September 3, 2022

BSE Limited	**National Stock Exchange of India Limited**
Corporate Relations Department	"Exchange Plaza",
P.J. Towers, Dalal Street,	Bandra Kurla Complex, Bandra (E),
Mumbai - 400 001.	Mumbai - 400 051.
Scrip code: 532859	**Symbol : HGS**

Dear Sirs,

Sub: Submission of Annual Report 2021-22 and Notice of 27th Annual General Meeting

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the financial year 2021-22 and the Notice of 27th Annual General Meeting (AGM) being sent to the shareholders of the Company. Please note that the Annual Report contains information prescribed by Regulations 34(2) and (3) of the SEBI Listing Regulations.

We request you to note that the AGM will be held on Wednesday, September 28, 2022 at 11:00 a.m. IST through Video Conference and Other Audio Visual Means (VC).

Further to inform you that:

- the Company has fixed Wednesday, September 21, 2022 as the cut-off date to determine the eligibility of Members to vote by electronic means (i.e., remote e-voting) and e-voting during the AGM; and

- the remote e-voting period commences at 9:00 a.m.(IST) on Saturday, September 24, 2022 and ends at 5:00 p.m. (IST) on Tuesday, September 27, 2022. The facility of casting votes by a members using remote e-Voting as well as e-voting during the AGM will be provided by KFin Technologies Limited.

Kindly take the above on record.

Thanking you,

For **Hinduja Global Solutions Limited**

NARENDRA SINGH Digitally signed by NARENDRA SINGH Date: 2022.09.03 20:24:28 +05'30'

Narendra Singh
Company Secretary
F4853

Encl: As above

HINDUJA GLOBAL SOLUTIONS LIMITED
(CIN: L92199MH1995PLC084610)
Registered Office: Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400 018
Ph. No.: 022-2496 0707
E-mail id: investor.relations@teamhgs.com | Website: www.hgs.cx

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of **Hinduja Global Solutions Limited** will be held on Wednesday, September 28, 2022 at 11:00 a.m. (IST) **through Video Conferencing/ Other Audio-Visual Means ('VC')** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a) the audited financial statements of the Company for the financial year ended March 31, 2022, along with the reports of the Board of Directors and the Auditors thereon; and

   b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2022, along with the report of the Auditors thereon.

2. To declare a final dividend of ₹25 per equity share (on an equity share of par value of ₹ 10/- each) for the financial year ended March 31, 2022; and to confirm four interim dividends aggregating to ₹195 already paid, per equity share of ₹10/- each for the financial year ended March 31, 2022.

3. To consider appointment of a Director in place of Mr. Sudhanshu Tripathi (DIN: 06431686), who retires by rotation and being eligible, offers himself for re-appointment.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sudhanshu Tripathi (DIN: 06431686), who retires by rotation, be and is hereby re-appointed as a Director (Non-Executive) liable to retire by rotation."

4. To consider appointment of M/s. Haribhakti & Co. LLP as the Statutory Auditors of the Company.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Audit and Auditors) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 103523W/ W100048) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of this 27th Annual General Meeting ('AGM') till the conclusion of the 32nd AGM of the Company to be held in the calendar year 2027, at a remuneration upto ₹2.25 crores to conduct the audit for the financial year 2022-23 payable in one or more instalments plus goods and services tax as applicable, and reimbursement of out of pocket expenses incurred; and the Board of Directors be and is hereby further authorized to finalize the remuneration of the Statutory Auditor for the remaining period, based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded to the Board of Directors of the Company to appoint Auditors for the Company's branches in consultation with the Company's Statutory Auditors to hold office upto the conclusion of the 32nd AGM of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. To appoint Mr. Pradeep Udhas (DIN: 02207112) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** Mr. Pradeep Udhas (DIN: 02207112), who was appointed as an Additional Director (Independent Director) of the Company with effect from August 25, 2022, by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office up to this Annual General Meeting ('AGM') of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the appointment of Mr. Pradeep Udhas, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) read with Schedule IV of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from August 25, 2022.

   RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder and SEBI Listing Regulations, Mr. Pradeep Udhas shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Independent Director, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

6. To appoint Mr. Paul Abraham (DIN: 01627449) as a Non-Executive Director and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and all other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), other applicable laws / statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof) and the provisions of the Articles of Association of the Company, Mr. Paul Abraham (DIN: 01627449), who based on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director of the Company with effect from August 25, 2022, designated as Non-Executive Non-Independent Director, and who holds office up to this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as the Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of section 197 and other applicable provisions of the Act and the Rules made thereunder and applicable regulations of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Paul Abraham shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Non-executive Director, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

By Order of the Board
For **Hinduja Global Solutions Limited**

Narendra Singh
Company Secretary
F4853

Place : Mumbai
Date : August 25, 2022

NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 2/2022 dated May 5,2022 (collectively referred to as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIRP/2022/62 dated May 13, 2022, and other applicable circulars issued in this regard, have permitted companies to conduct Annual General Meeting ('AGM') through video conferencing or other audio visual means ('VC') till December 31, 2022, subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('SEBI Listing Regulations'), the 27th AGM of the Company is being convened and conducted through VC. The deemed venue for the 27th AGM shall be the Registered Office of the Company.
2. The Company has enabled the Members to participate at the 27th AGM through the VC facility provided by KFin Technologies Limited (Formerly Known as KFin Technologies Private Limited) ('KFin' or 'KFintech'), Registrar and Share Transfer Agent ('RTA') of the Company. The instructions for participation by Members is Annexed to this notice. Participation at the AGM through VC shall be allowed on a first-come-first-serve basis.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Businesses are annexed hereto.
4. As per the provisions under the MCA Circulars, Members attending the 27th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process and instructions of remote e-voting are provided in the subsequent pages. Such remote e-voting facility is in addition to e-voting that will take place at the 27th AGM being held through VC.

6. Members joining the meeting through VC, who have not already cast their vote by remote e-voting, shall be able to exercise their right to vote through e-voting that will take place at the AGM. The Members who cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

7. The Company has appointed Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates, to act as the Scrutinizer, to scrutinize the remote e-voting and e-voting that will take place at the 27th AGM through VC in a fair and transparent manner.

8. As per the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf. Since the 27th AGM is being held through VC as per the MCA Circulars, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the Members will not be made available for the 27th AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.

9. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 27th AGM through VC facility. Corporate Members and Institutional Investors intending to appoint their authorised representatives pursuant to Section 113 of the Act to attend the AGM through VC or to vote through remote e-voting on their behalf, are required to access the link https://evoting.kfintech.com and upload a certified copy of the Board resolution.

10. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. **Book Closure and dividend**

    The Register of Members and Share Transfer books of the Company will be closed from Tuesday, September 27, 2022 to Wednesday, September 28, 2022 (both days inclusive) for the purpose of AGM and payment of final dividend.

    The final dividend of ₹25 per equity share of ₹10 each (250%), if declared at the AGM, will be paid subject to the deduction of tax at source ('TDS') on or before Friday, October 14, 2022 to those Members/ beneficial owners whose names appear as per the list furnished by the National Securities Depository Limited's ('NSDL') and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic form/ Register of Members as on Monday, September 26, 2022.

12. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct income tax from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the 'IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential status, Permanent Account Number ('PAN'), Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/ its RTA, i.e., KFin by sending documents at its e-mail ID investor.relations@teamhgs.com / einward.ris@kfintech.com or update the same by visiting the link: https:// ris.kfintech.com/form15/ on or before Wednesday, September 21, 2022 in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. No communication/ documents on the tax determination/ deduction shall be considered after Wednesday, September 21, 2022.

13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least 7 (seven) days before the date of the

AGM, so that, the requested information may be made available at the Meeting.

14. In line with the MCA Circulars, the notice (including remote e-voting instructions) of the 27th AGM along with the Annual Report 2021- 22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at https://www.teamhgs.com/investors/annual-reports?period=687, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFin at https://evoting.kfintech.com.

    Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, i.e., KFin Technologies Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032.

15. The details of the Director seeking re-appointment and appointments are provided in Annexure A, Annexure B and Annexure C of this Notice. The Company has received the requisite consents/ declarations for such re-appointment and appointment under the Act, and the rules made thereunder and other applicable laws. Further, the relevant details pursuant to Regulations 30 and 36(3) of the SEBI Listing Regulations, and Secretarial Standards on General Meetings, in respect of Item Nos. 3, 5 and 6 are set out as an Annexure A, Annexure B and Annexure C respectively to the Notice.

16. Members who hold shares in dematerialized form and want to provide/ change/ correct the bank account details should send the same immediately to their concerned DP and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, RTA is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.

17. Members holding shares in physical form are requested to notify/ send the following to the Company's RTA, i.e., KFin Technologies Limited (Unit: Hinduja Global Solutions Limited), Selenium Tower B, 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032 to facilitate better service:

    i) Any change in their address/ mandate/ bank details/ email address;

    ii) Particulars of their bank account, for printing on the dividend warrants/ drafts (to help prevent fraudulent encashment), in case the same have not been sent earlier; and

    iii) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

18. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.

19. As per Regulations 39 and 40 of the SEBI Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, sub-division/ split, consolidation of securities certificate; transfer, transmission and transposition, as applicable in Dematerialised form only with effect from January 24, 2022.

    Further, SEBI vide its circular dated November 3, 2021, read with clarification dated December 14, 2021 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective January 1, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and

Nomination documents/details are updated. On or after April 1, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios.

In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link https://www.teamhgs.com/investors/other-reports or contact the Company's RTA - KFin Technologies Limited at einward.ris@kfintech.com for assistance in this regard.

As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at https://www.teamhgs.com/investors/other-reports

Members holding shares in electronic form are requested to submit the details to their respective DPs only and not to the Company or KFin.

20. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its RTA the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Members after making requisite changes thereon.

21. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company and the Company's RTA of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

23. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned DP(s), as the case may be:-

    a) the change in the residential status on return to India for permanent settlement, and

    b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

24. Members who wish to claim their unclaimed dividend, are requested to either correspond with the Corporate Secretarial Department at the Company's Registered Office or the Company's RTA, i.e., KFin, for revalidation and encashment before the due dates. The details of such unclaimed dividends are available on the Company's website at www.hgs.cx. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven (7) years from the date of transfer to the Company's Unpaid dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been claimed for seven (7) consecutive years or more shall be transferred to demat account of the IEPF Authority within a period of thirty (30) days of such shares becoming due to be transferred.

    In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website http://www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

25. Pursuant to the Rule 5(8) of the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on September 23, 2021 (date of last Annual General Meeting) on its website at https://www.teamhgs.com/investors/corporate-information/details-unclaimed-dividend and also on the website of the Ministry of Corporate Affairs.

26. The following documents will be available for inspection by the Members electronically during the 27th AGM. Members seeking to inspect such documents can send an email to investor.relations@teamhgs.com

    a) Certificate from the Secretarial Auditors relating to the Company's Stock Options/ Restricted Stock Units Plans under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

    b) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act.

    Members may note that all documents referred to in this Notice and Explanatory Statement will be available for electronic inspection without any fee by the members from the date of dispatch of this notice up to the date of AGM based on the request being sent by the members on e-mail to investor.relations@teamhgs.com

    In case of any queries regarding the Annual Report, the Members may write to investor.relations@teamhgs.com

27. Members are requested to quote their Folio numbers/ DP ID and Client ID numbers in all correspondence with the Company and the Company's RTA.

28. In accordance with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company has fixed Wednesday, September 21, 2022 as the cut-off date to determine the eligibility of Members to vote by electronic means (i.e., remote e-voting) or e-voting during the AGM through VC. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., Wednesday, September 21, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting during the 27th AGM through VC.

    The remote e-voting period commences at 9:00 a.m.(IST) on Saturday, September 24, 2022 and ends at 5:00 p.m. (IST) on Tuesday, September 27, 2022.

29. FIFO entry into e-AGM for large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. is not restricted.

30. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM, through e-Voting agency KFin Technologies Limited. The facility of casting votes by a member using remote e-Voting system as well as e-voting that will take place at the 27th AGM, will be provided by KFin.

    Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system that will take place at the 27th AGM.

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

Item No. 3

Mr. Sudhanshu Tripathi (DIN: 06431686), a Non-Executive Non-Independent Director, is liable to retire by rotation at the 27th Annual General Meeting ('AGM') to be held on September 28, 2022. Mr. Sudhanshu Tripathi was appointed as a Director, at the 25th AGM held on September 30, 2020.

In compliance with the provisions of Section 152 of the Companies Act, 2013, it is necessary for Mr. Sudhanshu Tripathi, Director to come up for retirement by rotation at the ensuing AGM. Mr. Sudhanshu Tripathi, being eligible, has offered himself for re-appointment as a Director and consent of the Members would be required by way of an Ordinary Resolution at the 27th AGM to be held on September 28, 2022.

In view of the above, the Nomination and Remuneration Committee and the Board of Directors at their meeting held on August 8, 2022 and August 12, 2022 respectively, have approved and recommended the re-appointment of Mr. Sudhanshu Tripathi and his continuation as Non-Executive Non-Independent Director of the Company.

Mr. Sudhanshu Tripathi is not related to any other Directors of the Company. Except for Mr. Sudhanshu Tripathi, who is being re-appointed, none of the Directors, Key Managerial Personnel and their relatives, concerned / interested, financially or otherwise, in the Resolution as set out at Item No. 3 of the accompanying Notice.

