March 31, 2021
Secured		
Cash credit from banks (refer note (a) and (b) below)	4,644.05	1,611.26
Bills discounting with bank (refer note (c) below)	52.17	-
	4,696.22	**1,611.26**

(a) Cash credit from banks of Rs. 2,403.51 lakhs (March 31, 2021: Rs 1,611.26 lakhs) is secured by hypothecation of property, plant and equipment, trade receivables of the Company and immovable property of Mr. C.V Subramanyam, Managing Director and his relative. The cash credit is also secured by personal guarantee of the directors, Mr. C.V Subramanyam, Managing Director and Mr. C. Srikanth, Director and their relatives. It is repayable on demand and carries floating interest rate of 6.50%p.a. (March 31, 2021: 8.20%p.a). The Company had available Rs. 96.49 lakhs of undrawn committed borrowing facilities as at March 31, 2022 (March 31, 2021: Rs. 888.74 lakhs).

(b) Cash credit from bank obtained by Cigniti Technologies Inc., USA ("CTI") of USD 29.57 lakhs equivalent to Rs. 2,240.54 lakhs (March 31, 2021: USD Nil) is secured by hypothecation of trade receivables of the Company. It is repayable on demand and carries floating interest rate of LIBOR+2.5% p.a. on utilised amounts and carrying fixed interest rate of 0.25% p.a (March 31, 2021: 0.25%) on un-utilised amounts. CTI had available USD 120.43 lakhs equivalent to Rs. 9,125.39 lakhs (March 31,2021: USD 150 lakhs equivalent to Rs. 10,972.35 lakhs) of undrawn committed borrowing facilities as at March 31, 2022.

(c) The bill discounting with bank is with recourse. The eligible accounts were discounted at 2.5% of the face value of the purchased accounts. The closing balance of bills discounting pertains to Cigniti Technologies UK Limited ("CT UK") amounting to GBP 0.52 lakhs equivalent to Rs. 52.17 lakhs (March 31, 2021: GBP Nil).

Loan covenants

Cash credit from bank obtained by CTI contains certain debt covenants relating to tangible effective net-worth, senior debt to EBIDTA ratio, interest coverage ratio, limitation on indebtedness, distribution of dividend and purchase of its stock. The limitation on indebtedness covenant gets suspended, if CTI meets certain prescribed criteria. The other loans do not carry any debt covenant.

The Group has not defaulted on any loans payable.

Cigniti Technologies Limited has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

15 Trade payables

	March 31, 2022	March 31, 2021
- Outstanding dues of micro and small enterprises(refer note 42)	25.29	-
- Outstanding dues to related parties (refer note 34)	228.71	297.94
- Outstanding dues to other parties	9,131.24	5,891.07
	9,385.24	**6,189.01**

Trade payable ageing schedule

As at March 31, 2022

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	22.14	3.15	-	-	-	**25.29**
Others	3,064.91	2,729.65	3,561.11	4.28	-	-	**9,359.95**
	3,064.91	**2,751.79**	**3,564.26**	**4.28**	**-**	**-**	**9,385.24**

As at March 31, 2021

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	2,409.66	1,953.70	1,822.97	0.65	2.03	-	**6,189.01**
	2,409.66	**1,953.70**	**1,822.97**	**0.65**	**2.03**	**-**	**6,189.01**

There are no disputed trade payables in current and previous year.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Company's credit risk management processes, refer to note 37.

16 Lease obligations

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Lease obligations (refer note 38(a))	2,328.25	2,048.56	979.51	907.82
	2,328.25	**2,048.56**	**979.51**	**907.82**

17 Other current financial liabilities

	March 31, 2022	March 31, 2021
At amortised cost		
Interest accrued but not due on borrowings (refer note below)	9.78	4.32
Capital creditors	353.50	66.76
Advance from customers	3.05	216.71
	366.33	**287.79**

Interest payable is normally settled monthly/quarterly throughout the financial year.

Changes in liabilities arising from financing activities

	April 1, 2021	Addition	Cashflows	March 31, 2022
Short-term borrowings (excluding cash credit facility)	-	-	52.17	52.17
Lease obligations	2,956.38	1,504.91	(1,153.53)	3,307.76
Total liabilities from financing activities	**2,956.38**	**1,504.91**	**(1,101.36)**	**3,359.93**

	April 1, 2020	Addition	Cashflows	March 31, 2021
Short-term borrowings (excluding cash credit facility)	169.19	-	(169.19)	-
Lease obligations	3,770.23	360.21	(1,174.06)	2,956.38
Total liabilities from financing activities	**3,939.42**	**360.21**	**(1,343.25)**	**2,956.38**

18 Provisions

	Long term		Short team	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provisions for employee benefits				
Provision for gratuity	1,768.96	1,234.54	-	-
Provision for leave benefits	-	-	569.17	255.81
	1,768.96	**1,234.54**	**569.17**	**255.81**

19 Current tax liability, net

	March 31, 2022	March 31, 2021
Provision for taxation (net of advance tax)	1,818.67	1,833.64
	1,818.67	**1,833.64**

20 Other current liabilities

	March 31, 2022	March 31, 2021
Statutory dues	1,859.52	1,530.12
Liability towards corporate social responsibility	18.26	76.87
	1,877.78	**1,606.99**

21 Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from software testing services	1,24,180.00	89,652.69

21.1 Disaggregated revenue information

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

	Year ended March 31, 2022	Year ended March 31, 2021
Geographical regions		
US	1,00,171.82	73,924.42
Rest of the world	24,008.18	15,728.27
Total revenue from contracts with customers	**1,24,180.00**	**89,652.69**

21.2 Contract balances

	March 31, 2022	March 31, 2021
Contract assets		
Trade receivables, net	22,678.05	15,771.84
Unbilled revenue	4,879.54	1,609.21
Contract assets	59.29	-
Contract liabilities		
Advance from customers	3.05	216.71

Unbilled revenue are initially recognised for the revenue earned in excess of amounts billed to clients as at the balance sheet date. Upon completion of acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities represents the obligation of the Group to perform services for which the entity has received consideration from the customer. This majorly pertains to unearned revenue on account of straight-lining of the contract price over the life of the contract.

21.3 Performance obligation

The Group has arrangements with the customer which are "time and material" basis. The performance obligation in case of time and material contracts is satisfied over time. Revenue is recognised as and when the services are performed.

The Group also performs work under "fixed-price" arrangements. Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. There is no unrecognised revenue out of fixed-price arrangements.

The payment is due with in 30-90 days from the time the customer accepts the work performed by the Group.

22 Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Exchange differences, net	(80.24)	218.70
Recoveries of bad and doubtful receivables	-	(21.02)
Liabilities no longer required written back	41.78	92.98
Profit on sale of property, plant and equipments	8.65	-
Miscellaneous income	37.99	69.28
	8.18	**359.95**

23 Finance income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on bank deposits	537.59	536.53
Income on fair valuation of investments through profit and loss	704.19	431.45
Interest income on income tax refund	94.05	17.34
	1,335.83	**985.32**

24 Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	70,758.15	49,760.27
Contribution to provident and other funds (refer note 31)	794.12	548.48
Share based payment expense	30.18	156.84
Gratuity expense (refer note 31)	667.89	477.09
Staff welfare expenses	1,676.45	1,215.59
	73,926.79	**52,158.27**

25 Hired contractors cost

	Year ended March 31, 2022	Year ended March 31, 2021
Hired contractors cost	23,935.13	14,167.18
	23,935.13	**14,167.18**

26 Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	323.88	318.60
Rent	293.61	401.94
Rates and taxes*	1,211.76	159.90
Insurance	180.85	120.39
Repairs and maintenance - others	41.96	44.44
Advertising, marketing and sales promotion	3,795.17	1,942.88
Office maintenance	283.11	247.66
Travelling and conveyance	1,201.38	629.92
Communication costs	226.25	366.61
Legal and professional fees	2,813.15	2,082.59
Payment to auditor	133.50	107.18
Provision for expected credit loss	170.77	-
Bad debts written off	1.46	-
Software licensing cost	1,718.06	1,638.38
Printing and stationery	184.04	51.45
Recruitment expenses	642.48	537.77
Corporate social responsibility expenditure	127.81	106.87
Miscellaneous expenses	40.78	24.06
	13,390.02	**8,780.64**

* During the year ended March 31, 2022, the Company has written off export incentives amounting to Rs. 974.11 lakhs pertaining to the financial year 2019-2020, pursuant to notification no. 29/2015-2020 dated September 23, 2021, issued by Ministry of Commerce & Industry.

27 Depreciation and amortisation expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 3)	761.17	400.95
Amortisation of Right-to-use-assets (refer note 38(a))	854.38	825.97
	1,615.55	**1,226.92**

28 Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	114.83	114.60
Interest on lease obligations (refer note 38(a))	265.66	360.21
Other borrowing cost	-	14.60
Factoring and bank charges	124.11	69.78
	504.60	**559.19**

29 Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2022 and for the year ended March 31, 2021 are:

	Year ended March 31, 2022	Year ended March 31, 2021
Adjustment of current tax relating to earlier years*	(185.00)	894.65
Current income tax charge	3,191.59	3,205.78
Deferred tax credit	(29.08)	(529.17)
Total income tax expense recognised in statement of profit and loss relating to current year	**3,162.51**	**2,676.61**

*Year ended March 31, 2022 - Taxes for earlier years represents reversal of state tax provision based on the income-tax return filed of Cigniti Technologies Inc., USA subsidiary of Cigniti Technologies Limited.

Year ended March 31, 2021 - Taxes for earlier years represents provisions made for demands (including consequential impacts) received during the year pertaining to earlier years of Cigniti Technologies Inc., USA subsidiary of Cigniti Technologies Limited.

(b) Reconciliation of effective tax rate:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax (A)	12,151.92	14,105.76
Enacted tax rate in India (B)	25.17%	29.12%
Expected tax expenses (C = A*B)	3,058.40	4,107.60
Reconciling items:		
On account of difference in tax rates in other subsidiaries	(11.34)	93.10

	Year ended March 31, 2022	Year ended March 31, 2021
Tax effect on deductible temporary differences and set off of taxable profits for the year against the carry forward of taxable losses	(100.17)	(926.64)
MAT credit utilised	-	(625.95)
Tax on expenses not tax deductible	215.62	28.50
Total (D)	**3,162.51**	**2,676.61**
Effective tax rate	26.02%	18.98%

During the current year, the Company has opted for the lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 having evaluated the benefits of the same under the Income Tax Act, 1961.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributable to equity shareholders for basic earnings	9,174.41	10,534.50
Weighted average number of equity shares in computing basic EPS (No. in lakhs)	280.42	278.90
Add: Effect of dilution:		
Employee stock options (No. in lakhs)*	0.32	-
Weighted Average number of equity shares adjusted for effect of dilution (No. in lakhs)	280.74	278.90
Face value of each equity share (Rs.)	10.00	10.00
Earnings per share		
- Basic (Rs.)	32.72	37.77
- Diluted (Rs.)	32.68	37.77

There have been no other transactions involving equity shares or potential equity shares between the reporting date and date of authorisation of these financial statements.

*The effect of stock options issued is anti-dilutive and hence not considered for computation of diluted earnings per share for the previous year.

31 Retirement and other employee benefits

I Defined Benefit Plans

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded through a policy with LIC. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

A) Net employee benefit expense (recognised in Employee benefits expenses)

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	598.18	426.23
Interest cost	110.89	85.57
Expected return on plan assets	(41.19)	(34.71)
Net employee benefit expenses	**667.89**	**477.09**
Actual return on plan asset	41.19	34.71

B) Amount recognised in the Balance Sheet

	March 31, 2022	March 31, 2021
Defined benefit obligation	2,476.53	1,964.07
Fair value of plan assets	707.57	729.53
	1,768.96	**1,234.54**

C) Changes in the present value of the defined benefit obligation

	March 31, 2022	March 31, 2021
Opening defined benefit obligation	1,964.07	1,515.63
Current service cost	598.18	426.23
Interest cost	110.89	85.57
Benefits paid	(266.27)	(76.15)
Net actuarial losses/(gains) on obligation for the year recognised under OCI	69.66	12.79
Closing defined benefit obligation	**2,476.53**	**1,964.07**

D) Change in the fair value of plan assets

	March 31, 2022	March 31, 2021
Opening fair value of plan assets	729.53	614.73
Investment income	41.19	34.71
Employer's contribution	210.00	190.00
Benefits paid	(266.95)	(82.27)
Return on plan assets, excluding amount recognised in net interest expense	(6.20)	(27.64)
Closing fair value of plan assets	**707.57**	**729.53**

The Company expects to contribute Rs. 300 lakhs to the gratuity fund in the next year (March 31, 2021: Rs. 500 lakhs).