Details of Mr. Sudhanshu Tripathi, pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, are provided in 'Annexure A' to the Notice.

Item No. 4

The Members of the Company at the 22nd Annual General Meeting ('AGM') held on September 28, 2017 approved the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 117366W/W-100018), as the Auditors of the Company for a period of five years from the conclusion of the said AGM. Deloitte Haskins & Sells will complete their present term on the conclusion of 27th AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

In view of the above, the Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 32nd AGM to be held in the calendar year 2027. On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration upto ₹ 2.25 crores for the financial year 2022-23 as set out in the Resolution relating to their appointment.

M/s. Haribhakti & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the Chartered Accountants Act, 1949 and applicable Rules thereunder. Besides the Audit services, the Company would also obtain certifications which are to be received from the statutory auditors under various laws/regulations. The Board of Directors and the Audit Committee shall approve the revision in the remuneration of the statutory auditors, for the remaining part of the tenure, based on the performance review and any additional efforts on account of changes in regulations or management processes, business acquisitions, internal restructurings or other considerations.

The details required to be disclosed under the provisions of Regulation 36(5) of SEBI Listing Regulations, as amended, are as follows:

a. **Proposed Fee:** Keeping in view the business/ operations, continuing activities and presence of the Company in different locations, it is proposed to pay upto ₹2.25 crores (excluding applicable taxes and reimbursement of out-of-pocket expenses) for limited review and audit of financial statements for FY 2022-23. The Audit Committee and/or the Board of Directors be authorized to decide and finalize the fees for the remaining tenure of M/s. Haribhakti & Co. LLP as Statutory Auditors.

b. **Term of appointment:** For a period of five consecutive years from conclusion of 27th AGM till conclusion of 32nd AGM to carry out the audit of Financial Statements/ Annual Financial Results and Limited Review of unaudited quarterly Financial Results of the Company. All other terms of appointment shall be as per the Letter of Engagement.

c. **Basis of recommendation for appointment:** The Audit Committee and the Board have considered various evaluation criteria with respect to audit firms, their experience and presence, market perception, clientele in various sectors etc.

d. **Credentials of statutory auditors to be appointed:** Haribhakti & Co. LLP, Chartered Accountants, founded in the year 1954 by Mr. V. B. Haribhakti, has been is in operation for 68 years now. It has 450+ members including Partners, Directors, Associate Directors, Managers, Associates, Article Trainees, etc. It offers a whole range of assurance, accounting, advisory and consulting services, nationally and internationally, through separate service divisions viz., Audit & Assurance, Risk & Advisory, Corporate Finance Advisory, Tax & Regulatory and Global Knowledge Services. It is nationally integrated firm having own branch network in major cities namely Mumbai, Delhi, Bengaluru, Kolkata, Chennai and Ahmedabad. It serves wide variety of clientele in the various sectors namely IT & ITES , Manufacturing, Infrastructure & Real Estate, Engineering & Construction, Power & Energy, Oil & Gas, Pharmaceutical, PSBs, PSUs, NGOs, Trusts, etc.

M/s. Haribhakti & Co. LLP have also provided confirmation that they hold a valid certificate issued by the 'Peer Review Board of ICAI'.

In view of the above, the Board recommends appointment of M/s. Haribhakti & Co. LLP as Statutory Auditor, for approval of the members by way of an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 4 of the accompanying Notice.

Item No. 5

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee, at its meeting held on August 25, 2022, approved the appointment of Mr. Pradeep Udhas (DIN: 02207112) as an Additional Director, designated as an Independent Director of the Company, with effect from August 25, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') read with the Articles of Association of the Company.

In accordance with the provisions of Section 161 of the Act read with the applicable rules made thereunder, the Article of Association of the Company and Regulation 17(1C) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Listing Regulations'), Mr. Pradeep Udhas, holds office up to the date of the ensuing Annual General Meeting ('AGM') of the Company. Further, in accordance with the provisions of the SEBI Listing Regulations, appointment of an Independent Director requires approval of members of the Company by way of Special Resolution.

Mr. Pradeep Udhas is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. He is also not debarred from holding the office of a Director by virtue of any order issued by the Securities and Exchange Board of India or any other such authority. Further, the Company has also received declaration from Mr. Pradeep Udhas that he meets the criteria of independence as prescribed under both Section 149(6) of the Act and the SEBI Listing Regulations. The Company has also received notice under Section 160 of the Act from a shareholder proposing the candidature of Mr. Pradeep Udhas for the office of a Director of the Company.

In the opinion of the Board, Mr. Pradeep Udhas fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations. Mr. Pradeep Udhas is independent of the management and possesses appropriate skills, experience and knowledge.

Mr. Pradeep is also an Independent Director of IndusInd bank and Mondee Group (USA). Earlier, Mr. Pradeep Udhas was a Senior Partner to KPMG

India which he co-founded 27 years ago. He has held various senior positions including Global roles in KPMG, incubated many new services, building up to multi-million dollar businesses. He has also been a founder of e2e Technologies, a US based Solution Architecture firm and has set up Greater Pacific Capital, a PE firm's India operations. His extensive background in global business, management consulting, technology, private equity and quality systems makes him uniquely qualified to pursue innovative global strategies.

Details of Mr. Pradeep Udhas, pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, are provided in 'Annexure B' to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Copy of letter of appointment of Mr. Pradeep Udhas setting out the terms and conditions of appointment is available for inspection by the Members electronically. Members seeking to inspect the same can send an email to investor.relations@teamhgs.com

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Pradeep Udhas on the Board of the Company and accordingly recommends the appointment of Mr. Pradeep Udhas as an Independent Director as stated in the Item No. 5 for approval by the Members as a Special Resolution.

Except for Mr. Pradeep Udhas, who is being appointed, none of the Directors, Key Managerial Personnel and their relatives, are concerned / interested, financially or otherwise, in the Resolution as set out at Item No. 5 of the accompanying Notice.

Item No. 6

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee, at its meeting held on August 25, 2022, approved the appointment of Mr. Paul Abraham (DIN: 01627449) as an Additional Director, designated as Non-executive Non-Independent Director of the Company, with effect from August 25, 2022, pursuant to the provisions of Section 161(1) of the Companies Act, 2013, ('the Act') read with the Articles of Association of the Company.

In accordance with the provisions of Section 161 of the Act read with the applicable rules made thereunder, the Article of Association of the Company and Regulation 17(1C) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Listing Regulations'), Mr. Paul Abraham, holds office up to the date of the ensuing Annual General Meeting ('AGM') of the Company. The Company has also received notice under Section 160 of the Act from a shareholder proposing the candidature of Mr. Paul Abraham for the office of a Director of the Company.

Mr. Paul Abraham is President of the Hinduja Foundation which is the Philanthropic arm of the Hinduja Group that directs and coordinates the CSR spends of the 14 group companies in India in key areas like Water Stewardship, Health and Education, Environment and Sports. He also sits on the Boards of the not for profit Hinduja Hospital in Mumbai and PD Hinduja Hospital, Bangalore and is an Advisor to the Hinduja College.

A banker with over 38 years of experience, Mr. Paul was COO at IndusInd Bank. Prior to that he has had senior management stints across multiple functions with multinational Banks ABN AMRO and ANZ Grindlays and worked in multiple geographies like India, Dubai and Singapore.

Mr. Paul Abraham is also an Advisor to the Indian Sanitation Council hosted by FICCI and is a Member of FICCI's Water mission.

Mr. Paul has a Post Graduate Degree in Business Management from IIM Ahmedabad and a Bachelor's Degree in Economics (Hons) from St. Stephen's College, Delhi.

Mr. Paul Abraham is not disqualified from being appointed as a Non-Executive Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. He is not debarred from holding the office of a Director by virtue of any order issued by the Securities and Exchange Board of India or any other such authority.

Details of Mr. Paul Abraham, pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, are provided in 'Annexure C' to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Paul Abraham on the Board of the Company and accordingly recommends the appointment of Mr. Paul Abraham as Non-Executive Non-Independent Director as stated in the Item No. 6 for approval by the Members as an Ordinary Resolution.

Except for Mr. Paul Abraham, who is being appointed, none of the Directors, Key Managerial Personnel and their relatives, are concerned / interested, financially or otherwise, in the Resolution as set out at Item No. 6 of the accompanying Notice.

By Order of the Board
For **Hinduja Global Solutions Limited**

Narendra Singh
Company Secretary
F4853

Place : Mumbai
Date : August 25, 2022

ANNEXURE 'A' TO THE NOTICE

Information pursuant to the Regulation 30 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Director seeking Reappointment

(Item No. 3 of the Notice)

Name of the Director	Mr. Sudhanshu Tripathi
DIN	06431686
Date of Birth/ Age	June 7, 1959 – 63 years
Date of first Appointment on the Board of Hinduja Global Solutions Limited (the 'Company' or 'HGS')	September 30, 2019
Qualification	B.E., MBA
Brief resume and nature of expertise in functional areas.	Mr. Sudhanshu Tripathi is a member of Hinduja Group's apex Global Leadership. Apart from collective leadership responsibilities, he oversees: i) Board Governance, effectiveness and assessment process ii) Group Human Capital Strategy & Execution iii) Group leadership lifecycle He is Director on Board of GOCL Corporation Ltd., NXTDigital Ltd., Hinduja Leyland Finance Ltd. and IDL Explosive Ltd. He is a seasoned HR professional with over 36 years of work experience; 23 of them at leadership level. He has had direct exposure of Telecom, IT, Engineering, Metal, Power, Financial Sources, Media and other diversified domains and brings a strong business perspective to his work. He has worked as a shop floor Engineer, IT Specialist, Management Development Professional before choosing HR as career. He specialises in very large and diversified multi location conglomerates.
Relationship between Directors/ KMP inter-se.	None
Name of the listed companies in which the person holds Directorships (excluding HGSL).	GOCL Corporation Limited NXTDigital Limited
Memberships/ Chairmanship of Committees of the Board of Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee) (excluding HGS & its subsidiaries and Foreign entities).	**GOCL Corporation Limited** Audit Committee - Member Stakeholder Relationship Committee - Chairman **NXTDigital Limited** Audit Committee – Member Stakeholder Relationship Committee - Member
Name of the listed entities from which the person has resigned in past three years.	None
Number of meetings of the Board attended during the year 2021-22.	Attended all the 15 Board Meetings of the Company.
Details of Shareholding of Non - Executive Director, including shareholding as a beneficial owner	NIL
Terms and conditions of appointment	Non-Executive Director, liable to retire by rotation.
Details of remuneration last drawn (for FY 2021-22)	Refer Report on Corporate Governance FY 2021-22
Details of remuneration sought to be paid in 2021-22	Sitting Fees and Commission as recommended by the Nomination and Remuneration Committee and approved by the Board.

ANNEXURE 'B' TO THE NOTICE

[Item No. 5 of the Notice]

Name of the Director	Mr. Pradeep Udhas
DIN	02207112
Date of Birth/ Age	October 13, 1958 - 64 years
Date of first Appointment on the Board of Hinduja Global Solutions Limited (the 'Company' or 'HGS')	August 25, 2022
Qualification	MBA in Management Information Systems from Union College, New York
Brief resume and nature of expertise in functional areas.	Kindly refer the details in the explanatory statement.
Relationship between Directors/ KMP inter-se.	None
Name of the listed companies in which the person holds Directorships (excluding HGSL).	IndusInd Bank Mondee Group (USA), listed in NASDAQ
Memberships/ Chairmanship of Committees of the Board of Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee) (excluding HGS & its subsidiaries and Foreign entities).	Member of Audit Committee – IndusInd Bank Chairman of Audit Committee – Mondee Group
Name of the listed entities from which the person has resigned in past three years.	None
Number of meetings of the Board attended during the year 2021-22.	N.A.
Details of Shareholding of Non - Executive Director, including shareholding as a beneficial owner	N.A.
Terms and conditions of appointment	Appointed as an Independent Director for a period of 5 years with effect from August 25, 2022.
Details of remuneration last drawn (for FY 2021-22)	N.A.
Details of remuneration sought to be paid in 2021-22	N.A.

ANNEXURE 'C' TO THE NOTICE

Information pursuant to the Regulation 30 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Director seeking Reappointment

[Item No. 6 of the Notice]

Name of the Director	Mr. Paul Abraham
DIN	01627449
Date of Birth/ Age	May 4,1960 - 62 years
Date of first Appointment on the Board of Hinduja Global Solutions Limited (the 'Company' or 'HGS')	August 25, 2022
Qualification	Post Graduate Degree in Business Management from IIM Ahmedabad and a bachelor's degree in Economics (Hons) from St. Stephen's College, Delhi.
Brief resume and nature of expertise in functional areas.	Kindly refer the details in the explanatory statement.
Relationship between Directors/ KMP inter-se.	None
Name of the listed companies in which the person holds Directorships (excluding HGSL).	None
Memberships/ Chairmanship of Committees of the Board of Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee) (excluding HGS & its subsidiaries and Foreign entities).	None
Name of the listed entities from which the person has resigned in past three years.	None
Number of meetings of the Board attended during the year 2021-22.	N.A.
Details of Shareholding of Non - Executive Director, including shareholding as a beneficial owner	N.A.
Terms and conditions of appointment	Appointed as a Non-Executive Director, liable to retire by rotation
Details of remuneration last drawn (for FY 2021-22)	N.A.
Details of remuneration sought to be paid in 2021-22	N.A.

PROCEDURE FOR REMOTE E-VOTING

i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin Technologies Limited ('KFin'), on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii) Pursuant to SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their Mobile No. and e-mail ID with their DPs to access e-Voting facility.

iii) The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

A. Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

MODE of e-Voting	**Through Depositories (Login Method)**		**Through Depository Participant (s)**
	NSDL	**CDSL**	
Individual Share-holders holding securities in demat mode	**1) User already registered for ideaS facility:** i) Visit URL: https://eservices.nsdl.com ii) Click on the "Beneficial Owner" icon under "Log-in" under 'IDeAS' section. iii) On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" iv) Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	1) **Existing members who have opted for easi/ easiest** i) Visit URL: https://web.cdslindia.com/ myeasi/home/login or URL: www.cdslindia.com ii) Click on New System Myeasi iii) Login with your registered user id and password. iv) The Members will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. v) Click on e-Voting service provider name to cast your vote.	i) You can also login using the login credentials of your demat account through your DP registered with NSDL/ CDSL for e-Voting facility. ii) Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. iii) Click on options available against company name or e-Voting service provider – Kfintech and you will be re-directed to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.
	2) Members not registered for ideaS e-Services i) To register click on link : https://eservices. nsdl.com ii) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp iii) Proceed with completing the required fields. iv) Follow steps given in points 1	**2) Members not registered for easi/ easiest** i) Option to register is available at https://web. cdslindia.com/ myeasi/Registration/EasiRegistration ii) Proceed with completing the required fields. iii) Follow the steps given in point 1	
	3) Alternatively by directly accessing the e-Voting website of NSDL i) Open URL:https://www.evoting.nsdl.com/ ii) Click on the icon "Login" which is available under 'Shareholder/ Member' section. iii) A new screen will open. You will have to enter your User ID (i.e., your sixteen digit Demat Account No. held with NSDL), Password/OTP and verification code shown on the screen. iv) Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. v) On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.	3) **Alternatively, by directly accessing the e-Voting website of CdSl** i) Visit URL: www.cdslindia.com ii) Provide your demat Account Number and PAN No. iii) System will authenticate Members by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, Members will be provided links for the respective ESP, i.e **KFintech** where the e-Voting is in progress.	
	4) **For any technical assistance: members may contact NSDL helpdesk by writing to** evoting@nsdl.co.in or calling the toll free no.: 18001020990 or 1800224430.	**4) For any technical assistance, members may contact CDSL helpdesk by writing to** helpdesk.evoting@cdslindia. com or calling at 022-23058738 or 022- 23058542-43.	

B. Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

a) Members whose email IDs are registered with the Company/ depository Participants(s), will receive an email from KFintech which will include details of e-Voting event number (EVEN), User ID and password they will have to follow the following process:

i) Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii) After entering these details appropriately, click on "LOGIN".

iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v) You need to login again with the new credentials.

vi) On successful login, the system will prompt you to select the "EVEN" i.e., "6965" and click on "Submit".

vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii) Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x) You may then cast your vote by selecting an appropriate option and click on "Submit".

xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at amrita.nautiyal@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

b) Members whose email IDs are not registered with the Company/ depository Participants(s), and consequently the annual Report, notice of AGM and e-Voting instructions cannot be serviced, will have to follow the following process:

i) Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii) Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

iii) After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC

Instructions for all the Members, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC and e-Voting during the meeting.

i) The remote e-Voting period commences on Saturday, September 24, 2022 at 9:00 a.m. (IST) and ends on Tuesday, September 27, 2022 at 5:00 p.m. (IST). During this period, Members/ Beneficial Owners of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Wednesday, September 21, 2022, may cast their votes electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

   A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

ii) Member will be provided with a facility to attend the AGM through VC platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

iii) Facility for joining AGM though VC shall open atleast 15 minutes before the commencement of the Meeting.

iv) Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

v) Members will be required to grant access to the webcam to enable VC. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

vi) As the AGM is being conducted through VC, for the smooth conduct of proceedings of the AGM, Members may express their views/ send their queries in advance mentioning their name, demat account number/ folio number, email id, mobile number at: investor.relations @teamhgs.com. Questions/ queries received by the Company till September 24, 2022 shall only be considered and responded during the AGM.

vii) The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. The Members may click on the voting icon displayed on the screen to cast their votes.

viii) A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

ix) Facility of joining the AGM through VC shall be available for at least 2000 members on first come first served basis.

GENERAL INSTRUCTIONS

i) **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user ID and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from September 24, 2022 to September 27, 2022. Those Members who have registered themselves as a speaker will only be allowed to speak/ express their view/ ask questions during the AGM provided they hold shares as on the cut-off date. The Company reserves the right to restrict the number of speakers, depending on the speakers availability of time for the AGM.

ii) In case of any query and/ or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact at investor.relations@teamhgs.com, or Mr. Prem Kumar Nair KV, Manager – Corporate Registry, KFIN Technologies Limited Selenium, Tower B, Plot No. 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at email id evoting@kfintech.com or call KFin's toll free No. 1-800-309-4001 for any further clarifications.

iii) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

iv) In case a person (a person holding shares in physical mode and non-individual holders) has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

a) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
2. MYEPWD <SPACE> IN12345612345678
3. Example for CDSL:
4. MYEPWD <SPACE> 1402345612345678
5. Example for Physical:
6. MYEPWD <SPACE> XXXX1234567890

b) If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c) Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com .

v) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the e-votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, not later than 2 working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him who shall counter sign the same.

vi) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hgs.cx and on the website of KFin at https://evoting.kfintech.com immediately after the Result is declared by the Chairman or any other person authorized by him and shall be simultaneously communicated to the National Stock Exchange of India Limited and BSE Limited, where the Equity shares of the Company are listed. The Results shall also be displayed on the Notice Board at the Registered Office and Corporate Office of the Company.

ANNUAL REPORT
FY 2021-22

HGS 2.0
A new beginning

A PROMISE TO SOAR HIGHER

HINDUJA GROUP

HGS 2.0 - A NEW BEGINNING

A PROMISE TO SOAR HIGHER

Last December, we embarked on a new journey to be a digital-led, people-driven customer experience transformation company for the most admired brands. This new vision was built on a solid foundation of years of knowledge and experience, optimized delivery, capabilities, and client successes. Aligned to the new vision, we have been on an aggressive path to augment our business with digital capabilities, through organic and inorganic routes. Our evolution into HGS 2.0 continues to be powered by consumer demands, client and employee expectations, and our commitment to making our clients more competitive. The three pillars of innovation, optimization, and growth have resonated with our existing and new clients; at the same time, the new opportunities and elevated employee experience have helped us attract and retain top talent. This initial momentum propels us to take bigger leaps and drive faster growth with a strong sense of optimism. We stand poised with unbridled excitement, energy, and hope to embrace sustained success in the years to come.

INDEX

Corporate overview 01-33

Founder's Page 02
Vision, mission & values 03
HGS at a glance 04
Chairman's message 06
CEO's message 10
Management team 13
'Hope can move mountains' – how HGS fought the pandemic 14
HGS unveils new brand identity with digital-led vision 16
Industry and analyst recognition 18
What our clients say about us 22
Our community initiatives 24
Engaging our employees 27
10 Years of growth 28
Financials & general highlights 29
Holding structure 32
General information 33

Reports 34-109

Consolidated financials in USD 34
Directors' report 34
Corporate governance report 45
Management discussion & analysis report 61
Business responsibility report 101

Financial statements 85-210

Consolidated 00
Standalone 000
Contact details 000

SHRI PARMANAND DEEPCHAND HINDUJA

FOUNDER - HINDUJA GROUP

WORK TO GIVE I ACT LOCAL, THINK GLOBAL

WORD IS A BOND I ADVANCE FEARLESSLY

PARTNERSHIP FOR GROWTH

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

OUR VISION :

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

OUR MISSION :

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

OUR VALUES :

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

We deliver on our promises every time.
Our word is our bond.

We raise the bar higher and higher.
Continuous innovation is in our DNA.

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

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

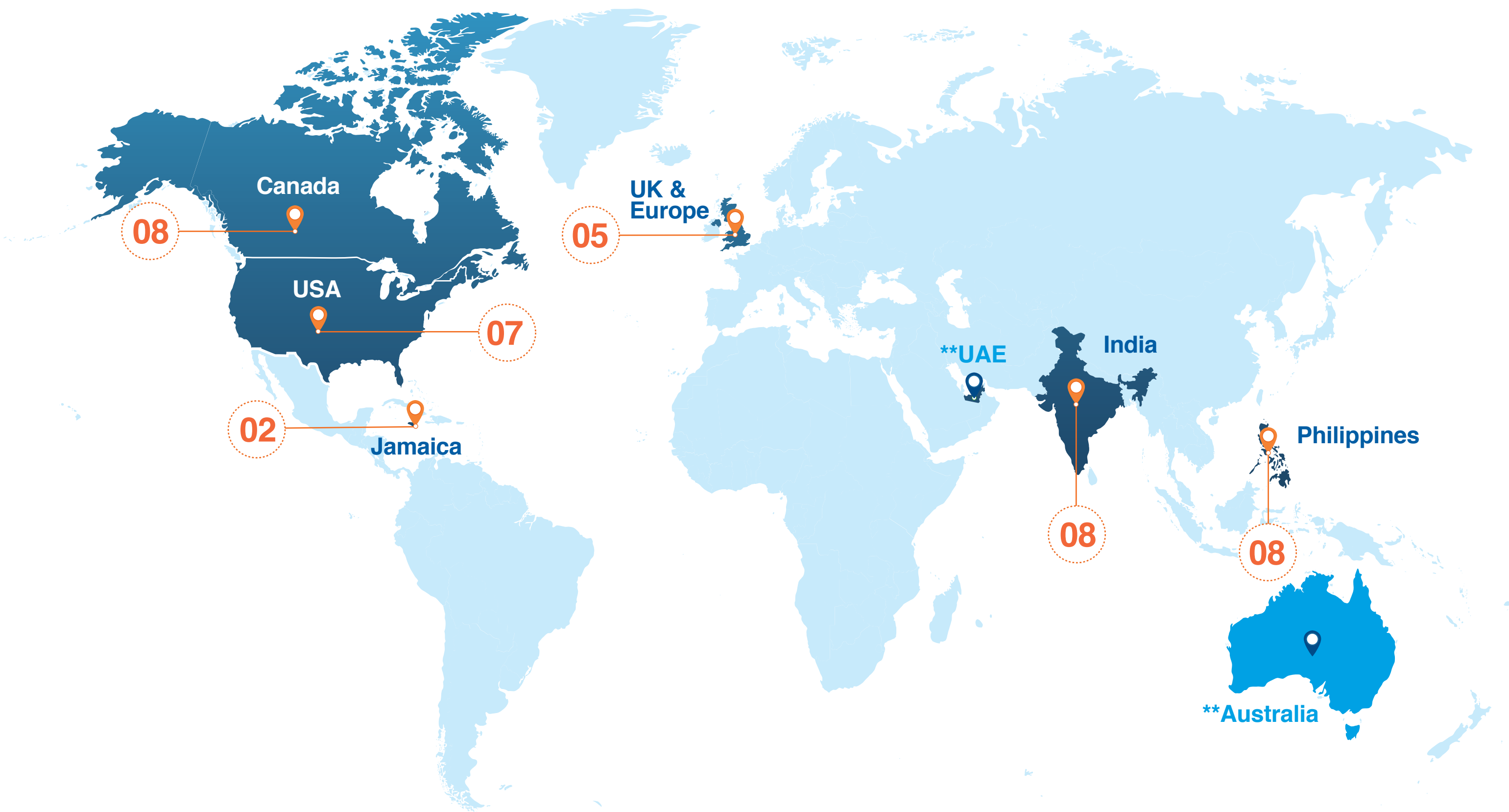
Together, we progress.
We embrace differences and foster an environment of mutual trust, respect, and equality.

HGS AT A GLANCE

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

HGS' Presence

Optimizing customer experiences and helping our clients become more competitive



Notes: * Revenue for HGS' retained business post divestment of Healthcare Services business I **Australia and UAE – sales office

HGS AT A GLANCE

Perfect balance of technology and people - HGS Work Cloud™

Addressing the global economies biggest challenges to growth:
labor, productivity and digital optimization

ENSURING PRODUCTIVITY

Cognitive engagement center
•
Virtual assistance
•
Automation
•
Omnichannel personalization
•
Data-driven resources
•
Insights and predictive analytics
•
Next best action

CUSTOMER AND EMPLOYEES GETTING THE RIGHT ANSWER FAST®

OPTIMIZING EXPERIENCES

BOTS

+

BRAINS

AUGMENTING STAFFING WITH TRIPLE-A TECHNOLOGIES

EMPLOYEE EXPERIENCE

HIRE
•
TRAIN
•
RETAIN
•
OPTIMIZE

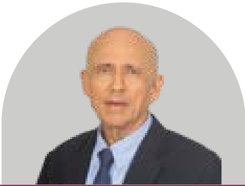
ACCESSING QUALITY TALENT

Global bench
•
Hybrid Engagement Hubs
•
Work-at-home

FINDING AND RETAINING NECESSARY SKILLED TALENT

BOARD OF DIRECTORS
Hinduja Global Solutions Limited


Mr. Ashok P. Hinduja
Chairman Emeritus


Mr. Yashodhan Madhusudan Kale
Chairman


Mr. Anil Harish
Independent Director


Ms. Bhumika Batra
Independent Director


Dr. Ganesh Natarajan
Independent Director


Mr. Sudhanshu Tripathi
Non-executive Director


Mr. Pradeep Udhas
Additional Director
(Independent Director)
w.e.f. from August 25, 2022


Mr. Paul Abraham
Additional Director
(Non-Executive Non-Independent Director)
w.e.f. from August 25, 2022


Mr. Partha DeSarkar
Executive Director (Whole-time Director)

CHAIRMAN'S MESSAGE

Dear Shareholders,

FY2022 has been a banner year for HGS. Your Company recorded strong growth across all financial parameters, including registering our highest-ever quarterly PAT in the second half. Kudos to TeamHGS for their hard work and commitment in driving this stellar performance!