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

	March 31, 2022	March 31, 2021
Investments with LIC	100.00%	100.00%

E) Remeasurement adjustments:

	Year ended March 31, 2022	Year ended March 31, 2021
Experience loss/ (gain) on plan liabilities	135.15	12.79
Financial loss/ (gain) on plan liabilities	(65.50)	-
Actuarial loss on plan assets	6.20	27.64
Remeasurement losses recognised in other comprehensive income	**75.85**	**40.43**

Remeasurement losses recognised in the current year are excluding the impact of deferred tax credit of Rs. 19.09 lakhs.

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

	March 31, 2022	March 31, 2021
Discount rate	6.10%	5.65%
Expected rate of return on assets	5.73%	5.65%
Salary rise	12.00%	12.00%
Attrition Rate	20.00%	20.00%

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

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Year ended	**March 31, 2022**	**March 31, 2021**
Expected benefit payments for the year ending:		
1 year	352.87	280.89
2-5 years	1,306.16	1,012.77
6-10 years	1,056.15	792.89
More than 10 years	1,006.95	798.27

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2021: 6 years).

(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Year ended	**March 31, 2022**	**March 31, 2021**
(a) Effect of 1% change in assumed discount rate		
- 1% increase	135.23	109.76
- 1% decrease	(149.89)	(122.06)
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	(119.78)	(101.11)
- 1% decrease	114.79	96.45
(c) Effect of change by 50% of attrition rate		
- increase by 50% of the attrition rate	313.67	261.65
- decrease by 50% of the attrition rate	(670.96)	(624.89)

II Defined contribution plan

	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to provident and other funds	794.12	548.48

32 Share based payments

Under the Employee Stock Option Plan, the Group, at its discretion, may grant share options to employees of the Group. The remuneration committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period ranging from 1 to 5 years subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price equal to the face value. The fair value of share options granted is estimated at the date of grant using a Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. It takes into account historical and expected dividends, and the share price fluctuation covariance of the Company and its competitors to predict the distribution of relative share performance.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2022	Year ended March 31, 2021
Expense arising from equity-settled share-based payment transactions	30.18	156.84

Movements during the year: The following table contains movements in share options during the year:

Particulars	March 31, 2022		March 31, 2021	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Total No. of options under the grant	25.00	5.00	25.00	5.00
Outstanding at April 1	0.34	3.34	1.34	1.33
Granted during the year	1.00	2.00	0.25	2.50
Forfeited during the year	0.50	2.50	-	-
Exercised during the year	0.04	0.29	1.25	0.49
Expired during the year	0.05	-	-	-
Outstanding at March 31	0.75	2.55	0.34	3.34
Exercisable at March 31	-	-	0.09	0.09

The weighted average share price at the date of exercise of these options was Rs 601.35 (March 31, 2021: Rs 328.95)

The following table lists the weighted average remaining contractual life for the share options as at March 31, 2022 and as at March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Scheme 2014	6.58	5.05
Scheme 2015	3.79	3.87

The weighted average fair value of options granted during the year was Rs. 272.16 (March 31, 2021 : Rs 170.61)

The range of exercise prices for the options outstanding at the beginning, forfeited, exercised, expired and outstanding at the end of the year is Rs 10 - Rs 506 (March 31, 2021: Rs 10 - Rs 393).

The following tables list the inputs to the models used for the year ended March 31, 2022.

Particulars	March 31, 2022		March 31, 2021	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Dividend yield	0.49%-0.54%	0.49%	0%	0%
Expected volatility	42.98% - 47.40%	43.33% - 49.12%	42.98% - 46.66%	42.98% - 46.66%
Risk-free interest rate	4.31% - 6.20%	4.77% - 6.05%	4.31% - 5.39%	4.31% - 5.39%
Expected life of options granted in years	2 - 5 years	2 - 5 years	2 - 5 years	2 - 5 years
Weighted average share price	494.26	505.90	393.55	393.55
Model used	Black-Scholes model		Black-Scholes model	

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

33 Segment Reporting

The Group has only one reportable business segment, which is rendering of software testing services. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group's single business segment.

Geographical information

a) **Revenue**

	Year ended March 31, 2022	Year ended March 31, 2021
US	1,00,171.82	73,924.42
Rest of the world	24,008.18	15,728.27

b) Assets: All the significant non-current assets are located in India.

No single external customer revenue is more than 10% of the Group's revenue.

34 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Primentor Inc.	Enterprise over which Key Management Personnel exercise significant influence.
Key Management Personnel	
Mr. C. V. Subramanyam	Chairman & Managing Director
Mr. C. Srikanth	Non-executive Director
Mr. Krishnan Venkatachary	Chief Financial Officer
Ms. Naga Vasudha	Company Secretary
Mr. Phaneesh Murthy	Independent director
Mr. Ram Krishna Agarwal	Independent director
Sri. Srinath Batni	Independent director
Ms. Nooraine Fazal	Independent director
Mr. K CH Subbarao	Non-executive Director

Transactions/balances with the above parties

March 31, 2022

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions during the year								
Professional fees	223.44	-	-	-	-	-	-	-
Remuneration	-	287.00	446.88	141.20	21.00	19.00	19.00	19.00
Director sitting fees	-	-	-	-	-	17.00	16.00	17.00
Reimbursement of expenses	6.29	-	-	-	-	-	-	-
Balances receivable/ (payable):								
Remuneration payable	-	(27.00)	(113.54)	(9.41)	(0.99)	(19.00)	(19.00)	(19.00)
Trade payables	(20.77)	-	-	-	-	-	-	-

March 31, 2021

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions during the year								
Professional fees	218.62	-	-	-	-	-	-	-
Remuneration	-	310.85	430.67	103.94	14.65	21.00	21.00	21.00
Director sitting fees	-	-	-	-	-	12.00	12.00	12.00
Reimbursement of expenses	4.28	-	8.91	-	-	-	-	-
Balances receivable/ (payable):								
Remuneration payable	-	(57.35)	(157.27)	(1.65)	(0.38)	(21.00)	(21.00)	(21.00)
Trade payables	(18.29)	-	-	-	-	-	-	-

Key management personnel (Mr. C.V Subramanyam and Mr. C. Srikanth) have given personal guarantees and personal property as collateral security in favour of bankers in connection with cash credit facility whose closing balance in total is Rs. 2,403.51 lakhs (March 31, 2021: Rs. 1,611.26 lakhs).

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

35 Significant accounting judgements, estimates and assumptions

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

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management Note 39
- Financial risk management objectives and policies Note 37
- Sensitivity analyses disclosures Notes 31 and 37.

Judgements

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

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

(i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 3.1.

(ii) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (refer note 29).

(iii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 31.

(iv) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(v) Allowance for credit losses on receivables and unbilled revenue

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

36 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

	Carrying value		Fair value	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Financial assets				
Investments	12,012.95	8,046.27	12,012.95	8,046.27
Trade receivables	22,678.05	15,771.84	22,678.05	15,771.84
Cash and cash equivalents	2,446.32	2,561.22	2,446.32	2,561.22
Bank balances other than cash and cash equivalents	9,093.59	10,230.40	9,093.59	10,230.40
Other financial assets	9,197.77	5,230.65	9,197.77	5,230.65
Financial liabilities				
Borrowings	4,696.22	1,611.26	4,696.22	1,611.26
Trade payables	9,385.24	6,189.01	9,385.24	6,189.01
Lease obligation	3,307.76	2,956.38	3,307.76	2,956.38
Other current financial liabilities	366.33	287.79	366.33	287.79

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

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

The Group considers a counterparty whose payment is due more than 90 days after the due date as a defaulted party. This is based on considering the market and economic forces in which the entities in the Group are operating. The Group creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 90 days from the due date. In calculating expected credit loss, the Group has also considered historical pattern of credit loss, the likelihood of increased credit risk.

Trade receivables as contract asset:

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

At March 31, 2022, the Company had 28 customers (March 31, 2021: 28 customers) that owed the Company more than 1% each of total receivable and accounted for approximately 57% (March 31, 2021: 59%) of all the receivables outstanding. There is no customer (March 31, 2021: 1) with balance greater than 5% (March 31, 2021: 6%) of the total amounts receivable.

The Group has adequate provision as at March 31, 2022 amounting to Rs. 399.77 lakhs (As at March 31, 2021: Rs. 224.07 lakhs) for receivable where there is no reasonable expectations of recovery. These are however, still subject to enforcement activity.

B Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

March 31, 2022:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	4,696.22	-	-	-	4,696.22
Trade payables	-	9,385.24	-	-	9,385.24
Lease obligation	-	1,152.00	2,452.69	25.95	3,630.64
Other financial liabilities	-	366.33	-	-	366.33
	4,696.22	**10,903.57**	**2,452.69**	**25.95**	**18,078.43**

March 31, 2021:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	1,611.26	-	-	-	1,611.26
Trade payables	-	6,189.01	-	-	6,189.01
Lease obligation	-	1,165.04	2,133.58	461.03	3,759.65
Other financial liabilities	-	287.79	-	-	287.79
	1,611.26	**7,641.84**	**2,133.58**	**461.03**	**11,847.71**

C Market Risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2022 and March 31, 2021.

C1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's working capital obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on borrowings, as follows:

	Change in basis points		Effect on profit before tax	
	Increase	Decrease	(Decrease)/increase	
March 31, 2022				
Indian Rupees	0.50%	-0.50%	(3.75)	3.75
March 31, 2021				
Indian Rupees	0.50%	-0.50%	(14.13)	14.13

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

C2. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities.

Unhedged foreign currency exposure:

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Group's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD, AED, ZAR, GBP, etc.).

For the year ended March 31, 2022 and March 31, 2021 , every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by Rs. 14.81 lakhs / Rs. (14.81) lakhs and Rs. 11.53 lakhs / Rs. (11.53) lakhs respectively.

38 Commitments and Contingencies

a. Leases

Group as lessee

The Group has entered into operating leases of office premises with no restrictions and are renewable at the option of either of the parties for a period of 11 months to 5 years. The escalation rates range from 0% to 10% per annum as per the terms of the lease agreement. There are no sub-leases. The Group also has certain leases spaces including guest houses with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

	March 31, 2022	March 31, 2021
Opening balance	2,165.75	2,989.92
Additions	1,235.65	-
Exchange differences	3.59	1.80
Amortization	(854.38)	(825.97)
Closing balance	**2,550.62**	**2,165.75**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	March 31, 2022	March 31, 2021
Opening balance	2,956.38	3,770.23
Additions	1,235.65	-
Accretion of interest	265.66	360.21
Exchange differences	3.60	-
Payments	(1,153.53)	(1,174.06)
Closing balance	**3,307.76**	**2,956.38**
Current	979.51	907.82
Non-current	2,328.25	2,048.56

The maturity analysis of lease liabilities are disclosed in Note 37.

The effective interest rate for lease liabilities is 5% - 10%, with maturity between 2024-2028

The following are the amounts recognised in statement of profit and loss:

	Year ended March 31, 2022	Year ended March 31, 2021
Amortization of Right to use asset	854.38	825.97
Interest on lease liabilities	265.66	360.21
	1,120.04	**1,186.18**

The Group had total cash outflows for leases of Rs. 1,153.53 lakhs in the current year (March 31,2021: Rs. 1,174.06 lakhs). The entire amount is in the nature of fixed lease payments. The Group had no non-cash additions to right-of-use assets and lease liabilities of Rs.1,235.65 lakhs in March 31, 2022 (March 31,2021: Nil) on account of revision of terms of lease with respect to change in the lease payments over the period of the lease.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (refer note 36).

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Nil (March 31, 2021: Nil).

c. Contingent Liabilities

(i) (a) In the previous year, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2017-2018 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 6,285.52 lakhs involving tax implication of approximately Rs. 1,400.00 lakhs, excluding penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. During the current year, the Company has received the final order with the proposed adjustment as mentioned in the draft order. Management has filed an appeal with the tax authorities and is currently pending with Commissioner (Appeals) /Dispute Resolution Panel (DRP).

(b) In the current year, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2018-2019 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 1,122.60 lakhs involving tax implication of approximately Rs. 380.00 lakhs, excluding penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. Management has filed an appeal with the tax authorities and is currently pending with Dispute Resolution Panel (DRP).

Management has assessed the order and based on expert advice and its documentation relating to the international transactions, believes that the Company has a strong basis to support its position and that the likelihood of any liability devolving on the Company is remote.

(ii) In the previous year, the Company has received a show cause notice from the Department of Foreign Trade (DGFT) dated August 25, 2020 and from the Directorate of Revenue Intelligence (DRI), Ahmedabad dated December 28, 2020, stating that the services provided by the Company are not covered under technical testing and analysis services and it appears that the Company provides services through subsidiaries in the foreign countries and accordingly the services rendered by the Company fall under the definition of service rendered through commercial presence in a foreign country which is not eligible for Service Exports from India Scheme (SEIS) benefits. The notice calls upon the Company to show cause as to why (a) The Scrips granted amounting to Rs 659.93 lakhs for the year ended March 31, 2017, should not be cancelled/ recovered from the Company and (b) The penalty should not be imposed as per Customs Act, 1962.

The Company has filed responses against the aforesaid show cause notices as per the legal opinion. Based on their internal assessment and legal opinion, Management believes that the software testing services being provided by the Company are eligible under the SEIS and will be able to establish the services will not fall in the category of "Supply of services through commercial presence". In view of the above, the Management believes that the export incentive recognised for the period April 1, 2015 to March 31, 2020 amounting to Rs. 1,770.78 lakhs are fully recoverable (March 31, 2021: Rs. 1,770.78 lakhs).

(iii) (a) In the previous year, the Company has received a letter from Office of the Joint Director, Enforcement Directorate, Hyderabad, initiating enquiry under the provisions of Foreign Exchange Management Act, 1999 (FEMA) requesting for certain documents . The Joint Director had called for an in person hearing where the Company had submitted the necessary information. The matter primarily relates to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents.

(b) In the earlier years, the Company had made foreign investments aggregating to USD 1,002 equivalent towards equity capital of three foreign subsidiaries without obtaining overseas direct investment (ODI) certificate from RBI. The Company is in the process of obtaining ODI approval from RBI and is in the process of compounding FEMA related non compliances.

(c) During the current year, the Company has incorporated subsidiaries i.e. Cigniti Technologies (SG) Pte. Ltd, Singapore and Cigniti Technologies (CZ) Limited s.r.o, Czech Republic and is in the process of obtaining approval from RBI with respect to the initial investment of SGD 1 and CZH 5,000 respectively.

Management is in the process of addressing the above matters and in view of the administrative/ procedural nature of these non-compliances, believes that they will not have a material impact on the consolidated financial statements.

d. Other litigations

During the year Cigniti Technologies Inc., USA, subsidiary of the Company has filed a lawsuit against it's former employees for inter alia misappropriation of trade secrets and various breaches of contract and fiduciary duty. The lawsuit is currently in progress and the Company believes that it has a strong chance of success in it's claims.

39 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2022	March 31, 2021
Borrowings	4,696.22	1,611.26
Less: Cash and cash equivalents (refer note 7)	(2,446.32)	(2,561.22)
Bank balances other than cash and cash equivalents (refer note 8)	(9,093.59)	(10,230.40)
Current investments (refer note 4)	(12,012.95)	(8,046.27)
Net debt	-	-
Equity	2,805.25	2,802.00
Other equity	43,179.12	34,432.73
Total capital	**45,984.37**	**37,234.73**
Capital and net debt	**45,984.37**	**37,234.73**
Gearing ratio (Net debt/ Capital and net debt)	0%	0%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

40 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of Code, once its effective.

41. Statutory group information

Name of the entity in the Group	March 31, 2022							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	80.79%	38,326.11	42.80%	3,926.28	100.00%	(56.76)	42.44%	3,869.52
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.12%	58.54	-0.01%	(1.06)	-	-	-0.01%	(1.06)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	19.64%	9,316.13	50.32%	4,616.39	-	-	50.63%	4,616.39
Cigniti Technologies (UK) Limited, UK	0.64%	304.30	4.84%	443.83	-	-	4.87%	443.83
Cigniti Technologies (Australia) Pty Ltd, Australia	-2.01%	(952.98)	1.99%	182.88	-	-	2.01%	182.88
Cigniti Technologies (Canada) Inc., Canada	1.31%	623.30	2.60%	238.28	-	-	2.61%	238.28
Cigniti Technologies (SG) Pte. Ltd, Singapore	-0.18%	(83.13)	-0.89%	(82.01)	-	-	-0.90%	(82.01)
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	-0.32%	(151.81)	-1.64%	(150.18)	-	-	-1.65%	(150.18)
Gross amounts	**100%**	**47,440.46**	**100%**	**9,174.41**	**100%**	**(56.76)**	**100%**	**9,117.65**
Adjustments arising out of consolidation		(1,456.09)		-		232.94	**-**	232.94
Net amounts		**45,984.37**		**9,174.41**		**176.18**		**9,350.59**

Name of the entity in the Group	March 31, 2021							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	90.61%	35,057.54	51.68%	5,444.02	100.00%	(40.43)	51.49%	5,403.59
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.15%	59.60	0.00%	(0.22)	-	-	0.00%	(0.22)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	11.53%	4,460.14	46.36%	4,883.74	-	-	46.54%	4,883.74
Cigniti Technologies (UK) Limited, UK	-0.34%	(131.11)	-3.59%	(378.17)	-	-	-3.60%	(378.17)
Cigniti Technologies (Australia) Pty Ltd, Australia	-2.90%	(1,120.74)	2.96%	312.18	-	-	2.97%	312.18
Cigniti Technologies (Canada) Inc., Canada	0.94%	365.39	2.59%	272.95	-	-	2.60%	272.95
Gross amounts	**100.00%**	**38,690.82**	**100.00%**	**10,534.50**	**100.00%**	**(40.43)**	**100.00%**	**10,494.07**
Adjustments arising out of consolidation		(1,456.09)		-		(269.39)	-	(269.39)
Net amounts		**37,234.73**		**10,534.50**		**(309.82)**		**10,224.68**

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

	March 31, 2022	March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	25.29	-
Interest due on above	-	-
	25.29	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

43. Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vii) The Group does not any transactions with companies struck off.

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

44. Previous year figures have been regrouped/reclassified wherever necessary to conform to the current year's classification.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Hyderabad
Date: May 4, 2022

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Cigniti Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cigniti Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 for the financial year ended March 31, 2022. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment assessment of investment in subsidiary (as described in note **4** of the Standalone Financial Statements)	
As at March 31, 2022, the Company has investment of Rs. 5,549.49 lakhs in Cigniti Technologies Inc., USA which is tested for impairment annually, using discounted cash-flow models of subsidiary's recoverable value compared to the carrying value. The determination of recoverable amounts of the Company's investments in the subsidiary relies on management's estimates of forecast of future cash flows and their judgment with respect to the forecast of the subsidiary's future performance. The inputs to the impairment testing model include: • Projected revenue growth, operating margins and operating cash-flows in the years 1-5; • Stable long-term growth rates beyond five years and in perpetuity; and • Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money. The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. The impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balance to the standalone financial statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over investment impairment assessment; • We assessed the methodology applied by the Company in its impairment analysis. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of a specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used, in consideration of the current and estimated future economic conditions; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We discussed potential changes in key drivers as compared to previous year/ actual performance with management in order to evaluate whether the inputs and assumptions like projected revenue growth, EBIDTA, etc. used in the cash flow forecasts were suitable; • We tested the arithmetical accuracy of the impairment model; and • We assessed the adequacy of the related disclosures as described in note **4** to the Standalone Financial Statements.
Allowance for credit losses for trade receivables including unbilled revenue (as described in note **38A** of the Standalone Financial Statements)	
As at March 31, 2022 the Company has outstanding trade receivables and unbilled revenue of Rs. 9,637. 99 lakhs. The Company has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions. We considered this as key audit matter due to the materiality of the amounts and significant estimate and judgements as stated above.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over allowance for credit losses; • We assessed the completeness and accuracy of the information used in the estimation of probability of default and tested historical payment record, correspondences with customers and subsequent collection of the customers' balances; and • We performed procedures to test the ageing of receivables, tested the mathematical accuracy and computation of the allowance for credit losses and assessed the allowance for expected credit loss made by the management.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone 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 financial statements in place and the operating effectiveness of such controls.

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

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

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 for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

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

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note **41(c)** to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts during the year ended March 31, 2022;

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

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

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity 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; and

c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) As stated in note **13** to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

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per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJRCL3525

Place of Signature: Hyderabad
Date: May 4, 2022

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Financial Statements of Cigniti Technologies Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

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

(b)

All property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2022.

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

(ii) (a) The Company's business does not involve inventories. Accordingly, the requirements to report under 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note **15** to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have any working capital limits sanctioned from financial institutions.

(iii) During the year, the investments made in companies are not prejudicial to the Company's interest. During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.

(iv) Investments in respect of which provisions of section186 of the Act are applicable have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable.

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

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax and other statutory dues applicable to it. The provisions relating to sales tax, duty of excise, value added tax and cess are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, provident fund, employees' state insurance, customs duty, cess and other statutory dues which have not been deposited on account of any dispute.

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

(ix) (a) The Company has not defaulted in repayment of loans or borrowing or in payment of interest thereon to any lender.

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

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

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

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

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

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

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

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

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

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

(xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

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

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

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

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

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

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

(d) There is no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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

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

(xix) On the basis of the financial ratios disclosed in note **42** to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note **27** to the standalone financial statements.

(b) All amounts that are unspent under section 5 of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section 6 of section 135 of the said Act. This matter has been disclosed in note **27** to the standalone financial statements.

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

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per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJRCL3525

Place of Signature: Hyderabad
Date: May 4, 2022

Annexure 2 to the Independent auditor's report of even date on the Standalone Financial Statements of Cigniti Technologies Limited ("the Company")

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Cigniti Technologies Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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.

Opinion

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

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

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per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AIJRCL3525

Place of Signature: Hyderabad
Date: May 4, 2022

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	2,985.95	1,553.22
Intangible assets	3	-	-
Right-to-use asset	41(a)	2,109.24	2,001.61
Deferred tax asset, net	12	489.78	529.17
Financial assets			
Investments	4	6,941.31	6,941.31
Other financial assets	6	1,665.96	507.55
		14,192.24	**11,532.86**
Current assets			
Financial assets			
Investments	5	12,012.95	8,046.27
Trade receivables	7	8,709.47	8,672.70
Cash and cash equivalents	8	1,140.89	1,513.85
Bank balances other than cash and cash equivalents	9	9,093.59	10,230.40
Other financial assets	6	3,191.14	3,263.47
Current tax assets, net	10	116.17	255.16
Other current assets	11	1,916.23	1,028.51
		36,180.44	**33,010.36**
Total assets		**50,372.68**	**44,543.22**
Equity and liabilities			
Equity			
Equity share capital	13	2,805.25	2,802.00
Other equity	14	35,520.86	32,255.54
		38,326.11	**35,057.54**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease obligations	17	1,952.36	2,027.36
Long term provisions	19	1,768.96	1,234.54
		3,721.32	**3,261.90**
Current liabilities			
Financial liabilities			
Short term borrowings	15	2,403.51	1,611.26
Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		25.29	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,225.98	997.94
Lease obligations	17	908.64	744.67
Other financial liabilities	18	2,176.44	2,332.40
Short term provisions	19	232.35	131.62
Current tax liability, net	20	809.24	-
Other current liabilities	21	543.80	405.89
		8,325.25	**6,223.78**
Total equity and liabilities		**50,372.68**	**44,543.22**
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors
Cigniti Technologies Limited

per Shankar Srinivasan
Partner
Membership No. 213271

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Place: Hyderabad
Date: May 4, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	22	45,551.89	31,106.90
Other income	23	58.60	283.10
Finance income	24	1,335.84	985.32
Total income		**46,946.33**	**32,375.32**
Expenses			
Employee benefits expense	25	34,044.68	21,349.89
Hired contractors cost	26	950.71	463.94
Other expenses	27	4,906.37	3,209.18
Depreciation and amortisation expense	28	1,338.92	1,007.92
Finance costs	29	308.20	379.35
Total expenses		**41,548.88**	**26,410.28**
Profit before tax		**5,397.45**	**5,965.04**
Tax expenses	30		
Current tax		1,412.69	1,050.19
Deferred tax		58.48	(529.17)
Total tax expense		**1,471.17**	**521.02**
Net profit for the year		**3,926.28**	**5,444.02**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement losses on employee defined benefit plans, net of tax		(56.76)	(40.43)
Total other comprehensive loss for the year, net of tax		**(56.76)**	**(40.43)**
Total comprehensive income for the year, net of tax		**3,869.52**	**5,403.59**
Earnings per share (EPS) (Nominal value of equity share is Rs. 10/- each)	31		
Basic EPS		14.00	19.52
Diluted EPS		13.99	19.52
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Hyderabad
Date: May 4, 2022