On August 9, 2021, the Board of Directors of your Company approved the sale of the Company's Healthcare Services business to wholly-owned subsidiaries of Betaine BV ('Buyer'), funds affiliated with Baring Private Equity Asia (BPEA), for an aggregate enterprise value of US$ 1,200 million (approx. INR. 8,940 Cr). I am happy to inform you that the transaction was completed successfully on January 6, 2022, and subject to closing adjustments, resulted in inflows of US$ 1,088 million.

The completion of the transaction has unlocked significant value for the shareholders and is a recognition of the path-breaking work that HGS has been doing in the last two decades in building its domain capabilities.

> Given the trust we have from our clients and people, and our deep understanding of the market we operate in, your Company truly believes that the new path we have undertaken will help us achieve even bigger strides to success and create impact for all our stakeholders across business, people, investors and the community.

The divestiture of the Healthcare Services business has made significant capital available to grow the rest of business, comprising of consumer engagement solutions, digital services and HRO/ payroll, in line with our goal to evolve as a comprehensive digital and CX services partner to clients.

For our Shareholders, who have been true partners in our two-decades journey, we have announced a few initiatives to unlock value. We have given total dividend of Rs. 245 per share on a pre 1:1 bonus basis for FY2022, including a special dividend of Rs 150 per share. Total dividend outgo was Rs. 5,120 million. During FY2022, your Company completed 1:1 Bonus Issue of Equity Shares. Further, based on the FY2022 audited financials, as and when announced, the size of the buyback would be around Rs. 975 crores. The detailed buyback process shall be announced at a later date upon completion of certain applicable actions, compliance of relevant provisions of the Companies Act, 2013 and applicable SEBI Regulations.

Another key development in the last few months has been the Scheme of Arrangement to acquire NXTDIGITAL's media & digital business by your Company. Post receipt of direction from the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting of Equity Shareholders of HGS is being convened on September 2, 2022 to consider the Scheme of Arrangement. As announced earlier, Shareholders of NXTDIGITAL will receive 20 Shares of HGS for every 63 NXTDIGITAL shares held. On completion of the transaction with NXTDIGITAL, the Share capital of HGS will increase from 4.179 Cr shares to 5.248 Cr shares.

In the face of widespread change – both in the external environment, led primarily by the COVID-19 impact, and internally, HGS has taken forward the exceptional business momentum of the last couple of years. Your Company's Annual Results for the year showcase a robust growth story for the retained business (Consumer Engagement Solutions (CES), Digital and HRO/payroll segments). Overall revenues increased to Rs. 32,636.9 million, a growth of 25.44% YoY, while EBITDA stood at Rs. 1,134 million, a growth of 46.1% YoY. Including the proceeds gained from the divestment of Healthcare Services business, net profit stood at Rs. 61,036 million. This performance was made possible by bringing together various teams, expertise and capabilities in a hybrid working model to deliver impact to clients as OneHGS.

Accelerating Growth as HGS 2.0

Your Company is not resting on its laurels of the past but is now forging ahead with an increased focus on becoming HGS 2.0, a digital-led, people-driven organization that is transforming customer experiences (CX). During FY2022, HGS marked a new milestone with the launch of a new brand identity, which comprises a redesigned logo and new vision and mission statements. HGS' new identity symbolizes the enhanced value of the business and represents our focus on continually creating more satisfying customer experiences, stronger employee engagement and more rewarding investor outcomes.

As we evolve, our new mission is to innovate, optimize and grow our clients' businesses with the perfect balance of technology and people. Your Company is working to ensure that we are at the forefront of the massive change that's happening in the business world by partnering with clients in their transformative journey.

While sustaining our position as market leaders in our traditional verticals, we continue to invest steadily in building our domain expertise and expanding our digital-first solution portfolio. We have launched several new, tech-led solutions that leverage Automation, Artificial Intelligence (AI), Analytics, Cloud and Social Care, to support clients' evolving needs and drive growth. Our digital-led expertise is increasingly being recognized by key global analysts and industry organizations for their effectiveness and innovation; this is great validation and intangible recognition of the work we have been doing and how HGS is perceived in the market. Proactive solutioning will remain a top priority, and we are exploring both organic and inorganic routes for this.

Critical to the new positioning is attracting and providing opportunities for top talent to drive digital-led customer experiences for HGS' clients and their customers. We are investing significantly in roles critical to transformation such as digital professionals, data analysts, automation experts, and CX ambassadors. I am pleased that your Company is steadily becoming an Employer of Choice globally.

The post-pandemic future is full of uncertainties, especially given the tightening financial conditions in the global economy, stagflation risks and further negative spill overs from the war in Ukraine. But the opportunity ahead of us is immense. Given the trust we have from our clients and people, and our deep understanding of the market we operate in, your Company truly believes that the new path we have undertaken will help us achieve even bigger strides to success and create impact for all our stakeholders across business, people, investors and the community. We do this with a renewed vision and purpose-oriented focus, but with cautious optimism. In this, we are following one of Hinduja Group's guiding principles as laid out by our Founder, Shri. Parmanand Deepchand Hinduja – to Advance Fearlessly.

Your Company also continues to garner recognition for its exemplary work in the area of corporate social responsibility (CSR) as we practiced our philosophy of 'Work to Give for a Better Tomorrow.' With the pandemic intensifying during FY2022, HGS extended monetary and other support to local governments in India and the community, even as our people globally volunteered several hundreds of hours remotely to support the communities impacted and made a difference.

HGS continues to be inspired by the principles of Hinduja Group's Founder Shri. Parmanand Deepchand Hinduja in how we work, partner, act and give back to society every day. We convey our sincere gratitude to HGS Chairman Emeritus Mr. A. P. Hinduja, whose vision and perspectives help steer your Company's vision.

Finally, I would like to express my appreciation to HGS' Shareholders, Board Members, Senior Management, Officials and Employees, etc., for your vital, continuous and unstinted support through a period of successful change. What we have achieved thus far wouldn't have been possible without your acknowledgement and partnership. I look forward to your continued support to move forward in our evolution into a digital-led CX organization.

Like Winston Churchill famously said, "To improve is to change; to be perfect is to change often."

Yours sincerely,

Yashodhan Madhusudan Kale
Chairman
August 25, 2022

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

CEO'S MESSAGE

Dear Shareholders,

I am pleased to share with you my thoughts on HGS' performance in the last financial year and the way forward that we have chosen to tread on.

The past couple of years have been a period of intense action and reflection. We have seen the global pandemic, geo-political tensions, financial crisis, supply chain disruptions, the rise of crypto-currency, great resignation and growing demand for digital across professional and personal spaces. In the face of widespread change, your Company has shown remarkable resilience and adaptability, coming out stronger than ever.

"The changes in technology consumption and consumer outlook during the pandemic have accelerated digital adoption almost 5x. This represents a significant opportunity that can contribute towards higher growth of not just your company, but of the ecosystem as a whole."

FY2022 was an eventful year for HGS – from posting strong revenue growth in all four quarters, registering our highest-ever quarterly PAT, to divesting the healthcare services business for an almost 3x valuation and enhancing shareholder value. We achieved these milestones despite the challenges caused by the continuing impact of COVID-19.

Here are some financial highlights for the year:

- Overall revenues for retained business (Consumer Engagement Solutions (CES), digital and HRO/payroll businesses) increased to Rs. 32,636.9 million, a growth of 25.44% YoY. In dollar terms, this was US$ 438.6 million.
- EBITDA for retained business stood at Rs. 1,134 million, a growth of 46.1% YoY.
- Overall HGS revenues (including the divested healthcare operations until January 5, 2022) increased to Rs. 57,959.2 million. In dollar terms, this was US$ 779 million.
- EBITDA (including the divested healthcare operations until January 5, 2022) stood at Rs. 7,376 million.

With the intent of significant value unlocking for all stakeholders, HGS divested the healthcare services business on January 6, 2022 for US$ 1,200 million. We intend to use the generated funds to strategically invest for our future growth, where we will focus on aggressively expanding our business in line with the HGS 2.0 goal.

For our shareholders in FY2022 –

- HGS has given a total dividend of Rs. 245/ share (on pre 1:1 Bonus Share Capital). The total dividend outgo stood at about Rs. 5,120 million.
- We have also announced a Buy-back that's expected to happen in the next few months.

In February 2022, HGS' Board of Directors had approved the Scheme of Arrangement to acquire NXTDIGITAL's media and digital business. The Hon'ble National Company Law Tribunal has convened a meeting of HGS' Equity Shareholders on September 2, 2022 to consider the Scheme of Arrangement. This merger will allow HGS to participate in the dream of building "Digital India" – a very exciting initiative that will transform the country.

CEO'S MESSAGE

Our growth drivers

Growth for the retained business has been primarily led by the UK and US geographies, both onshore and offshore. The UK business, in particular, has seen a spectacular performance in revenue and profitability. Revenue grew by 36.5% YoY while EBITDA was about 3.8 times the EBITDA posted in the previous year. We had one of the largest client wins for HGS' public sector team in Q4, with a potential total contract value of £211 million (Rs. 2,100 crore) and hundreds of work at home positions across the UK.

HGS also forayed into a new client market Australia and New Zealand (ANZ) with the acquisition of Diversify Offshore, Australia, effective February 25, 2022. We see lot of synergies in this partnership - the addition of delivery presence and experienced domain experts in Philippines to beef up our existing portfolio, the prospect for ANZ offshoring to HGS' Indian operations and an opportunity for HGS to cater to the digital needs of Diversify's clients.

Our digital business was another standout performer of the year, with a revenue growth of 28.2% YoY. We signed engagements with multiple new and existing clients for digital solutions led by Cloud and the 3As (Analytics, Automation and AI). In fact, we won an engagement with our biggest-ever digital client to provide cloud-related services. Your Company has been continuously investing in developing technology-led solutions that create true business outcomes for our clients. In line with this, we launched two new solutions – Cloud Accelerator and HGS Agent X in FY2022, which are seeing lot of traction in the market.

Our people are powering us

While we deliver our best to clients, HGS has also continued to focus on our people. The second and third waves of the COVID pandemic hit us hard, more so in India and the Philippines. Employee engagement with an emphasis on physical and mental wellness was critical. HGS deployed several initiatives to support and motivate employees and their families, including individual outreach calls, virtual events encompassing business townhalls, fun activities and learning sessions, physical and mental wellness coaching and contests, and structured CSR virtual volunteering activities, etc. In India, HGS also launched specific benefits for COVID impacted employees, including additional leave and insurance availability.

HGS is leveraging a hybrid working model (combination of work from home and some work from office) to ensure business continuity as per client and government mandates while keeping employees' well-being as the topmost priority. All processes – right from recruitment, onboarding and training to client delivery, continued learning and employee engagement – are now available in a virtual environment.

HGS 2.0 – A new beginning and a promise to soar higher

In the past couple of years, I have been talking about the need for HGS to evolve using technology, and we have done pretty well so far. However, the changes in technology consumption and consumer outlook during the pandemic have accelerated digital adoption almost 5x. This represents a significant opportunity that can contribute towards higher growth of not just your company, but of the ecosystem as a whole.

As per the Everest Group, the CXM outsourced market is expected to grow by 4-6% to reach ~$96B by end-2022 despite the effects of the pandemic. Digital-led CXM is the driving force for this growth; the segment had a CAGR of 30-35% between 2016 and 2020.

Last December, your Company embarked on a new journey to be a digital-led, people-driven CX transformation company for the world's most admired brands. HGS unveiled a new brand identity (new logo, and vision and mission statements) that symbolizes the enhanced value of the business and represents

CEO'S MESSAGE

our focus to continually create more satisfying customer experiences, stronger employee engagement and more rewarding investor outcomes. This new purpose is built on a solid foundation of years of knowledge and experience, optimized delivery, technology capabilities, people and client successes.

In the next few years, we will focus on three key areas – generate significant growth by concentrating on specific micro-verticals, achieve operational efficiency led by a lean and focused sales team and explore mergers & acquisitions. We believe that the new purpose-designed organization structure and investments in newer capabilities and next-generation delivery models will help us deepen client relationships, expand addressable market, gain market share and power growth in the years ahead.