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity share capital

Equity Shares of Rs.10 each, issued, subscribed and fully paid	No.	Rs.
As at April 01, 2020	**27,846,259**	**2,784.63**
Add: Issued during the year (refer note 13)	173,750	17.38
As at March 31, 2021	**28,020,009**	**2,802.01**
Add: Issued during the year (refer note 13)	32,500	3.25
As at March 31, 2022	**28,052,509**	**2,805.26**

b. Other equity

	Other components of equity			
	Securities premium	Share based payment reserve	Retained earnings	Total
As at April 01, 2020	**28,633.76**	**525.93**	**(2,576.70)**	**26,582.99**
Profit for the year	-	-	5,444.02	5,444.02
Re-measurement losses on employee defined benefit plans	-	-	(40.43)	(40.43)
Issue of equity shares on exercise of employee stock options	650.00	(537.88)	-	112.12
Share-based payment expense	-	156.84	-	156.84
As at March 31, 2021	**29,283.76**	**144.89**	**2,826.89**	**32,255.54**
Dividend	-	-	(700.50)	(700.50)
Profit for the year	-	-	3,926.28	3,926.28
Re-measurement losses on employee defined benefit plans	-	-	(56.76)	(56.76)
Issue of equity shares on exercise of employee stock options	106.44	(40.32)	-	66.12
Share based options lapsed during the years	-	(23.22)	23.22	-
Share-based payment expense	-	30.18	-	30.18
As at March 31, 2022	**29,390.20**	**111.53**	**6,019.13**	**35,520.86**

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors
Cigniti Technologies Limited

per Shankar Srinivasan
Partner
Membership No. 213271

C. V. Subramanyam
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DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Place: Hyderabad
Date: May 4, 2022

STANDALONE STATEMENT OF CASH FLOWS

AS AT MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities			
Profit before tax		5,397.45	5,965.04
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense		1,338.92	1,007.92
Finance income		(1,335.84)	(985.32)
Profit on sale of property, plant and equipments		(8.65)	-
Provisions no longer required written back		(18.77)	-
Finance cost		308.20	379.35
Export incentive written-off		974.11	-
Unrealised foreign exchange loss/(gain), net		50.78	-
Share based payment expense		10.19	156.84
Provision for expected credit loss, net		66.71	91.67
Bad debts written off		-	13.61
Operating profit before working capital changes		**6,783.10**	**6,629.11**
Movements in working capital			
Increase in trade payables		272.10	13.31
Increase in other liabilities		137.91	28.12
Increase in provisions		559.30	309.20
Increase in trade receivables		(94.19)	(1,345.98)
(Increase)/decrease in other assets		(887.72)	443.18
(Increase)/decrease in other financial assets		(1,028.28)	1,028.20
(Decrease)/increase in other financial liabilities		(422.71)	78.19
Cash generated from operations		**5,319.51**	**7,183.33**
Income taxes paid (net of refunds)		(464.46)	(1,046.67)
Net cash generated from operating activities	**(A)**	**4,855.05**	**6,136.66**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(1,781.30)	(280.21)
Proceeds from sale of property, plant and equipments		8.65	-
Investments in mutual funds and debentures		(6,188.70)	(10,535.98)
Redemption of mutual funds and debentures		2,926.21	7,810.35
Investment in bank deposits		(10,262.78)	(6,148.52)
Redemption of bank deposits		10,229.32	4,218.49
Interest received		709.94	587.13
Net cash used in investing activities	**(B)**	**(4,358.66)**	**(4,348.74)**
Cash flows used in financing activities			
Proceeds from shares issued against stock options		69.37	129.50
Dividend paid		(700.50)	-
Interest paid		(51.43)	(21.17)
Payment towards lease obligation		(979.04)	(1,022.46)
Net cash used in financing activities	**(C)**	**(1,661.60)**	**(914.13)**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	(1,165.21)	873.79
Cash and cash equivalents at the beginning of the year		(97.41)	(971.20)
Cash and cash equivalents at the end of the year		**(1,262.62)**	**(97.41)**
Components of cash and cash equivalents			
Balances with banks on current accounts		1,140.86	1,513.79
Cash on hand		0.03	0.06
Cash credit from banks		(2,403.51)	(1,611.26)
Total cash and cash equivalents		**(1,262.62)**	**(97.41)**

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors
Cigniti Technologies Limited

per Shankar Srinivasan
Partner
Membership No. 213271

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Place: Hyderabad
Date: May 4, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT MARCH 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Corporate information

Cigniti Technologies Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Dwarakapuri Colony, Panjagutta, Hyderabad. The Company is principally engaged in providing software testing services across the world.

The Standalone Financial Statements were authorized for issue in accordance with a resolution of the directors on May 4, 2022.

2. Significant Accounting Policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statements.

The standalone financial statements have been prepared on a historical cost basis and consistent with previous year subject to changes in accounting policies. The standalone financial statements are presented in INR, and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Summary of significant accounting policies

(a) Use of Estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

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

The Company has considered internal and external information upto the date of approval of these standalone financial statements in assessing the recoverability of assets including trade receivables, unbilled receivables, goodwill and investments, based on which it expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these standalone financial statements.

(b) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

(c) Foreign currencies

The Company's standalone financial statements are presented in INR, which is the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

(d) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue from contract with customers

The Company derives revenue primarily from software testing services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has concluded that it is the principal in its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks. Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of contract.

Rendering of services

Revenue from software testing services rendered to its subsidiary companies is recognized on accrual basis for services rendered and billed as per the terms of specific contract, which is on the basis of cost expended plus an agreed profit margin.

The method for recognizing revenues and costs depends on the nature of services rendered to others as mentioned below:

- Time and material: Revenue from time and material contracts are recognized as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.
- Fixed price contracts: Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Other income

- Income from Government incentive

  Income from Services Exports from India Scheme ('SEIS') incentives under

Government's Foreign Trade Policy 2015-20 is recognised on expected realisable value based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS scrips are classified as 'Other financial assets' as "Export incentive receivable"

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.
- Earnings and losses from investments is recognized based on changes in fair value of investments during the year and are reported on net basis.
- Foreign currency gains and losses are reported on net basis.

(f) Taxes

Current income tax

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

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement under Deferred Tax Asset." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(g) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has made technical assessment of the useful lives of the following classes of assets which coincides with the lives prescribed under Schedule II of the Companies Act, 2013:

Asset	Useful lives estimated by the management (years)
Buildings	60
Electrical equipment	10
Leasehold improvements	Over the period of lease
Furniture and fixtures	10
Office equipments	5
Computer and computer equipments	3
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives
Software licenses	Finite (3 years)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(i) Borrowing 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(j) Leases

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

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-to-use assets

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

ROU	Useful lives
Office Premises	3-5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(k) Impairment of non-financial assets

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

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

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss. After impairment, amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(l) Provisions, contingent liabilities and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liability

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Employee State Insurance is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

However, the Company presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(n) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in Share-Based Payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized 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. The statement of profit and loss expense or credit 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.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(o) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at Fair Value Through Profit or Loss (FVPTL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments at FVTPL
- Equity instruments measured at FVTOCI

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

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

a) the rights to receive cash flow from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the assets, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Other financial assets

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts and cash credits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(p) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(q) Segment information

The Company has only one reportable business segment, which is rendering of software testing services. Accordingly, the amounts appearing in the standalone financial statements relate to the Company's single business segment.

(r) Corporate social responsibility

The Company charges its Corporate Social Responsibility expenditure to the statement of profit and loss.

(s) Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.3 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021. These amendments had no impact on the financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020. These amendments had no impact on the financial statements of the Company.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS. These amendments had no impact on the financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the financial statements of the Company.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

(vi) Ind AS 16 – Property Plant and equipment –

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no significant impact on its consolidated financial statements.

(vii) Ind AS 103 – Business Combinations –

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

(viii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

3. Property, plant and equipment and intangible assets

	Property, Plant and Equipment								Intangible assets	
	Buildings	Electrical equipments	Leasehold improvements	Furniture and fixtures	Office equipments	Computer and Computer equipment	Vehicles	Total Property, Plant and Equipment	Software License	Total intangible assets
Cost										
As at April 01, 2020	**193.53**	**492.12**	**317.10**	**331.23**	**347.96**	**758.01**	**176.10**	**2,616.05**	**246.66**	**246.66**
Additions	-	33.37	-	-	4.14	276.75	-	314.26	-	-
As at March 31, 2021	**193.53**	**525.49**	**317.10**	**331.23**	**352.10**	**1,034.76**	**176.10**	**2,930.31**	**246.66**	**246.66**
Additions	-	10.94	-	0.72	0.23	2,056.15	-	2,068.04	-	-
As at March 31, 2022	**193.53**	**536.43**	**317.10**	**331.95**	**352.33**	**3,090.91**	**176.10**	**4,998.35**	**246.66**	**246.66**
Depreciation and amortisation										
As at April 01, 2020	**16.64**	**124.30**	**134.98**	**108.54**	**167.34**	**483.76**	**10.90**	**1,046.46**	**246.66**	**246.66**
Charge for the year	4.24	55.07	21.48	29.30	53.68	145.14	21.72	330.63	-	-
As at March 31, 2021	**20.88**	**179.37**	**156.46**	**137.84**	**221.02**	**628.90**	**32.62**	**1,377.09**	**246.66**	**246.66**
Charge for the year	4.25	57.49	21.48	26.87	51.36	452.14	21.72	635.31		
As at March 31, 2022	**25.13**	**236.86**	**177.94**	**164.71**	**272.38**	**1,081.04**	**54.34**	**2,012.40**	**246.66**	**246.66**
Net book value										
As at March 31, 2021	172.65	346.12	160.64	193.39	131.08	405.86	143.48	1,553.22	-	-
As at March 31, 2022	**168.40**	**299.57**	**139.16**	**167.24**	**79.95**	**2,009.87**	**121.76**	**2,985.95**	**-**	**-**

Pledge on property, plant and equipment:

Property, plant and equipment with a carrying amount of Rs. 2,985.95 lakhs (March 31, 2021: Rs. 1,553.22 lakhs) are subject to charge to secure cash credit facility from bank.

4 Investments

	March 31, 2022	March 31, 2021
A. Trade investments (Valued at cost unless stated otherwise)		
Investment in equity instruments		
Investment in subsidiaries (Unquoted)		
(a) 1,000 (March 31, 2021 : 1,000) equity shares of $ 1 each, fully paid-up in Cigniti Technologies Inc., USA (refer note 41 (c) (iii b))	5,549.49	5,549.49
(b) 10,000 (March 31, 2021 : 10,000) equity shares of Rs. 10 each, fully paid-up in Gallop Solutions Private Limited	110.00	110.00
(c) 1 (March 31, 2021 : 1) equity shares of CAD 1 each, fully paid-up in Cigniti Technology Canada Inc., Canada (refer note 41 (c) (iii b))*	0.00	0.00
(d) 855,001 (March 31, 2021 : 855,001) equity shares of GBP 1 each, fully paid-up in Cigniti Technologies (UK) Limited.	839.57	839.57
(e) 865,001 (March 31, 2021 : 865,001) equity shares of AUD 1 each, fully paid-up in Cigniti Technologies (Australia) Pty Ltd.	442.25	442.25
(f) 1 (March 31, 2021: 1) equity shares of NZD 1 each, fully paid-up in Cigniti Technologies (NZ) Limited, New Zealand (refer note 41 (c) (iii b))*	0.00	0.00
(g) 5,000 (March 31, 2021 : Nil) equity shares of SGD 1 each, fully paid-up in Cigniti Technologies (SG) Pte. Ltd.*	0.00	-
(h) 5,000 (March 31, 2021 : Nil) equity shares of CZK 1 each, fully paid-up in Cigniti Technologies (CZ) Limited*	0.00	-
Less: Provision for diminution in value of investment in Cigniti Technologies (NZ) Limited, New Zealand*	0.00	0.00
Total	**6,941.31**	**6,941.31**
Aggregate value of unquoted investments	**6,941.31**	**6,941.31**

Notes:

a) Cigniti Technologies (NZ) Limited, New Zealand, wholly owned subsidiary of the Company, was wound up effective January 30, 2019. The Company has made provision for the investment in the subsidiary in earlier years.

b) Investment impairment testing: The carrying amount of the investment is tested annually for impairment using discounted cash-flow models of subsidiary's recoverable value compared to the carrying value and comparable multiple method. A deficit between the recoverable value and the carrying value of investment would result in impairment. The inputs to the impairment testing model which have the most significant impact on recoverable value include:

- Projected revenue growth, operating margins and operating cash-flows in the years 1-5;
- Stable long-term growth rates beyond five years and in perpetuity; and
- Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money.

The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate.

Based on the approved business plan and valuation assessment, the management of the Company expects growth in operations and sustained profitability. The projections of the business is above the book value of its investments, indicating no signs of impairment. Accordingly, these financial statements do not include any adjustment relating to impairment of investments.

c) During the current year, the Company has incorporated subsidiaries in Singapore and Czech Republic. Investments with respect to share capital subscription of such entities is in progress as at balance sheet date as the company is in the process of making the required filing with Reserve Bank of India.

*Investment value rounded off in lakhs.

Financial assets

There are no loans or deposits given, covered under section 186(4) of Companies Act, 2013.

5 Current investments

	March 31, 2022	March 31, 2021
Valued at fair value through profit and loss		
Investment in bonds, quoted		
Unsecured, considered good	4,452.27	4,498.61
Investment in debentures, quoted		
Unsecured, considered good	2,457.70	2,225.54
Investment in mutual funds, quoted		
Unsecured, considered good	5,102.98	1,322.12
	12,012.95	**8,046.27**
Aggregate book value of quoted investments	**12,012.95**	**8,046.27**
Aggregate market value of quoted investments	**12,012.95**	**8,046.27**

	March 31, 2022		March 31, 2021	
	Units	Amount	Units	Amount
Bonds				
Bharat Bond ETF - April 2030 Regular Growth	80,000.00	964.86	80,000.00	904.00
Shriram Transport Finance Company Ltd.	-	-	55.00	556.22
Bank of Baroda	60.00	605.70	60.00	604.38
Axis Bank Limited	50.00	503.95	50.00	506.60
State Bank of India	60.00	638.09	50.00	504.60
M&M Financial Services Limited	50.00	543.47	50.00	562.84
Tata Capital Financial Services Limited	-	-	30.00	356.13
IIFL Home Finance Limited	50.00	534.63	50.00	503.85
India Grid Limited	60,000.00	661.57	-	-
Debentures				
Non-convertible debentures of ECAP Equities Limited	1,775.00	2,457.70	1,775.00	2,225.54
Mutual Funds				
Kotak Debt hybrid -Regular Plan Growth	1,278,681.66	550.54	-	-
Kotak Credit Risk Fund - Growth Regular Plan	2,434,478.82	599.97	-	-
Axis Ultra Short Term Fund - Regular Plan Growth	3,280,338.03	801.04	-	-
Aditya Birla Sun Life Low Duration Fund - Growth-Direct Plan	161,443.40	583.67	138,826.44	766.42
Aditya Birla Sun Life Regular Savings Fund_Growth	1,870,167.65	961.46	-	-
Aditya Birla Sun Life Low Duration Fund Direct Plan	37,907.80	219.12	-	-
ICICI Prudential PAMP Asset Allocation Fund (FOF)_Growth	508,022.72	401.80	-	-
ICICI PLFRAG Medium Term Bond Fund_Growth	513,087.45	405.81	-	-
ICICI Prudential Savings Fund- Direct Plan	132,407.63	579.57	132,407.63	555.70
		12,012.95		**8,046.27**

6 Other financial assets

	Non current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Bank deposits (having remaining maturity of more than twelve months)	1,170.27	-	-	-
Unsecured, considered good				
Interest receivable	-	-	224.13	302.42
Export incentives receivable (refer note 41 (c) (ii))	-	-	1,770.78	2,744.89
Advances/reimbursements receivable from related parties (refer note below)	-	-	267.71	58.00
Security deposits	495.69	507.55	-	0.84
Unbilled receivables	-	-	928.52	157.32
	1,665.96	**507.55**	**3,191.14**	**3,263.47**
Advances/ reimbursements receivable from related parties (refer note 35)			**March 31, 2022**	**March 31, 2021**
Cigniti Technologies Inc.			121.52	42.65
Cigniti Technologies UK Limited			31.91	13.60
Cigniti Technologies Canada Inc.			27.54	1.75
Cigniti Technologies Australia Pty Limited			3.29	-
Cigniti Technologies SG Pte. Ltd.			83.45	-
			267.71	**58.00**

7 Trade receivables

	March 31, 2022	March 31, 2021
Unsecured, considered good		
Trade receivables from related parties (refer note 35)	7,558.70	7,924.59
Trade receivables from other parties	1,342.66	872.51
Less: Allowance for expected credit losses	(191.89)	(124.40)
Unsecured, Credit impaired		
Trade receivables from related parties (refer note 35)	-	-
Trade receivables from other parties	-	-
Less: Allowance for credit impairment	-	-
	8,709.47	**8,672.70**

Trade receivables ageing schedule

As at March, 31 2022

	Current, not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	7,998.22	797.73	-	44.01	61.40	-	8,901.36
Credit impaired	-	-	-	-	-	-	-
Total	**7,998.22**	**797.73**	**-**	**44.01**	**61.40**	**-**	**8,901.36**
Less: Allowance for expected credit losses							**(191.89)**
Balance as at year end							**8,709.47**

As at March, 31 2021

	Current, not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	7,947.92	745.22	43.31	60.65	-	-	8,797.10
Credit impaired	-	-	-	-	-	-	-
Total	**7,947.92**	**745.22**	**43.31**	**60.65**	**-**	**-**	**8,797.10**
Less: Allowance for expected credit losses							**(124.40)**
Balance as at year end							**8,672.70**

There are no disputed trade receivables in the current and previous year.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Company has recorded an allowance for credit loss of Rs. 20.44 lakhs on receivables relating to amounts owed by related party (March 31, 2021: Rs. 20.44 lakhs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Trade receivables are generally with the credit term of 30 to 90 days and are non interest bearing.

8 Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balance with banks		
- On current accounts	1,140.37	1,513.79
Unpaid dividend	0.49	-
Cash on hand	0.03	0.06
	1,140.89	**1,513.85**

8.1 For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2022	March 31, 2021
Cash and cash equivalents (refer note 8)	1,140.89	1,513.85
Less: Cash credit facility (refer note 15)	(2,403.51)	(1,611.26)
	(1,262.62)	**(97.41)**

9 Bank balances other than cash and cash equivalents

	Non- Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deposits with remaining maturity for more than 3 months	1,170.27	-	9,093.59	10,230.40
Less: Amount disclosed under non-current assets (refer note 6)	(1,170.27)	-	-	-
	-	**-**	**9,093.59**	**10,230.40**

10 Current tax assets, net

	March 31, 2022	March 31, 2021
Income tax receivable (net of provision for tax)	116.17	255.16
	116.17	**255.16**

11 Other current assets

	March 31, 2022	March 31, 2021
Unsecured, considered good unless stated otherwise		
Advances recoverable in cash or kind	22.07	6.12
Staff advances	44.10	25.23
Prepaid expenses	150.64	244.55
Balance with government authorities	1,699.42	752.61
	1,916.23	**1,028.51**

No advances are due from directors or other officers of the company or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or a member.

12 Deferred tax asset, net

	March 31, 2022	March 31, 2021
Deferred tax asset		
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortisation charged to financial reporting	-	22.38
Provision for employee benefits	503.69	350.74
Provision for doubtful debts	48.30	31.88
Right to use assets/lease obligation	189.20	197.42
Gross deferred tax asset	**741.19**	**602.42**
Deferred tax liability		
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortisation charged to financial reporting	(29.44)	-
Revaluations of current investments to fair value	(221.97)	(73.25)
Gross deferred tax liability	**(251.41)**	**(73.25)**
	489.78	**529.17**

March 31, 2022

	Opening balance	Recognised in the statement of profit and loss*	Closing balance
Deferred tax assets/(liabilities) in relation to :			
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortisation charged to financial reporting	22.38	51.82	(29.44)
Provision for employee benefits	350.74	(152.95)	503.69
Provision for doubtful debts	31.88	(16.42)	48.30
Right to use assets/lease obligation	197.42	8.22	189.20
Revaluations of current investments to fair value	(73.25)	148.72	(221.97)
	529.17	**39.39**	**489.78**

* Includes deferred tax credit of Rs. 19.09 lakhs recognised through other comprehensive income on re-measurement losses on employee defined benefit plans.

March 31, 2021

	Opening balance	Recognised in the statement of profit and loss	Closing balance
Deferred tax assets/(liabilities) in relation to :			
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortisation charged to financial reporting	-	22.38	22.38
Provision for employee benefits	-	350.74	350.74
Provision for doubtful debts	-	31.88	31.88
Right to use assets/Lease obligation	-	197.42	197.42
Revaluations of current investments to fair value	-	(73.25)	(73.25)
	-	**529.17**	**529.17**

13. Equity share capital

	March 31, 2022	March 31, 2021
Authorized share capital		
36,000,000 (March 31, 2021 : 36,000,000) equity shares of Rs. 10/- each	3,600.00	3,600.00
Issued, subscribed and fully paid-up shares		
28,052,509 (March 31, 2021: 28,020,009) equity shares of Rs. 10/- each fully paid-up	2,805.25	2,802.00
Total issued, subscribed and fully paid-up share capital	**2,805.25**	**2,802.00**

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

Equity shares

	March 31, 2022		March 31, 2021	
	No's	Amount	No's	Amount
At the beginning of the year	28,020,009	2,802.00	27,846,259	2,784.63
Shares issued during the year against stock options	32,500	3.25	173,750	17.38
Outstanding at the end of the year	**28,052,509**	**2,805.25**	**28,020,009**	**2,802.00**

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2022		March 31, 2021	
	No's (in Lakhs)	% holding	No's (in Lakhs)	% holding
P. Sapna	34.59	12.33%	34.59	12.34%
C. V. Subramanyam	32.35	11.53%	31.56	11.26%
C. Srikanth	25.00	8.91%	25.00	8.92%
Kukunuru Madhava Lakshmi	16.30	5.81%	-	-

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

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 33.

(e) Details of shares held by promoters

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year (in Lakhs)	Change during the year	No. of shares at the end of the year (in Lakhs)	% of Total Shares	% change during the year
P. Sapna	34.59	-	34.59	12.33%	-
C. V. Subramanyam	31.56	0.79	32.35	11.53%	2.50%
C. Srikanth	25.00	-	25.00	8.91%	-
C. Rajeshwari	13.14	(10.00)	3.14	1.12%	-76.10%
P. Sudhakar	0.01	-	0.01	0.00%	-

As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year (in Lakhs)	Change during the year	No. of shares at the end of the year (in Lakhs)	% of Total Shares	% change during the year
P. Sapna	34.59	-	34.59	12.34%	-
C. V. Subramanyam	30.54	1.02	31.56	11.26%	3.34%
C. Srikanth	25.00	-	25.00	8.92%	-
C. Rajeshwari	13.14	-	13.14	4.69%	-
P. Sudhakar	0.01	-	0.01	0.00%	-

(f) Dividends distribution made and proposed

	March 31, 2022	March 31, 2021
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021: Rs. 2.50 per share (March 31, 2020: Rs. Nil per share)*	700.50	-
	700.50	**-**
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on March 31, 2022: Rs. 2.50 per share (March 31, 2021: Rs. 2.50 per share)	701.31	700.50
	701.31	**700.50**

*Includes unclaimed dividend amount of Rs. 0.49 lakhs (March 31, 2021: Nil).

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2022. The dividend declared/ paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

There are no equity shares issued as bonus, issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

14. Other equity

	March 31, 2022	March 31, 2021
Securities premium		
Opening balance	29,283.76	28,633.76
Add: Issue of equity shares on exercise of employee stock options	106.44	650.00
Closing balance	**29,390.20**	**29,283.76**
Share based payment reserve		
Opening balance	144.89	525.93
Add: Issue of equity shares on exercise of employee stock options	(40.32)	(537.88)
Less: Lapsed share based options	(23.22)	-
Add: Share-based payment expense	30.18	156.84
Closing balance	**111.53**	**144.89**
Retained earnings		
Opening balance	2,826.89	(2,576.70)
Less: Dividend	(700.50)	-
Add: Profit during the year	3,926.28	5,444.02
Add: Lapsed share based options	23.22	-
Items recognised directly in Other comprehensive income		
Re-measurement losses on employee defined benefit plans, net of tax	(56.76)	(40.43)
Closing balance	**6,019.13**	**2,826.89**
	35,520.86	**32,255.54**

Nature and purpose of reserves

14.1 Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

14.2 Share based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Refer note 32 for further details of these plans.

14.3 Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

15. Short term borrowings

	March 31, 2022	March 31, 2021
Secured		
Cash credit from banks (refer note below)	2,403.51	1,611.26
	2,403.51	**1,611.26**

Cash credit from banks of Rs. 2,403.51 lakhs (March 31, 2021: Rs 1,611.26 lakhs) is secured by hypothecation of property, plant and equipment, trade receivables of the Company and immovable property of Mr. C.V Subramanyam, Managing Director and his relative. The cash credit is also secured by personal guarantee of the directors, Mr. C.V Subramanyam, Managing Director and Mr. C. Srikanth, Director and their relatives. It is repayable on demand and carries floating interest rate of 6.50%p.a. (March 31, 2021: 8.20% p.a.). The Company had available Rs. 96.49 lakhs (March 31, 2021: Rs. Rs. 888.74 lakhs) of undrawn committed borrowing facilities as at March 31, 2022.