To share some examples on how this is being done, HGS is –

- exploring strategic acquisitions to gain digital capabilities and expand geo presence
- building intellectual capital within the organization via thought leadership and innovation
- increasingly shift to the Cloud on an on-demand, agile and secure ecosystem (UK and North America)
- developing platforms to simplify experience for both our agent employees and clients (HGS Agent X, Automated disclosure readout - text to speech, language translation bot and Roadside Assistance bot, etc)
- supporting clients' business growth by providing Experts OnDemand™ solutions
- creating happy and better trained employees with personalized and differential learning

The theme for this annual report **'HGS 2.0 – A New Beginning: A Promise to Soar Higher'** is a thought that emerged as we navigate this new journey with our employee and client family as well as the community through a combination of the best in digital technology and the best of human spirit.

HGS has also unveiled a new set of five Values as our tenets to support this transformation. They are:

- Integrity
- Excellence
- Collaboration
- Sustainability
- Inclusivity

As we stand at the threshold of change, these will be the guiding force in how we deliver to our clients, people and partners, and redefine our everyday interactions.

HGS' new brand story and focus on innovation, optimization and growth have resonated with our clients and people. New opportunities have also helped us attract new types of projects and people profiles that are more technology centric. This initial momentum propels us to take bigger leaps for driving growth. We stand poised with unbridled excitement and optimism to embrace sustained success in the years to come.

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

Yours sincerely,

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

August 25, 2022

MANAGEMENT TEAM

Partha DeSarkar
Group CEO

Srinivas Palakodeti
Global CFO

Adam Foster
CEO
HGS Europe

Narasimha Murthy
President- HGS Americas

Pushkar Misra
President and CEO,
HGS APAC

Venkatesh Korla
President & CEO,
HGS Digital

Giridhar GV
Executive Vice President
Global Human Resources

Natarajan Radhakrishnan
President and Global CIO

Andrew Kokes
Executive Vice President &
Head of Global Marketing

Santanu Nandi
Senior Vice President
Global Business Excellence

Shilpa Sinha Harsh
Senior Vice President
Global Corporate Communications,
CSR and D&I

Narendra Singh
Company Secretary

Note: Ramesh Gopalan, Subramanya C and Anthony Joseph have moved to the divested Healthcare Services business, effective January 6th, 2022.

'HOPE CAN MOVE MOUNTAINS' – HOW HGS FOUGHT THE PANDEMIC

In FY2022, the second and third waves of COVID-19 saw an alarming surge of cases globally. The devastation caused by the variants claimed many lives, leaving behind lessons for the people who survived. Like all communities and organizations, HGS too had to deal with this challenge by sustaining business continuity while keeping employee health and safety as top priorities.

Below is a snapshot of how HGS helped our people cope during the pandemic with our people first philosophy.

Continuing Work from Home

Throughout the pandemic, ensuring the safety of the employee, clients and the community has been the topmost priority for HGS. Post a shift to the Work from Home model in 2020, a significant population of HGS' workforce continued to work remotely in FY2022.

Due to the continued work from home model, employees were given subsidized loan to set-up home-office infrastructure like UPS, table, chair, etc. Necessary tools for employees to work from a home setup such as computers, VDI access, datacard, free broadband set-up, reimbursement of mobile and datacard charges were also provided.

Employee engagement

We ran various employee communication drives to educate on various topics around COVID-19 and organized regular check-in individual/ team calls. This was done across the geos we operate in and was well received by the employees. The idea was to keep the employees engaged, motivated and not let them feel isolated. During the course of the pandemic, we encouraged employees to perform physical activities at the comfort of their homes to stay fit because going out was not possible, while maintaining mental wellness.

Vaccination

HGS facilitated subsidized vaccination drives at our own facilities across India and Philippines in second half of 2021, considering the challenges in vaccine availability. Many employees and their family members were vaccinated in these camps while others who got vaccinated elsewhere were reimbursed.

COVID-19 assistance

At HGS, we wanted to help our employees during this devasting period through various kinds of assistance - both financial and others.

- *Additional leaves:* HGS announced additional 14 days of calendar leave for COVID-19 impacted employees.

- *Insurance:* HGS launched 'COVID Kavach' insurance to cover home quarantine expenses for employees.

- *Medical kits:* For the impacted employees, HGS delivered medical kits with an oximeter, thermometer, sanitiser, mask and gloves to their residence to support them to constantly monitor their vitals.

- *COVID war room:* In an effort to support employees needing immediate medical care, we set up an in-house HGS COVID War Room with volunteers available 24x7. The war room was set up with an objective to help employees seeking immediate medical assistance, and information on hospital beds, life-saving medicines, and resources such as oxygen, ambulances and RTPCR testing centres.

- *Counselling support for emotional wellbeing:* We provided counselling support for the emotional wellbeing of our employees and family members through a third-party wellbeing partner.

- *Financial assistance:* The pandemic had a significant impact on the finances of the individuals. HGS extended a onetime non-refundable financial assistance of ₹7,500 to employees infected with COVID-19 to meet medical expenses and healthy food. HGS also made an effort to support the family of any employee who lost their life due to COVID with a onetime non-refundable funeral expense of Rs. 10,000.

'HOPE CAN MOVE MOUNTAINS' – HOW HGS FOUGHT THE PANDEMIC

HGS UNVEILS NEW BRAND IDENTITY WITH DIGITAL-LED VISION

New brand positioning underscores a commitment to exceed today's rising customer and employee expectations

On December 9, 2021, HGS marked a new milestone with the launch of a new brand identity, which comprises a redesigned logo and new vision and mission statements. HGS' new brand identity showcases our ongoing evolution into a digital-led, people-driven organization that is transforming customer experiences (CX). It symbolizes the enhanced value of the business and represents HGS' focus on continually creating more satisfying customer experiences, stronger employee engagement and more rewarding investor outcomes.

The New HGS

hgs

The contemporary HGS logo is a visual expression of our key pillars: innovation, optimization and growth. It has synthesized visual depictions of a handshake (trusted advisor and partnership), microchip (digital-first with strong technology integration capabilities), and fingerprint (personalized experiences and security). The logotype is clean and modern. The curves are fluid with soft edges to emphasize constant motion and movement. Additionally, a subtle chat bubble rests within the white space of the 'g'. The HGS text is presented in lowercase for a friendlier feel and tone.

HGS has also renewed our vision and mission as we evolve as a comprehensive digital and CX services partner and employer of choice for roles critical to transformation - digital professionals, data analysts, automation experts, and CX ambassadors.

OUR VISION

is to be the world's leading expert in transforming customer experiences for the most admired brands.

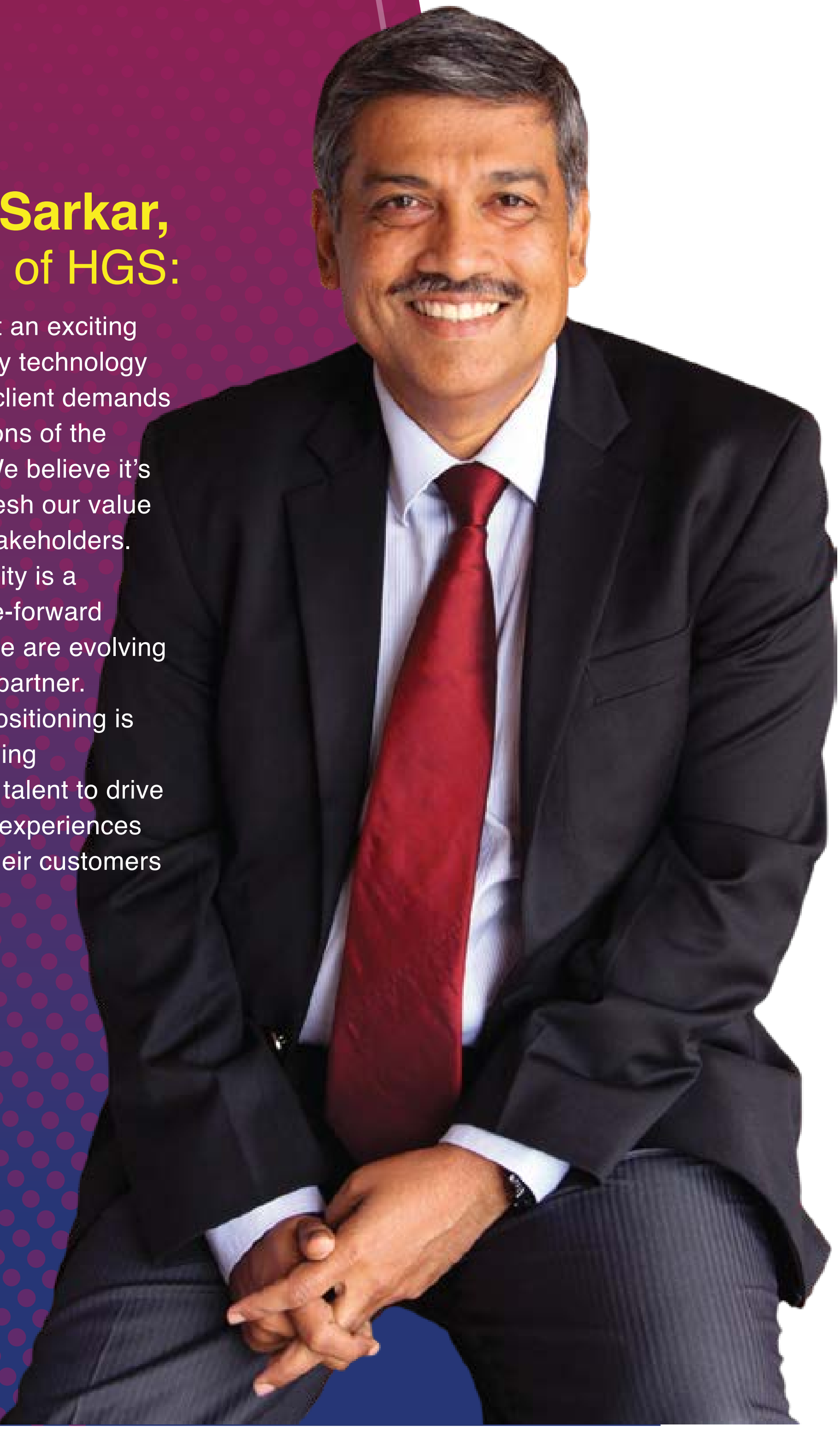
OUR MISSION

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

HGS UNVEILS NEW BRAND IDENTITY WITH DIGITAL-LED VISION

Partha DeSarkar,
Group CEO of HGS:

“HGS is positioned at an exciting juncture today, led by technology adoption, changing client demands and rising expectations of the modern customer. We believe it’s the right time to refresh our value proposition to our stakeholders. Our new brand identity is a distinctive and future-forward expression of how we are evolving as a transformation partner. Critical to the new positioning is attracting and providing opportunities for top talent to drive digital-led customer experiences for our clients and their customers today.”



INDUSTRY RECOGNITION

At HGS, we have great stories to tell – be it the way we offer value and innovation to our clients every day or the proactive delivery support powered by our employees, which have been recognized by external organizations. In FY2022, HGS was honored with several awards and accolades, some of which are mentioned below:

Winner in HR in Corporate Social Responsibility Category At Transformance Forum's **CHRO Vision & Innovation Summit & Awards 2022.**

Winner at the **CCI DX Award 2021** in the Innovative Category for Integrated Customer Engagement Model.

HGS listed amongst the 2021 **Working Mother** and **Avtar 100 Best Companies for Women in India (BCWI)**

Natarajan Radhakrishnan, President and Global CIO has been awarded 2021 CIO Of The Year at the **CIO Vision and Innovation Awards by Transformance Forum.**

HGS is recognized for **"Excellence in Strategic Partnerships 2021"** by **IAOP for the 2nd year in a row.**

- Silver in COVID-19 Most Exemplary Employer Category
- Bronze in Innovative Achievement in Customer Experience Category

INDUSTRY RECOGNITION

HGS is the **Winner** at the 3rd D&I Summit and Awards, organized by Transformance Business Media in the following categories

1. D&I company of the Year
2. Gender Equability
3. Recognition in the Diversity Marketing Campaign of the Year

Winner in the 2021 Cloud Computing Excellence Award

ANALYST RECOGNITION

Everest Group

- "Major Contender" in CXM – Service Provider Landscape with Services PEAK Matrix® Assessment 2021
- Included in 2021 Everest Group BPS Top 50™
- "Major Contender" in Intelligent Automation in Healthcare – Solutions PEAK Matrix® Assessment 2022
- "Aspirants" in Marketing Services PEAK Matrix® Assessment 2022
- "Aspirants" in Healthcare Analytics PEAK Matrix® Assessment 2022
- "Major Contender" in Revenue Cycle Management (RCM) Operations – Services PEAK Matrix® Assessment 2021

Frost & Sullivan

- Ranked in the Frost Radar™: Asia-Pacific Customer Experience Outsourcing Services, 2021
- Ranked in the Frost Radar™: North American Customer Experience Outsourcing Services Market, 2021

Avasant

- "Innovators" in Avasant Contact Center Business Process Transformation RadarView™
- "Innovators" in Avasant RCM Business Process Transformation 2021 RadarView™

NelsonHall

- "High Achievers" in NelsonHall Customer Experience Operations Transformation 2022
- "High Achievers" in Healthcare Payer NEAT 2021

ISG

- "Leader" in ISG Provider Lens™ – Contact Center – Customer Experience Services 2021 - Global, US
- "Product Challenger" In ISG Provider Lens™ – Digital Business — Solutions and Service Partners 2021 – US
- Included in ISG Index "Booming 15 - Service & Technology Provider Standouts" for all four quarters in 2021

HFS Research

- HGS Included in the "HFS Digital contact center services—Top 10: CX Services in the Pandemic Economy"—The Best of the Best Service Providers

IAOP Global Outsourcing 100 2022

Ranked in IAOP® 2022 Global Outsourcing 100® list and received "All Star" distinction for the 12th straight year

ENABLING BEST-IN-CLASS CX FOR EXEMPLARY OUTCOMES

WHAT OUR CLIENTS SAY ABOUT US

HGS takes pride in providing superior and seamless customer experiences to our clients globally. A good indicator of the value we add is their constructive feedback gained through customer dialogue. We have received several messages from our clients appreciating our contribution to their success in FY2022. Below is a sampling of them across geographies and verticals:

US based Home Services provider

"HGS is very quick to listen to our needs and combined with understanding our business well, it helps ensure that the leadership is focused on what is important to us as a partner. Being a flexible partner, HGS is always willing to support ever changing business initiatives."