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

16. Trade payables

	March 31, 2022	March 31, 2021
Outstanding dues of micro and small enterprises (refer note 34)	25.29	-
Outstanding dues of creditors other than micro enterprises and small enterprises	1,131.58	875.56
Outstanding dues to related parties (refer note 35)	94.40	122.38
	1,251.27	**997.94**

Trade payable ageing schedule

As at March 31, 2022

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	22.14	3.15	-	-	-	**25.29**
Others	338.25	370.51	514.28	2.94	-	-	**1,225.98**
	338.25	**392.65**	**517.43**	**2.94**	**-**	**-**	**1,251.27**

As at March 31, 2021

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Others	309.07	183.51	502.68	0.65	2.03	-	**997.94**
	309.07	**183.51**	**502.68**	**0.65**	**2.03**	**-**	**997.94**

There are no disputed trade payables in the current and previous year.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Company's credit risk management processes, refer to note 37.

17. Lease obligations

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Lease obligations (refer note 41 (a))	1,952.36	2,027.36	908.64	744.67
	1,952.36	**2,027.36**	**908.64**	**744.67**

Interest payable is normally settled monthly throughout the financial year.

18. Other financial liabilities

	March 31, 2022	March 31, 2021
At amortised cost		
Advances from related parties (refer note 35)	1,822.94	2,265.64
Capital creditors	353.50	66.76
	2,176.44	**2,332.40**

Changes in liabilities arising from financing activities

	April 1, 2021	Addition	Cash flows	March 31, 2022
Lease obligations	2,772.03	1,068.01	(979.04)	2,861.00
Total liabilities from financing activities	**2,772.03**	**1,068.01**	**(979.04)**	**2,861.00**

Changes in liabilities arising from financing activities

	April 1, 2020	Addition	Cash flows	March 31, 2021
Lease obligations	3,436.31	358.18	(1,022.46)	2,772.03
Total liabilities from financing activities	**3,436.31**	**358.18**	**(1,022.46)**	**2,772.03**

19. Provisions

	Long term		Short term	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provisions for employee benefits				
Provision for gratuity	1,768.96	1,234.54	-	-
Provision for leave benefits	-	-	232.35	131.62
	1,768.96	**1,234.54**	**232.35**	**131.62**

20. Current tax liability, net

	March 31, 2022	March 31, 2021
Provision for taxation (net of advance tax)	809.24	-
	809.24	**-**

21. Other current liabilities

	March 31, 2022	March 31, 2021
Statutory dues	525.54	329.02
Liability towards corporate social responsibility	18.26	76.87
	543.80	**405.89**

22 Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from software testing services	45,551.89	31,106.90

22.1 Disaggregated revenue information

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

	Year ended March 31, 2022	Year ended March 31, 2021
Related parties	40,959.97	28,004.81
Others	4,591.92	3,102.09
Total revenue from operations	**45,551.89**	**31,106.90**

22.2 Contract balances

	March 31, 2022	March 31, 2021
Contract assets		
Trade receivables, net	8,709.47	8,672.70
Unbilled revenue	928.52	157.32

Unbilled revenue are initially recognised for the revenue earned in excess of amounts billed to clients as at the balance sheet date. Upon completion of acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities represents the obligation of the Company to perform services for which the entity has received consideration from the customer.

22.3 Performance obligation

The Company has arrangements with the customer which are "time and material" basis. The performance obligation in case of time and material contracts is satisfied over time. Revenue is recognised as and when the services are performed.

The Company also performs work under "fixed-price" arrangements. Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. There is no unrecognised revenue out of fixed-price arrangements.

The payment is due with in 30-90 days from the time the customer accepts the work performed by the Company.

23 Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Exchange differences, net	31.18	283.10
Profit on sale of property, plant and equipments	8.65	-
Provisions no longer required written back	18.77	-
	58.60	**283.10**

24 Finance income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest on bank deposits	537.60	536.53
Income on fair valuation of investments through profit and loss	704.19	431.45
Interest on income tax refund	94.05	17.34
	1,335.84	**985.32**

25 Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	32,100.18	19,961.08
Contribution to provident and other funds (refer note 32(II))	553.50	393.55
Share-based payment expense	10.19	156.84
Gratuity expense (refer note 32(I))	667.89	477.09
Staff welfare expenses	712.92	361.33
	34,044.68	**21,349.89**

26 Hired contractors cost

	Year ended March 31, 2022	Year ended March 31, 2021
Hired contractors cost	950.71	463.94
	950.71	**463.94**

27 Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	305.75	291.27
Rent	136.45	225.20
Repairs and maintenance - others	248.03	215.68
Advertising, marketing and sales promotion	227.09	210.01
Travelling and conveyance	493.18	411.48
Communication costs	137.23	234.06
Software licensing cost	1,150.58	808.26
Legal and professional fees	368.91	374.53
Rates and taxes*	1,089.78	54.79
Insurance	24.80	8.68
Printing and stationery	99.17	18.39
Recruitment expenses	283.90	31.50
Payment to auditor (refer note below)	133.50	107.18
Provision for expected credit loss, net	66.71	105.28
Corporate social responsibility expenditure (refer note below)	127.81	106.87
Miscellaneous expenses	13.48	6.00
	4,906.37	**3,209.18**

* During the year ended March 31, 2022, the Company has written off export incentives amounting to Rs. 974.11 lakhs pertaining to the financial year 2019-2020, pursuant to notification no. 29/2015-2020 dated September 23, 2021, issued by Ministry of Commerce & Industry.

Payment to Auditor

	Year ended March 31, 2022	Year ended March 31, 2021
As auditor		
Audit fee	70.00	53.00
Limited review	60.00	45.00
In other capacity		
Certification services	3.00	8.00
Reimbursement of expenses	0.50	1.18
	133.50	**107.18**

Details of Corporate social responsibility expenditure

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year:	127.81	106.87
(b) Amount approved by the Board to be spent during the year	127.81	106.87
(c) Amount spent during the year	**Paid in cash**	**Paid in cash**
i) Construction/Acquisition of any asset	-	-
ii) On purposes other than (i) above	127.81	106.87
(d) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	186.42	30.00
iii) Unspent amount in relation to:		
- Ongoing project	18.26	76.87
- Other than ongoing project	-	-

Nature of CSR Activities: Promoting education, healthcare initiatives, and other social projects.

Details of ongoing projects

	Opening Balance		**Amount required to be spent during the year**	**Amount transferred to Separate CSR Unspent A/c during the year**	**Amount spent during the year**		**Closing Balance**	
	With Company	In Separate CSR Unspent A/c			From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
March 31, 2022	-	76.87	127.81	-	109.55	76.87	18.26	-
March 31, 2021	-	-	106.87	76.87	30.00	-	-	76.87

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company has transferred the unspent amount of Rs. 18.26 lakh (March 31, 2021: Rs.76.87 lakhs) to a separate bank account subsequent to the balance sheet date.

28 Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 3)	635.31	330.63
Amortization of right to use asset (refer note 40(a))	703.61	677.29
	1,338.92	**1,007.92**

29 Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	18.36	17.71
Interest on lease obligations (refer note 41(a))	256.77	358.18
Bank charges	33.07	3.46
	308.20	**379.35**

30 Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2022 and for the year ended March 31, 2021 are:

	Year ended March 31, 2022	Year ended March 31, 2021
Current income tax charge	1,412.69	1,050.19
Deferred tax	58.48	(529.17)
Total income tax expense recognised in statement of profit and loss	**1,471.17**	**521.02**

(b) Reconciliation of effective tax rate:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax (A)	5,397.45	5,965.04
Enacted tax rate in India (B)	25.17%	29.12%
Expected tax expenses (C = A * B)	1,358.43	1,737.02
Reconciling items:		
Tax effect on deductible temporary differences and set off of taxable profits for the year against the carry forward of taxable losses	80.57	(618.56)
Tax effect of expenses disallowed under Income Tax Act, 1961	32.17	28.51
MAT credit utilisation	-	(625.95)
Total tax expense	**1,471.17**	**521.02**
Effective tax rate	27.26%	8.73%

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

During the current year, the Company has opted for the lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 having evaluated the benefits of the same under the Income Tax Act, 1961.

31 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributable to equity shareholders for basic earnings	3,926.28	5,444.02
Weighted average number of equity shares in computing basic EPS	280.42	278.90
Add: Effect of dilution:		
Employee stock options*	0.32	-
Weighted Average number of equity shares adjusted for effect of dilution*	280.74	278.90
Face value of each equity share (Rs.)	10.00	10.00
Earnings per share		
- Basic (Rs.)	14.00	19.52
- Diluted (Rs.)	13.99	19.52

There have been no other transactions involving equity shares or potential equity shares between the reporting date and date of authorisation of these financial statements.

*The effect of stock options issued is anti-dilutive and hence not considered for computation of diluted earnings per share for the previous year.

32 Gratuity and other employee benefits

I Defined Benefit Plans

The Company has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded through a policy with LIC. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

A) Net employee benefit expense (recognised in Employee benefits expenses)

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	598.18	426.23
Interest cost	110.89	85.57
Expected return on plan assets	(41.19)	(34.71)
Net employee benefit expenses	**667.89**	**477.09**
Actual return on plan asset	41.19	34.71

B) Amount recognised in the Balance Sheet

	March 31, 2022	March 31, 2021
Defined benefit obligation	2,476.53	1,964.07
Fair value of plan assets	707.57	729.53
	1,768.96	**1,234.54**

C) **Changes in the present value of the defined benefit obligation**

	March 31, 2022	March 31, 2021
Opening defined benefit obligation	1,964.07	1,515.63
Current service cost	598.18	426.23
Interest cost	110.89	85.57
Benefits paid	(266.27)	(76.15)
Net Actuarial losses on obligation for the year recognised under OCI	69.66	12.79
Closing defined benefit obligation	**2,476.53**	**1,964.07**

D) **Change in the fair value of plan assets**

	March 31, 2022	March 31, 2021
Opening fair value of plan assets	729.53	614.73
Investment income	41.19	34.71
Employer's contribution	210.00	190.00
Benefits paid	(266.95)	(82.27)
Return on plan assets, excluding amount recognised in net interest expense	(6.20)	(27.64)
Closing fair value of plan assets	**707.57**	**729.53**

The Company expects to contribute Rs. 300 lakhs to the gratuity fund in the next year (March 31, 2021: Rs. 500 lakhs).

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

	March 31, 2022	March 31, 2021
Investments with LIC	100.00%	100.00%

E) **Remeasurement adjustments:**

	Year ended March 31, 2022	Year ended March 31, 2021
Experience loss on plan liabilities	135.15	12.79
Financial loss on plan liabilities	(65.50)	-
Demographic loss on plan liabilities	-	-
Actuarial loss on plan assets	-	-
Return on plan assets, excluding amount recognised in net interest expense	6.20	27.64
Remeasurement losses recognised in other comprehensive income	**75.85**	**40.43**

Remeasurement losses recognised in the current year are excluding the impact of deferred tax credit of Rs. 19.09 lakhs.

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

	March 31, 2022	March 31, 2021
Discount rate	6.10%	5.65%
Expected rate of return on assets	5.73%	5.65%
Salary rise	12.00%	12.00%
Attrition Rate	20.00%	20.00%

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

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

	March 31, 2022	March 31, 2021
Expected benefit payments for the year ended:		
1 year	352.87	280.89
2-5 years	1,306.16	1,012.77
6-10 years	1,056.15	792.89
More than 10 years	1,006.95	798.27

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2021: 6 years).

(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

	March 31, 2022	March 31, 2021
(a) Effect of 1% change in assumed discount rate		
- 1% increase	135.23	109.76
- 1% decrease	(149.89)	(122.06)
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	(119.78)	(101.11)
- 1% decrease	114.79	96.45
(c) Effect of change by 50% of attrition rate		
- increase by 50% of the attrition rate	313.67	261.65
- decrease by 50% of the attrition rate	(670.96)	(624.89)

II Defined contribution plan

	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to provident and other funds	553.50	393.55

33 Share based payments

Under the Employee Stock Option Plan, the Company, at its discretion, may grant share options of employees of the Company. The remuneration committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period ranging from 1 to 5 years subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price equal to the face value. The fair value of share options granted is estimated at the date of grant using a Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. It takes into account historical and expected dividends, and the share price fluctuation covariance of the Company and its competitors to predict the distribution of relative share performance.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2022	Year ended March 31, 2021
Expense arising from equity-settled share-based payment transactions*	30.18	156.84

*The above expense include expense arising from equity-settled share-based payment transactions of the subsidiaries amounting to Rs. 19.99 lakhs (March 31, 2021: Rs 42.18 lakhs).

Movements during the year: The following table illustrates movements in share options during the year:

	March 31, 2022		March 31, 2021	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Total No. of options under the scheme	25.00	5.00	25.00	5.00
Outstanding at April 01	0.34	3.34	1.34	1.33
Schemeed during the year	1.00	2.00	0.25	2.50
Forfeited during the year	0.50	2.50	-	-
Exercised during the year	0.04	0.29	1.25	0.49
Expired during the year	0.05	-	-	-
Outstanding at March 31	0.75	2.55	0.34	3.34
Exercisable at March 31	-	-	0.09	0.09

The weighted average share price at the date of exercise of these options was Rs 601.35 (March 31, 2021: Rs 328.95)

The following table lists the weighted average remaining contractual life for the share options as at March 31, 2022 and as at March 31, 2021

	March 31, 2022	March 31, 2021
Scheme 2014	6.58	5.05
Scheme 2015	3.79	3.87

The weighted average fair value of options granted during the year was Rs 272.16 (March 31, 20210: Rs 170.61).

The range of exercise prices for the options outstanding at the beginning, forfeited, exercised, expired and outstanding at the end of the year is Rs 10 - Rs 506 (March 31, 2021: Rs 10 - Rs 393).

The following tables list the inputs to the models used for the current year March 31, 2022 and the previous year ended March 31, 2021:

	March 31, 2022		March 31, 2021	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Dividend yield	0.49% - 0.54%	0.49%	0%	0%
Expected volatility	42.98% - 47.40%	43.33% - 49.12%	42.98% - 46.66%	42.98% - 46.66%
Risk-free interest rate	4.31% - 6.20%	4.77% - 6.05%	4.31% - 5.39%	4.31% - 5.39%
Expected life of options granted in years	2 - 5 years	2 - 5 years	2 - 5 years	2 - 5 years
Weighted average share price	494.26	505.90	393.55	393.55
Model used	Black-Scholes model		Black-Scholes model	

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2022	March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	25.29	-
Interest due on above	-	-
	25.29	**-**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
	-	**-**

35 Related party disclosures

Names of related parties and description of relationship	
Name of the related party	**Relationship**
Subsidiaries	
Cigniti Technologies Inc., USA	Wholly owned subsidiary
Cigniti Technologies (Canada) Inc., Canada	Wholly owned subsidiary
Cigniti Technologies (UK) Limited, UK	Wholly owned subsidiary
Cigniti Technologies (Australia) Pty Ltd, Australia	Wholly owned subsidiary
Cigniti Technologies (NZ) Ltd, New Zealand	Wholly owned subsidiary
Cigniti Technologies (SG) Pte. Ltd., Singapore	Wholly owned subsidiary
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	Wholly owned subsidiary
Gallop Solutions Private Limited, India	Wholly owned subsidiary
Key Management Personnel	
Mr. C. V. Subramanyam	Chairman & Managing Director
Mr. C. Srikanth	Non-Executive Director
Mr. Krishnan Venkatachary	Chief Financial Officer
Ms. Naga Vasudha	Company Secretary
Mr. Ram Krishna Agarwal	Independent director
Mr. Phaneesh Murthy	Independent director
Ms. Nooraine Fazal	Independent director
Mr. Srinath Batni	Independent director
Mr. K CH Subbarao	Non-Executive Director

Transactions/ balances with above mentioned related parties

For the year ended March 31, 2022

Subsidiaries	Cigniti Technologies Inc., USA	Cigniti Technologies (Canada) Inc., Canada	Cigniti Technologies (UK) Limited, UK	Cigniti Technologies (Australia) Pty Ltd, Australia	Cigniti Technologies (NZ) Limited, New Zealand	Gallop Solutions Pvt. Ltd, India	Cigniti Technologies (SG) Pte. Ltd.	Cigniti Technologies (CZ) Limited
Transactions								
Rendering of software testing services	37,127.48	600.10	2,911.95	320.44	-	-	-	-
Reimbursement of expenses incurred by CTL India	77.28	27.03	38.68	13.46	-	0.22	83.45	-
Reimbursement of expenses incurred by CT Inc. USA	(41.82)	-	-	-	-	-	-	-
Balances outstanding receivable/(payable)								
Trade receivable	5,815.24	159.29	1,401.00	183.19	20.44	-	-	-
Advance receivable	121.52	27.54	31.91	3.29	-	-	83.45	-
Advance payable	(1,770.31)	-	-	-	-	(52.64)	-	-
Investments	5,549.49	0.00	839.57	442.25	0.00	110.00	0.00	0.00

Key Management Personnel

	Mr. C. V. Subramanyam	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions						
Remuneration	287.00	141.20	21.00	19.00	19.00	19.00
Director sitting fees	-	-	-	17.00	16.00	17.00
Balances outstanding receivable/(payable)						
Remuneration payable	(27.00)	(9.41)	(0.99)	(19.00)	(19.00)	(19.00)

For the year ended March 31, 2021

Subsidiaries	Cigniti Technologies Inc., USA	Cigniti Technologies (Canada) Inc., Canada	Cigniti Technologies (UK) Limited, UK	Cigniti Technologies (Australia) Pty Ltd, Australia	Cigniti Technologies (NZ) Limited, New Zealand	Gallop Solutions Pvt. Ltd, India	Cigniti Technologies (SG) Pte. Ltd.	Cigniti Technologies (CZ) Limited
Transactions								
Rendering of software testing services	24,635.06	1,073.18	1,977.24	319.33	-	-	-	-
Reimbursement of expenses incurred by CTL India	20.67	3.48	10.76	2.18	-	0.01	-	-
Reimbursement of expenses incurred by CT Inc. USA	(149.00)	-	-	-	-	-	-	-
Balances outstanding receivable/(payable)								
Trade receivable	6,392.92	482.39	879.17	149.67	20.44	-	-	-
Advances to related parties	42.65	1.75	13.60	-	-	-	-	-
Advances from related parties	(2,212.78)	-	-	-	-	(52.86)	-	-
Investments	5,549.49	0.00	839.57	442.25	0.00	110.00	-	-

Key Management Personnel

	Mr. C. V. Subramanyam	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions						
Remuneration	310.85	103.94	14.65	21.00	21.00	21.00
Director sitting fees	-	-	-	12.00	12.00	12.00
Balances outstanding receivable/(payable)						
Remuneration payable	(57.35)	(1.65)	(0.38)	(21.00)	(21.00)	(21.00)

Key management personnel (Mr. C.V Subramanyam and Mr. C. Srikanth) have given personal guarantees and personal property as collateral security in favour of bankers in connection with cash credit facility whose closing balance in total is Rs. 2,403.51 lakhs (March 31, 2021: Rs. Rs. 1,611.26 lakhs).

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

36 Significant accounting judgements, estimates and assumptions

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

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 40
- Financial risk management objectives and policies Note 38
- Sensitivity analyses disclosures Notes 32 and 38.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

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

(i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (Refer note 30).

(ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 32.

(iii) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(iv) Allowance for credit losses on receivables and unbilled revenue

The Company has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered historical pattern of credit loss, the likelihood of increased credit risk.

37 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets				
Investments	12,012.95	8,046.27	12,012.95	8,046.27
Trade receivables	8,709.47	8,672.70	8,709.47	8,672.70
Cash and cash equivalents	1,140.89	1,513.85	1,140.89	1,513.85
Bank balances other than cash and cash equivalents	9,093.59	10,230.40	9,093.59	10,230.40
Other financial assets	4,857.10	3,771.02	4,857.10	3,771.02
Financial liabilities				
Borrowings	2,403.51	1,611.26	2,403.51	1,611.26
Lease obligation	2,861.00	2,772.03	2,861.00	2,772.03
Other financial liabilities	2,176.44	2,332.40	2,176.44	2,332.40
Trade payables	1,251.27	997.94	1,251.27	997.94

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

The Company considers a counterparty whose payment is due more than 90 days after the due date as a defaulted party. This is based on considering the market and economic forces in which the entities in the Company are operating. The Company creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 90 days from the due date. In calculating expected credit loss, the Company has also considered historical pattern of credit loss, the likelihood of increased credit risk.

Trade receivables:

The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Company's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

At March 31, 2022, the Company had 17 customers (March 31, 2021: 14 customers) that owed the Company more than 1% each of total receivable from parties other than related parties and accounted for approximately 95% (March 31, 2021: 95%) of receivables outstanding pertaining to other parties. There were 5 customers (March 31, 2021: 6 customers) with balances greater than 5% each accounting for approximately 69% (March 31, 2021: 75%) of total amounts receivable from parties other than related parties.

The Company has adequate provision as at March 31, 2022 amounting to Rs.191.89 lakhs (As at March 31, 2021: Rs. 124.40 lakhs) for receivable where there is no reasonable expectations of recovery. These are however, still subject to enforcement activity.

B 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 manages liquidity risk by maintaining adequate reserves, banking borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

March 31, 2022:

	On demand	< 1 year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	2,403.51	-	-	-	**2,403.51**
Lease obligation	-	1,060.55	2,061.60	-	**3,122.15**
Trade payables	-	1,251.27	-	-	**1,251.27**
Other financial liabilities	-	2,176.44	-	-	**2,176.44**
	2,403.51	**4,488.26**	**2,061.60**	**-**	**8,953.37**

March 31, 2021:

	On demand	< 1 year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	1,611.26	-	-	-	**1,611.26**
Lease obligation	-	1,030.15	2,444.44	150.17	**3,624.76**
Trade payables	-	997.94	-	-	**997.94**
Other financial liabilities	-	2,332.40	-	-	**2,332.40**
	1,611.26	**4,360.49**	**2,444.44**	**150.17**	**8,566.36**

C Market Risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2022 and March 31, 2021.

C1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's working capital obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on borrowings, as follows:

	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
March 31, 2022				
Indian Rupees	0.50%	-0.50%	(0.97)	0.97
March 31, 2021				
Indian Rupees	0.50%	-0.50%	(1.02)	1.02

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

C2 . Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Unhedged foreign currency exposure:

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Company's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD, AED, ZAR, GBP, CAD, etc.).

For the year ended March 31, 2022 and March 31, 2021 , every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by Rs. 72.03 lakhs / Rs. (72.03) lakhs and Rs. 66.92 lakhs / Rs. (66.92) lakhs respectively.

39 Segment reporting

The Company has only one reportable business segment, which is rendering of software testing services. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

Geographical information

a) Revenue	March 31, 2022	March 31, 2021
Revenue from related parties		
US	37,127.48	24,635.06
Others	3,832.49	3,369.75
Revenue from external customers		
India	478.09	821.07
Outside India	4,113.83	2,281.02
b) Assets: All the non-current assets are located in India.		

No single external customer revenue is more than 10% of the Company's revenue.

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2022	March 31, 2021
Borrowings	2,403.51	1,611.26
Less: Cash and cash equivalents (refer note 8)	(1,140.89)	(1,513.85)
Bank balances other than cash and cash equivalents (refer note 9)	(9,093.59)	(10,230.40)
Current investments (refer note 5)	(12,012.95)	(8,046.27)
Net debt	**-**	**-**
Equity	2,805.25	2,802.00
Other equity	35,520.86	32,255.54
Total capital	**38,326.11**	**35,057.54**
Capital and net debt	**38,326.11**	**35,057.54**
Gearing ratio (Net debt/ Total equity)	0%	0%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

41 Commitments, contingencies and other litigations

a. Leases

Company as lessee

The Company has entered into operating leases of office premises with no restrictions and are renewable at the option of either of the parties for a period of 11 months to 5 years. The escalation rates range from 0% to 10% per annum as per the terms of the lease agreement. There are no sub-leases. The Company also has certain leases spaces including guest houses with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

	March 31, 2022	March 31, 2021
Opening balance	2,001.61	2,678.90
Additions	811.24	-
Amortization	(703.61)	(677.29)
Closing balance	**2,109.24**	**2,001.61**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

	March 31, 2022	March 31, 2021
Opening balance	2,772.03	3,436.31
Additions	811.24	-
Accretion of interest	256.77	358.18
Payments	(979.04)	(1,022.46)
Closing balance	**2,861.00**	**2,772.03**
Current	908.64	744.67
Non-current	1,952.36	2,027.36

The maturity analysis of lease liabilities are disclosed in note 37.

The effective interest rate for lease liabilities is 6.5% - 10%, with maturity between 2024-2028.