Vice President
Delivery – Jamaica

Leading US Payment Services Company

"HGS always listens to our needs and acts on the requirements. They have been able to provide flexibility to our network, especially the Manila site. The team offers a high degree of flexibility and innovation and provides creative solutions to difficult situations. They're good at client management by proactively communicating and aligning."

Director
Delivery - US, Philippines

Global Life Sciences Company

"HGS has been a true partner this past year as we have gone through many integration challenges. They have been flexible with the work, especially related to resourcing as needed. The ability to manage resources appropriately has been key to our success during critical times."

Associate Director
Delivery – US, Philippines

Leading Business and Expense Management platform

"HGS has a strong understanding of our business. It deeply understands how all our processes and customer interactions work. The team is very professional and responsive, and comes to the table with good suggestions for overall improvement."

Sr. Vice President
Delivery – India

US based Automotive Shopping site

"HGS is quick and flexible when we need to spin up tests and pilots. It does a good job in engaging and fostering growth and success. The HGS team delivers a high level of customer satisfaction, thus inspiring lot of confidence."

Director
Delivery – US

US based Health and Fitness Company

"HGS has the ability to adapt and deliver meaningful impact, despite many changes in our business this year. HGS' business understanding is impressive and it is very responsive to our needs."

Sr. Manager
Delivery – Philippines

WHAT OUR CLIENTS SAY ABOUT US

Canadian Telecommunications Provider

"HGS flags and provides constant feedback to help us improve the employee and customer experience. It puts in place action plans quickly when needed and is always willing to collaborate/ try new things/ think outside of the box. The company has a great team of leadership and they invest in their employees."

Sr. Manager – Call Centre Operations
Delivery – Canada

Public Sector Organization

"We really appreciate the partnership and the culture of how HGS runs their business. The relationships that they build with us are important and shows how you run your day to day operations. Every role is clear and works in tandem with each other. HGS has been an ideal partner and we appreciate the corporate culture with a true focus on the client, and a collaborative leadership structure throughout the organization."

Director
Delivery – Canada

Leading Communications and Software Company

"HGS is a very flexible partner who works closely with our teams and is committed to doing a great job for us and our customers. The HGS team acts timely and it is valuable to our business in that, the team is able to pivot quickly to an operational need. I appreciate the flexibility and execution HGS consistently provides in these situations. The teams are always flexible to what we need and how we need to accomplish it."

Sr. Business Director
Delivery – India, US

Electronics Manufacturing Major

"HGS delivers on their promise by obtaining a clear understanding of the goals. It creates and consistently measures performance, and then aligns and manages the resources to achieve or surpass the goals."

Director
Delivery – US

Leading Consumer Electrics Company

"We have had a great partnership with HGS ever since we signed the engagement. The HGS team is highly responsive and flexible, with great willingness to support our company. HGS has been carrying out retention and training of great employees and hitting the metrics."

Director
Delivery - US, Philippines

Cellular Service Provider

"We've had a strong and transparent partnership with HGS. The company supports our time to time evolving company goals and objectives. HGS has a strong leadership with great leaders in roles that make sense. Their record of strong delivery and revenue performance remain unmatched in the market."

Vice President
Delivery – Canada

Leading Energy Company

"Autonomous management of customer care with minimal need for direction and intervention. HGS knows our brand, our customers and what it takes to satisfy their questions and complaints."

Sr. Manager
Delivery – UK

OUR COMMUNITY INITIATIVES

HGS is committed to bringing meaningful change in the communities we operate in. Inspired by the ethos of the Hinduja Group Founder Shri Parmanand Deepchand Hinduja –"My dharma is to work, so that I can give." Inspired by this, our CSR philosophy is 'Work to give for a better tomorrow'. Our focus on sustainability ranges across education, skill development of youth and persons with disabilities (PwDs), healthcare, water and Integrated Rural Development Programs.

OUR COMMUNITY INITIATIVES

HGS Corporate CSR Programs

We fund social programs that are aimed at improving the overall quality of life of individuals and communities. These programs are designed to solve core issues that hinder the progress of a community by focusing on the following areas:

EDUCATION

HGS focuses on providing all children the opportunity to access holistic education, while also enhancing their health and nutrition. Education continues to be the top development imperative in HGS' outreach efforts. We continued to support the provision of Mid-day meals across various government schools to enable education through proper nutrition. Additionally, we also supported English education and teachers training to facilitate impact. Over 16,000 children and 100+ teachers were benefited through the interventions in the area.

SKILL DEVELOPMENT

Our efforts in skill development focused on providing vocational skills to Persons with Disability (PwD) to achieve self-reliance and financial independence. HGS also sponsored efforts to provide market oriented skills to underserved rural woman and improve the quality of life across various households. Our 'Youth Livelihood Program' (YLP) helped train disadvantaged youth in employability skills and enable them to seek lucrative vocations.

HEALTHCARE

To reinforce the public health infrastructure, HGS continued to invest in preventive health programs in the form of supplemental nutrition programs. We also reinforced curative interventions by supporting set-up of hospital beds and other essential infrastructure.

WATER

In line with our Group's social priority, HGS supported the lake restoration project in Bengaluru. This project potentially benefitted over 7,000 community members in vicinity of the lake directly and 1.3 Lakhs community members indirectly.

INTEGRATED RURAL DEVELOPMENT PROGRAM (IRDP)

HGS' IRDP intervention designed to deliver holistic community impact in remote rural areas in India. The program included efforts in the field of hygiene, primary education, primary health care, mobile dispensaries, microcredit, and income generation.

OUR COMMUNITY INITIATIVES

Considering the headcount of HGS post-divestiture, we set-out with the target of sustaining the volunteering momentum and engage 30% of the new headcount as well. We have accomplished this target through the efforts of 1,253 volunteers, who dedicated 2,864 hours through more than 15 events during the period of October 2021 to March 2022 alone.

Key Highlights:

1. The year witnessed the 1st on-ground physical volunteering opportunity since 2020
2. Total of over 15 events (6 unique) held of which 12 were virtual volunteering opportunities between Oct 2021 and March 2022
3. India, Philippines and Jamaica covered
4. Launched the 1st Virtual Wishing Tree on connect to drive donations during Christmas
5. An average of 200 volunteers engaged each month in-spite of org-changes and continued limitation of physical access to beneficiaries and volunteers
6. Beneficiary profile: Unemployed youth, underserved children, persons with disability and community members at large



The focus continued to be on social impact while engaging employees safely through Virtual Volunteering Opportunities. Through the unyielding efforts of our volunteers we were able to reach out to over 3050 beneficiaries within the communities we operate in. An overview of the volunteering efforts is as follows:

7. Tele-mentoring of underserved youth – Magic Bus Foundation
8. Audio book recording of text books and other material in vernacular and English language for persons with visual impairment – Samarthanam Trust for the disabled
9. Fundraising at Philippines for 4 NGO partners working in the area of medical care and food provisioning – ₱272,500 raised
10. Diya painting activity to raise funds of Divya Downs development Trust – Bangalore
11. Chart making for the 'Back to School' initiative with The Akshaya Patra Foundation – Including volunteers from HGS BS
12. Plantation activity at the Mugalur Lake, Bengaluru




ENGAGING OUR EMPLOYEES

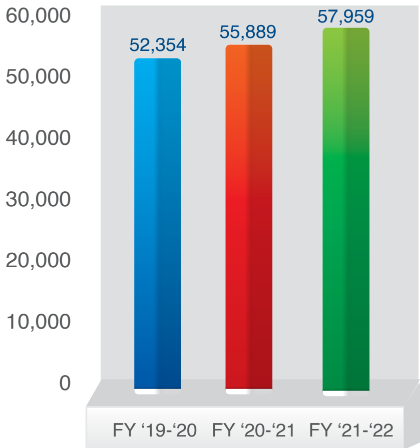
At HGS, we have always prided ourselves on how motivated our people are both at work and outside of it. Our diverse and global workforce is a highly energetic bunch, and many of our engagement activities, training and work prove that. Here's a glimpse of the fun activities our teams have put together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

10 YEARS OF GROWTH

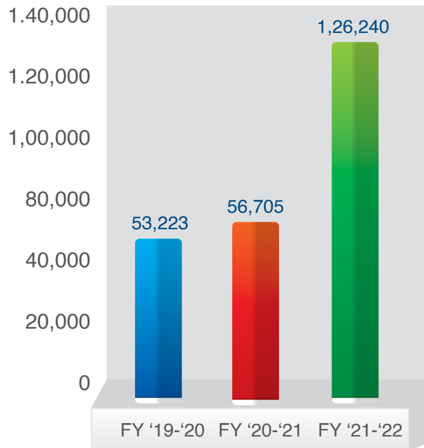
Notes: *Data for headcount, delivery centers and clients are for HGS' retained business post divestment of healthcare services business.

FINANCIAL & GENERAL HIGHLIGHTS

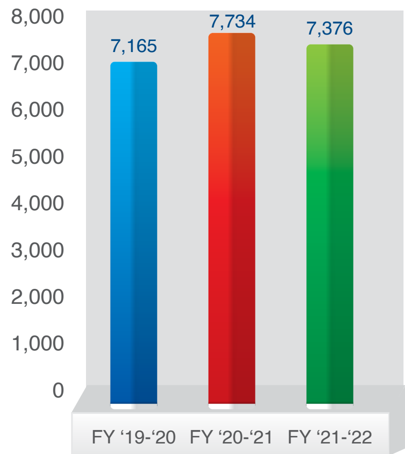
FY '19-'20 FY '20-'21 FY '21-'22



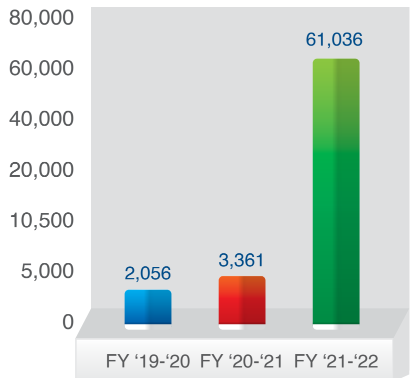
Operating Revenue (₹ million)



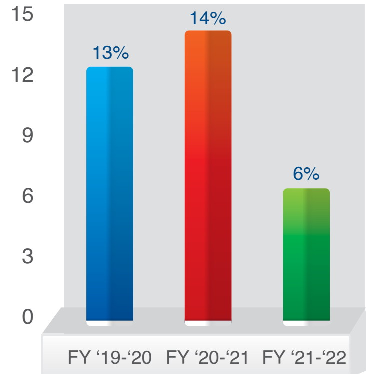
Total Income (₹ million)



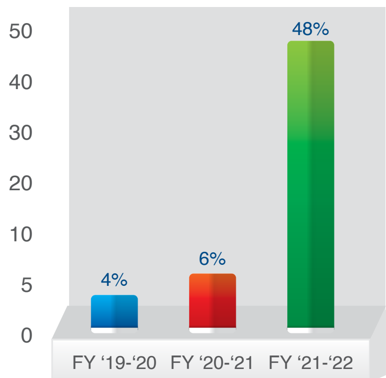
EBIDTA (₹ million)



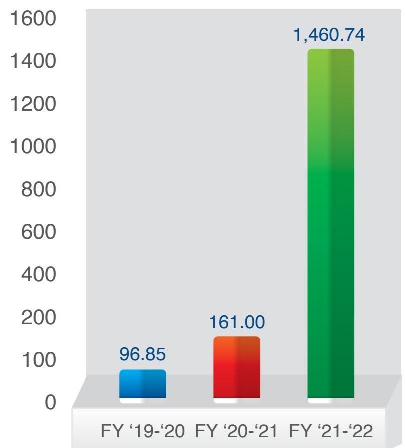
PAT (₹ million)



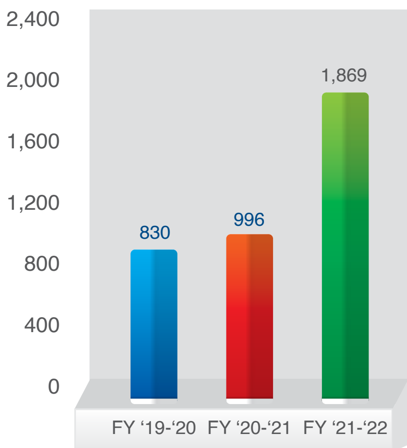
Operating Profit/Total Income



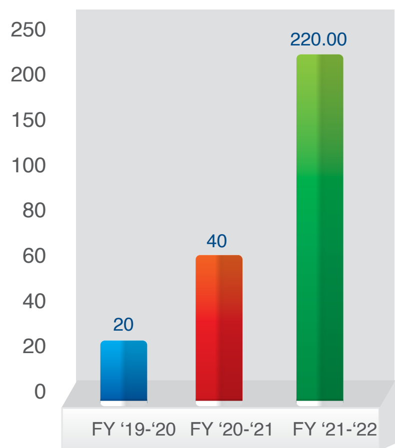
PAT/Total Income



Basic EPS (in ₹)



Book value per share (in ₹)

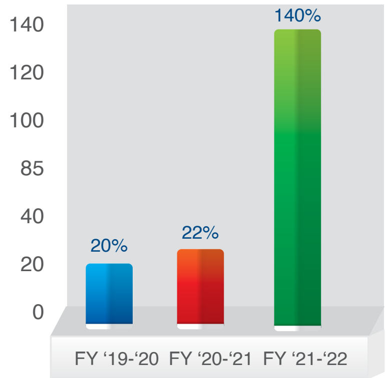


Dividend per share (in ₹)

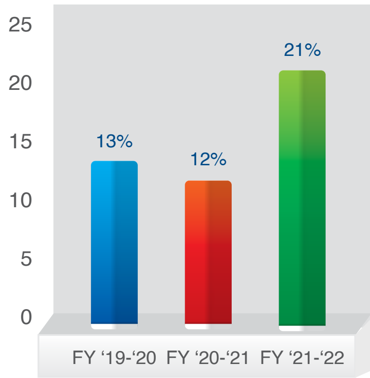
Refer to Note "44" Discontinued operations and Business combinations to the Standalone financial statements AND Note 46 Non-current asset held for sale, Discontinued operations and Summary of acquisition to the Consolidated financial statements.