The following are the amounts recognised in statement of profit and loss:

	March 31, 2022	March 31, 2021
Amortization of Right to use asset	703.61	677.29
Interest on lease obligation	256.77	358.18
	960.38	**1,035.47**

The Company had total cash outflows for leases of Rs. 979.04 lakhs in March 31, 2022 (March 31, 2021: Rs. 1022.46 lakhs). The entire amount is in the nature of fixed lease payments. The Company had non-cash additions to right-of-use assets and lease liabilities of Rs. 811.24 lakhs in March 31, 2022 (March 31,2021: Rs. Nil) on account of revision of terms of lease with respect to change in the lease payments over the period of the lease.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (refer note 35).

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2022 is Rs. Nil (March 31, 2021 : Rs. Nil).

c. Contingent liabilities

(I) (a) In the previous year, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2017-2018 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 6,285.52 lakhs involving tax implication of approximately Rs. 1,400.00 lakhs, excluding penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. During the current year, the Company has received the final order with the proposed adjustment as mentioned in the draft order. Management has filed an appeal with the tax authorities and is currently pending with Commissioner (Appeals) /Dispute Resolution Panel (DRP).

(b) In the current year, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2018-2019 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 1,122.60 lakhs involving tax implication of approximately Rs. 380.00 lakhs, excluding penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. Management has filed an appeal with the tax authorities and is currently pending with Dispute Resolution Panel (DRP).

Management has assessed the order and based on expert advice and its documentation relating to the international transactions, believes that the Company has a strong basis to support its position and that the likelihood of any liability devolving on the Company is remote.

(ii) In the previous year, the Company has received a show cause notice from the Department of Foreign Trade (DGFT) dated August 25, 2020 and from the Directorate of Revenue Intelligence (DRI), Ahmedabad dated December 28, 2020, stating that the services provided by the Company are not covered under technical testing and analysis services and it appears that the Company provides services through subsidiaries in the foreign countries and accordingly the services rendered by the Company fall under the definition of service rendered through commercial presence in a foreign country which is not eligible for Service Exports from India Scheme (SEIS) benefits. The notice calls upon the Company to show cause as to why (a) The Scrips granted amounting to Rs 659.93 lakhs for the year ended March 31, 2017, should not be cancelled/ recovered from the Company and (b) The penalty should not be imposed as per Customs Act, 1962.

The Company has filed responses against the aforesaid show cause notices as per the legal opinion. Based on their internal assessment and legal opinion, Management believes that the software testing services being provided by the Company are eligible under the SEIS and will be able to establish the services will not fall in the category of "Supply of services through commercial presence". In view of the above, the Management believes that the export incentive recognised for the period April 1, 2015 to March 31, 2020 amounting to Rs. 1,770.78 lakhs are fully recoverable (March 31, 2021: Rs. 1,770.78 lakhs).

(iii) (a) In the previous year, the Company has received a letter from Office of the Joint Director, Enforcement Directorate, Hyderabad, initiating enquiry under the provisions of Foreign Exchange Management Act, 1999 (FEMA) requesting for certain documents . The Joint Director had called for an in person hearing where the Company had submitted the necessary information. The matter primarily relates to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents.

(b) In the earlier years, the Company had made foreign investments aggregating to USD 1,002 equivalent towards equity capital of three foreign subsidiaries without obtaining overseas direct investment (ODI) certificate from RBI. The Company is in the process of obtaining ODI approval from RBI and is in the process of compounding FEMA related non compliances.

(c) During the current year, the Company has incorporated subsidiaries i.e. Cigniti Technologies (SG) Pte. Ltd, Singapore and Cigniti Technologies (CZ) Limited s.r.o, Czech Republic and is in the process of obtaining approval from RBI with respect to the initial investment of SGD 1 and CZH 5,000 respectively.

Management is in the process of addressing the above matters and in view of the administrative/ procedural nature of these non-compliances, believes that they will not have a material impact on the consolidated financial statements.

(d) Other litigations:

During the year, Cigniti Technologies Inc., USA, subsidiary of the Company has filed a lawsuit against it's former employees for inter alia misappropriation of trade secrets and various breaches of contract and fiduciary duty. The lawsuit is currently in progress and the Company believes that it has a strong chance of success in it's claims.

42 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	4.35	5.30	-18%	
Debt- Equity Ratio	Total Debt*	Shareholder's Equity	0.14	0.13	10%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Finance cost	Debt service = Interest & Lease Payments + Principal Repayments	6.79	6.94	-2%	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	11%	17%	-37%	Note (a)

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.24	3.86	36%	Note (b)
Trade Payable Turnover Ratio	Other expenses + Employee benefit expense + Hired contract cost	Average Trade Payables	34.61	24.30	42%	Note (c)
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.64	1.16	41%	Note (d)
Net Profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	9%	18%	-51%	Note (a)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	13%	16%	-19%	
Return on Investment#	Finance Income	Time weighted average investment	7%	7%	5%	

*Debt includes lease liabilities.

Mutual funds, ETFs, Bonds and Debentures are considered for the purpose of computing return on investments.

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Notes:

a) Change in ratio is due to decrease in net profit on account of increase in salary cost and other general and administrative expenses.

b) Change in ratio is due to revenue growth and improvement in collections from customers.

c) Change in ratio is due to increase in business/operations during the year.

d) Change in ratio is due to revenue growth along with higher efficiency on working capital improvements.

43 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vi) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vii) The Company does not have any transactions with companies struck off.

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

44 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of Code, once its effective.

45 Previous year figures have been regrouped/reclassified wherever necessary to conform to the current year's classification.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Hyderabad
Date: May 4, 2022

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Chairman & Managing Director
DIN: 0071378

C. Srikanth
Director
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 4, 2022

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L72200TG1998PLC030081
Name of the company: Cigniti Technologies Limited
Registered office: Suit No.106 &107, 6-3-456/C, MGR Estates, Dwarakapuri Colony, Panjagutta, Hyderabad– 500082. Telangana State, Ph No 040-40382255, Fax: 040-40382299

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of .... shares of the above named company, hereby appoint

1. Name : ....
   Address :_
   E-mail Id :
   Signature: ...., or failing him

2. Name : ....
   Address:
   E-mail Id :
   Signature: ...., or failing him

3. Name : ....
   Address:
   E-mail Id:
   Signature: ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Thursday, 23rd day of June, 2022 at 10.00 A.M. at Deccan Stateroom, ITC Kohenur, Madhapur, Hitech City, Hyderabad - 500 081, INDIA and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Description	For	Against
1	Adoption of financial statements for the year ended 31.03.2022.		
2	Declaration of dividend		
3	To Appoint Mr. C. Srikanth (DIN: 06441390) as director, liable to retire by rotation and being eligible offers himself for re-appointment		
4	To Re-appoint M/s. S R Batiliboi & Associates, LLP, as statutory auditors of the Company and to fix their remuneration.		
5	Re-Appointment of Mr. Ram Krishna Agarwal (DIN- 00416964) as an Independent Director of the Company.		
6	Re-Appointment of Mr. Phaneesh Murthy (DIN- 00388525) as an Independent Director of the Company.		
7	Re-Appointment of Ms. Nooraine Fazal (DIN- 03110948) as an Independent Director of the Company.		
8	Re-Appointment of Mr. Srinath Batni (DIN- 00041394) as an Independent Director of the Company.		
9	Payment of one percent commission to Non-whole time Directors		
10	To approve the "Cigniti Employee Stock Option Plan-2022" (ESOP-2022) for employees of the Company.		
11	To approve the Cigniti Employee Stock Option Plan-2022" (ESOP-2022) for employees of the subsidiary companies, holding companies and associate companies of the Company		
12	To approve the Secondary Acquisition of equity shares for implementing "Cigniti Employee Stock Option Plan-2022" (ESOP-2022) through Trust.		
13	To approve the additional acquisition equity shares through Trust.		
14	To approve the provision of money by company for purchase of its own shares by trustees for the benefit of employees pursuant to "Cigniti Employee Stock Option Plan-2022" (ESOP-2022)		

Signed this .... day of........... 2022

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CIGNITI TECHNOLOGIES LIMITED

SUIT NO.106 &107, 6-3-456/C, MGR ESTATES,
DWARAKAPURI COLONY, PANJAGUTTA,
HYDERABAD– 500082, TELANGANA STATE

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 24th Annual General Meeting of the members of the company to be held on Thursday, 23rd day of June, 2022 at 10.00 A.M. at Deccan Stateroom, ITC Kohenur, Madhapur, Hitech City, Hyderabad - 500 081 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature___________________________________

Shareholders/Proxy's full name___________________________________
(In block letters)

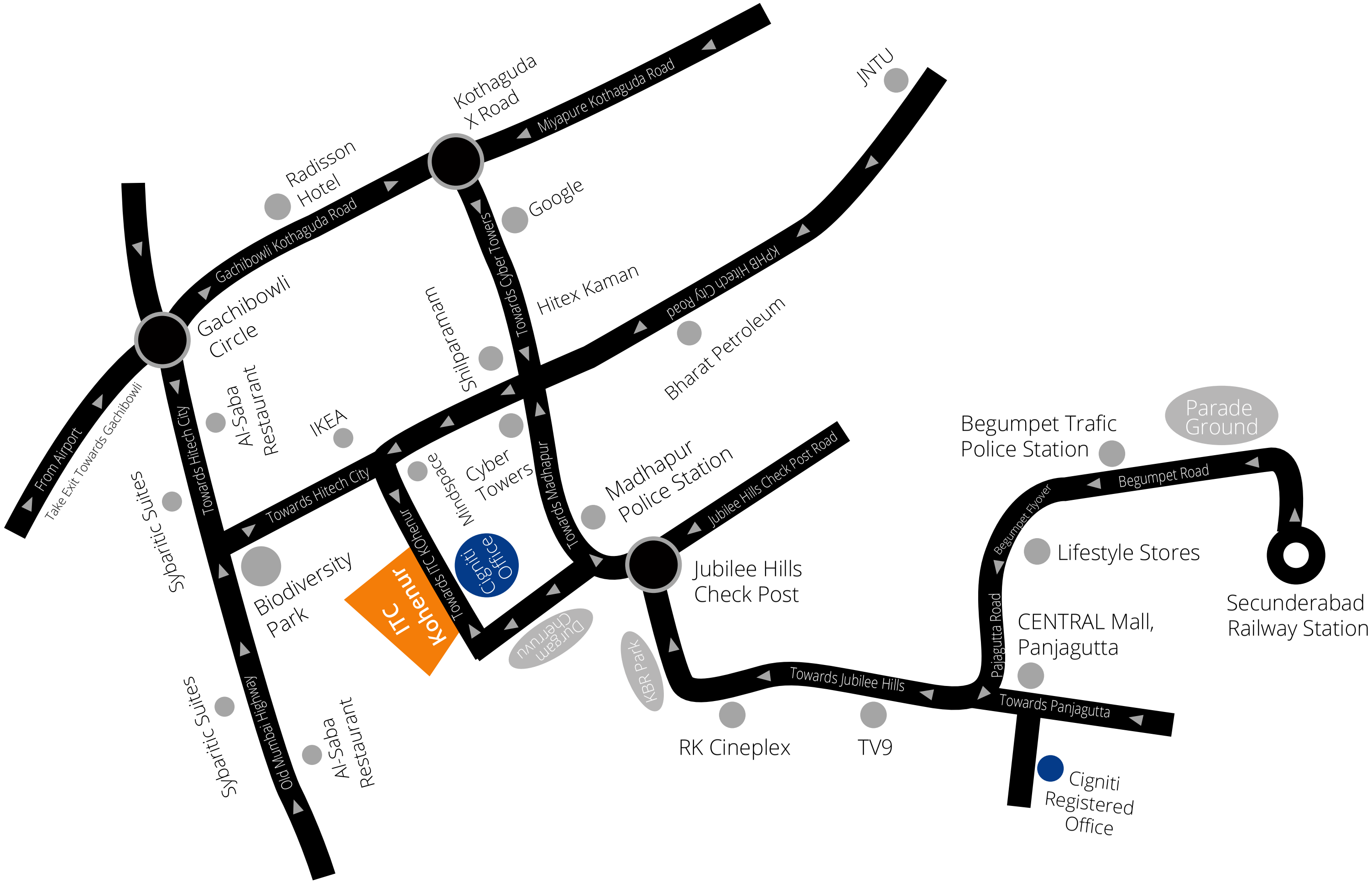
Folio No./ Client ID___________________

No. of shares held_________

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

AGM 2022 Venue Route Map



Scan the QR code to get driving directions to ITC Kohenur

Address:
ITC Kohenur
Deccan Stateroom
Knowledge City Rd, Madhapur,
Hyderabad, Telangana 500081

Cigniti

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