FINANCIAL & GENERAL HIGHLIGHTS

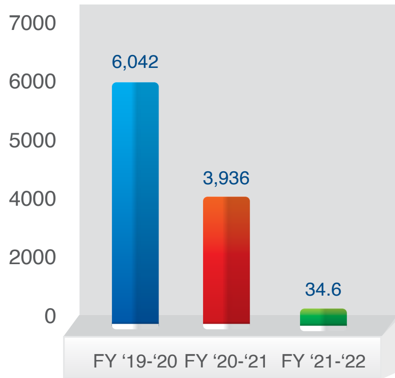
FY '19-'20 FY '20-'21 FY '21-'22



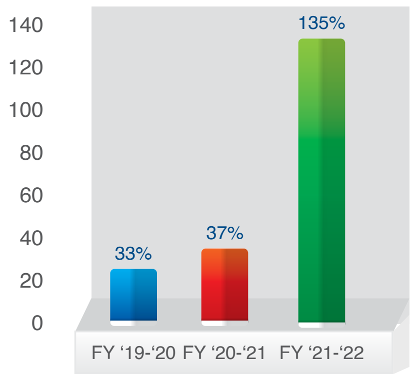
ROCE (PBIT/Av. Capital Employed)



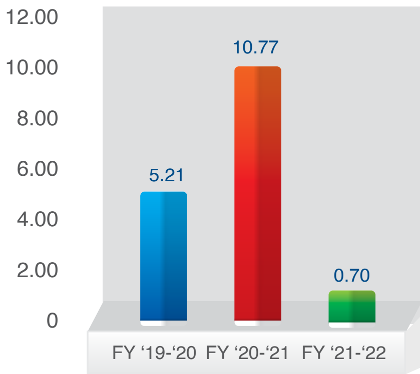
Cash and Bank Balances/ Total Assets



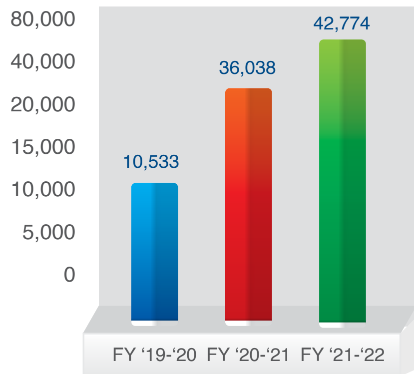
Total Gross Debt (₹ million)



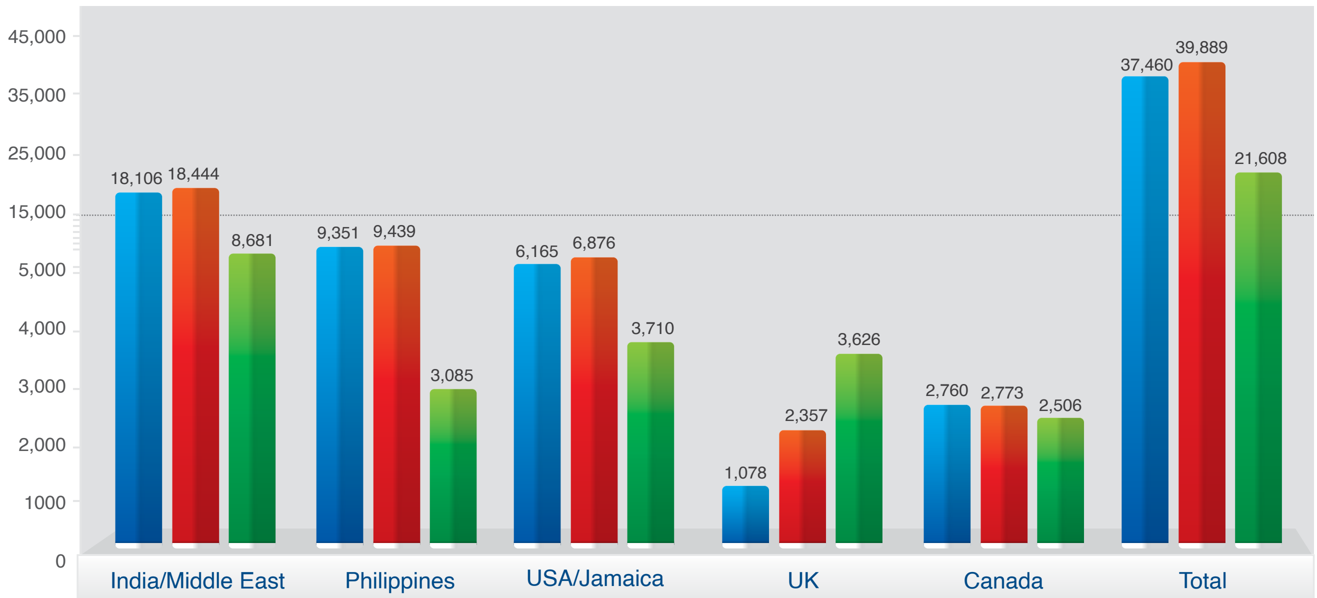
Capital/Output Ratio



Year end Price/Earnings Ratio*



Market Capitalisation (₹ million)



Headcount - by Geography

*Refer Note 14(i) to the consolidated Notes to the Financial Statements.

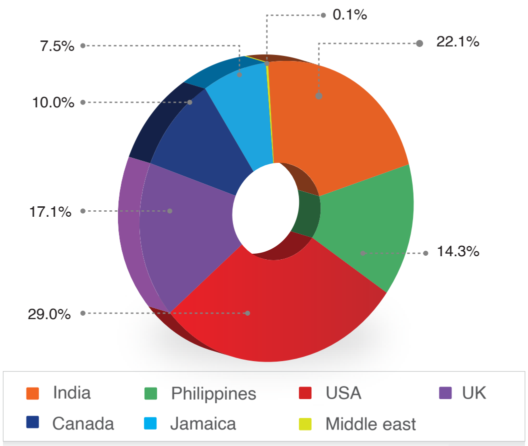
Refer to Note "44" Discontinued operations and Business combinations to the Standalone financial statements AND Note 46 Non-current asset held for sale, Discontinued operations and Summary of acquisition to the Consolidated financial statements.

Cash and Bank Balances/ Total Assets, Total Gross Debt and Headcount are for HGS' retained business post divestment of healthcare services business, as of March 31, 2022

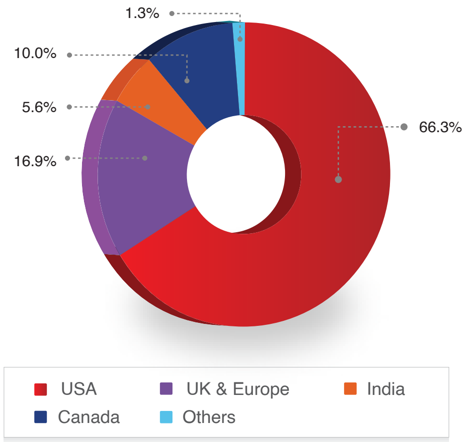
FINANCIAL & GENERAL HIGHLIGHTS

FY '21-'22

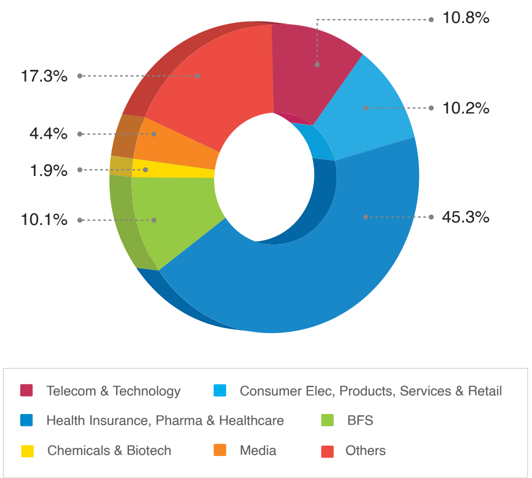
Revenue Split - by Delivery Location



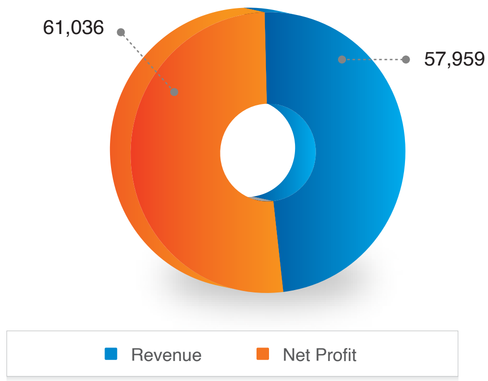
Revenue by Origination



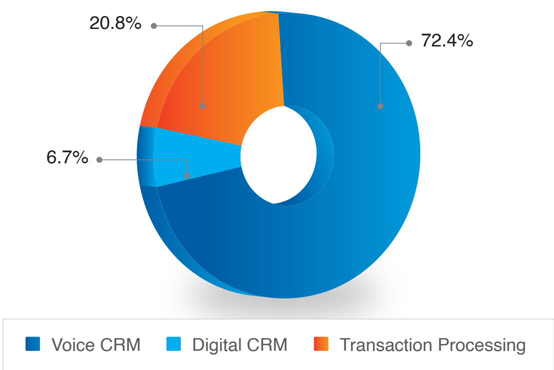
Revenue Split - by Vertical



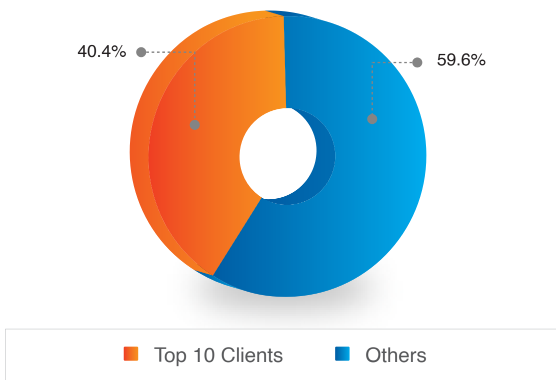
Revenue & Net Profit (INR Million)



Channel Mix

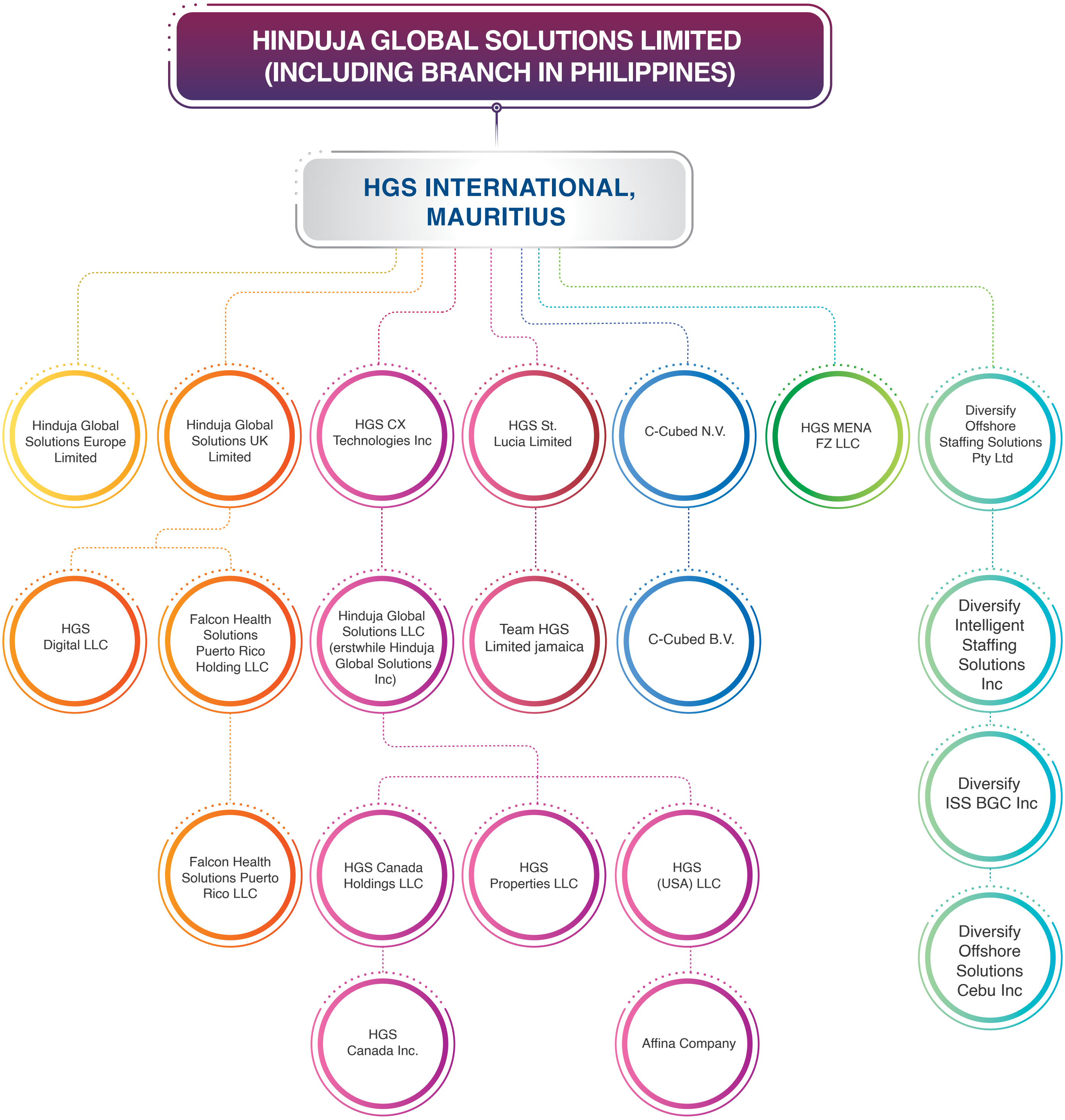


Client Concentration



Refer to Note "44" Discontinued operations and Business combinations to the Standalone financial statements AND Note 46 Non-current asset held for sale, Discontinued operations and Summary of acquisition to the Consolidated financial statements.

HOLDING STRUCTURE



Refer Note 46(ii) and 46(iii) - "Non-current asset held for sale, Discontinued operations and Summary of acquisition" to the Notes to the Consolidated financial statements of the Group relating to sale of Healthcare businesses and acquisitions during the year.

GENERAL INFORMATION

HINDUJA GLOBAL SOLUTIONS LIMITED

Chairman Emeritus

Ashok P. Hinduja

Board of Directors

Yashodhan Madhusudan Kale - Chairman
(Non-Executive Director)
Anil Harish, Independent Director
Sudhanshu Tripathi, Non-Executive Director
Bhumika Batra, Independent Director
Ganesh Natarajan, Independent Director
Pradeep Udhas, Additional Director
(Independent Director) w.e.f. August 25, 2022
Paul Abraham, Additional Director
(Non-Executive Director) w.e.f. August 25, 2022
Partha DeSarkar, Whole-time Director

Audit Committee

Anil Harish - Chairman
Yashodhan Madhusudan Kale
Bhumika Batra
Ganesh Natarajan

Stakeholders Relationship and Share Allotment Committee

Bhumika Batra - Chairperson
Sudhanshu Tripathi
Ganesh Natarajan
Partha DeSarkar

Nomination and Remuneration Committee

Anil Harish - Chairman
Yashodhan Madhusudan Kale upto November 11, 2021
Sudhanshu Tripathi
Bhumika Batra

Risk Management Committee

Bhumika Batra - Chairperson
Sudhanshu Tripathi
Partha DeSarkar

Corporate Social Responsibility Committee

Anil Harish - Chairman
Sudhanshu Tripathi
Partha DeSarkar

Committee of Directors

Sudhanshu Tripathi – Chairman
Anil Harish
Bhumika Batra
Ganesh Natarajan
Partha DeSarkar

Internal Audit & Systems

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

Key Managerial Personnel

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

Bankers

AXIS Bank Limited
Bank of America
Bank of Baroda
Bank of Saint Lucia International Limited.
Barclays Bank PLC
Canadian Imperial Bank of Commerce
Canara Bank
Central Bank of India
China Trust Commercial Bank Corporation
Citi Bank
East West Banking Corporation
Fifth Third Bank
HDFC Bank Limited
ICICI Bank Limited
IndusInd Bank Limited
International Exchange Bank
LaSalle Bank
Metropolitan Bank & Trust Co
National Commercial Bank Jamica Limited
S. P. Hinduja Banque Privée SA
SBI (MAURITIUS) LTD
SBM BANK (MAURITIUS) LTD
Standard Chartered Bank
State Bank of India
Westpac Banking Corporation
Yes Bank Limited

Auditors

Deloitte Haskins & Sells, LLP
Chartered Accountants

Registered Office

Hinduja House,171, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
Tel: (91 22) 2496 0707
Website: www.hgs.cx
CIN: L92199MH1995PLC084610

Registrar & Share Transfer Agent

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

CONSOLIDATED BALANCE SHEET

(All amounts are in USD 000's)

	As at March 31, 2022	As at March 31, 2021
ASSETS		
Non-current assets		
a) Property, plant and equipment	35,302.40	64,355.68
b) Right to use asset	35,979.64	95,511.99
c) Capital work-in-progress	387.73	438.71
d) Other intangible assets	18,333.53	9,381.48
e) Goodwill	41,583.53	46,431.39
f) Financial Assets		
(i) Investments	325,000.00	-
(ii) Other financial assets	5,032.64	9,747.56
g) Deferred tax assets (net)	8,516.80	9,505.95
h) Income tax assets (net)	20,951.98	12,006.26
i) Other non-current assets	2,775.92	3,643.68
Total non-current assets	**493,864.17**	**251,022.70**
Current assets		
a) Financial Assets		
(i) Investments	369.40	658.93
(ii) Trade receivables	81,202.52	168,184.47
(iii) Cash and cash equivalents	269,838.38	72,443.13
(iv) Bank balances other than (iii) above	194,085.98	852.01
(v) Loans	212,419.92	71,178.96
(vi) Other financial assets	2,677.26	6,503.60
b) Other Current assets	18,600.52	15,885.73
c) Assets classified as held for sale	7,110.85	7,110.85
Total current assets	**786,304.82**	**342,817.67**
Total assets	**1,280,169.00**	**593,840.37**
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	5,506.56	2,853.41
b) Other equity	1,023,263.95	282,097.31
Equity attributable to the equity holders of the Company	1,028,770.51	284,950.72
c) Non-controlling interest	-	-
Total Equity	**1,028,770.51**	**284,950.72**
Liabilities		
Non-current liabilities		
a) Financial Liabilities		
(i) Borrowings	-	26,151.52
(ii) Lease liabilities	29,906.67	90,831.74
(iii) Other financial liabilities	530.33	544.35
b) Provisions	3,788.29	28,635.82
c) Contract liabilities	-	1,398.98
d) Deferred tax liabilities (net)	4,150.97	409.57
Total non-current liabilities	**38,376.26**	**147,971.98**
Current liabilities		
a) Financial Liabilities		
(i) Borrowings	456.04	27,641.76
(ii) Lease liabilities	10,252.45	16,568.15
(iii) Trade payables	61,453.15	52,435.22
(iv) Other financial liabilities	27,214.96	33,407.48
b) Provisions	32,669.21	11,108.90
c) Contract liabilities	1,542.32	3,261.89
d) Current Tax Liabilities (net)	65,350.73	3,429.40
e) Other current liabilities	14,083.37	13,064.86
Total current liabilities	**213,022.23**	**160,917.68**
Total liabilities	**251,398.49**	**308,889.65**
Total equity and liabilities	**1,280,169.00**	**593,840.38**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts are in USD 000's)

		Year ended March 31,2022	Year ended March 31, 2021
Continuing Operations			
I	Revenue from operations	438,603.77	350,962.25
II	Other income	20,127.03	9,602.11
III	**Total income (I+II)**	**458,730.80**	**360,564.36**
IV	**Expenses**		
	a) Employee benefit expenses	339,088.39	283,944.45
	b) Finance costs	3,710.77	4,735.58
	c) Depreciation and amortization expenses	16,246.50	15,824.68
	d) Other Expenses	84,278.99	56,550.47
	Total expenses	**443,324.65**	**361,055.18**
V	**Profit before exceptional items and tax**	**15,406.15**	**(490.81)**
VI	Exceptional items	10,387.73	14,732.28
VII	**Profit before tax**	**5,018.42**	**(15,223.10)**
VIII	**Tax expense**		
	a) Current tax	3,011.05	(2,143.70)
	b) Deferred tax	2,062.38	(5,960.31)
	c) Current tax relating to prior years	(466.67)	783.43
	Total tax expense	**4,606.76**	**(7,320.59)**
IX	**Profit for the period from continuing operations (VII-VIII)**	**411.66**	**(7,902.51)**
	Discontinued Operations		
	(a) Profit before tax from discontinued operations	956,524.07	75,111.19
	(b) Tax expense of discontinued operations	136,687.08	21,877.26
X	**Profit after tax from discontinued operations [(a)-(b)]**	**819,836.99**	**53,233.92**
XI	**Profit for the period**	**820,248.65**	45,331.42
XII	**Other comprehensive income**		
	A. Items that will not be reclassified to statement of profit and loss		
	a) Remeasurements of defined benefit plans	**394.74**	(1,442.51)
	b) Income tax on above item	106.25	(467.57)
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)	**500.99**	**(1,910.08)**
	B. Items that may be reclassified to profit or loss		
	a) Effective Portion of designated portion of hedging instruments in a cash flow hedge	(3,954.29)	12,408.19
	b) Income tax on above item	792.96	(4,094.12)
	c) Net change in fair value of hedges of net investment in foreign operations	-	445.43
	d) Exchange differences in translating the financial statements of foreign operation	12,234.52	(746.21)
	e) Income tax on above items	(192.94)	1,169.75
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods (B)	**8,880.24**	**9,183.04**
XIII	**Other comprehensive income for the year, net of tax [A + B]**	**9,381.23**	**7,272.96**
XIV	**Total comprehensive income for the year**	**829,629.88**	**52,604.38**

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in USD 000's)

	Year ended March 31,2022	Year ended March 31, 2021
Net cash generated from operating activities	**66,317.65**	**93,293.80**
Payments for property, plant and equipment	(31,872.15)	(21,321.36)
Proceeds from sale of property, plant and equipment	6,186.94	735.23
Payments for purchase of investments	(331,234.47)	-
Cash proceeds from sale of healthcare business(net of expenses)	1,000,063.01	741.93
Payments for acquisition of business	(28,463.82)	-
Bank Deposits	(197,133.29)	(287.28)
Loans repaid	229,132.79	157,283.07
Loans Given	(3,76,487.66)	(170,089.65)
Interest received	13,040.09	4,714.21
Net cash used in investing activities	**270,327.38**	**(28,223.86)**
Cash flows from financing activities		
Proceeds from issues of shares	159.67	74.02
Payment for acquisition of Non-controlling interest	(2,473.84)	(4,559.60)
Proceeds from borrowings	-	78,796.84
Repayment of borrowings	(52,083.93)	(105,824.09)
Repayment of Lease liability	(15,717.62)	(15,628.26)
Interest paid	(8,962.09)	(11,975.19)
Dividends paid (including dividend tax)	(59,766.59)	(5,058.52)
Net cash used in financing activities	**(138,844.40)**	**(64,174.82)**
Net increase/ (decrease) in cash and cash equivalents	**210,704.69**	**895.12**
Cash and cash equivalents at the beginning of the financial year	72,443.13	71,605.19
Transfer of Opening Balances of Diversify on account of acquisition of business	596.11	-
Transfer of cash due to Healthcare Business transfer	(8,694.51)	-
Effects of exchange rate changes on cash and cash equivalents	(5,211.04)	(57.18)
Cash and cash equivalents at end of the year	**269,838.38**	**72,443.13**
Balances per statement of cash flows	**269,838.38**	**72,443.13**

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present their Report on the business and operations of your Company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ('FY') ended March 31, 2022.

Financial Results

(₹ in million* except per share data)

Particulars	Standalone FY 2022			FY2021	Consolidated FY 2022			FY2021
	Retained Business	Divested Healthcare Business	Overall	Overall	Retained Business	Divested Healthcare Business	Overall	Overall
Revenues from Operations	6,183	15,286	21,469	23,629	32,637	25,322	57,959	55,889
Other Income	1,276	29,845	31,121	549	1,498	66,783	68,281	816
Total Income	**7,459**	**45,131**	**52,590**	**24,178**	**34,135**	**92,105**	**1,26,240**	**56,705**
Operating Expenses	6,852	10,769	17,622	18,460	31,503	19,080	50,583	47,215
Finance Cost	142	329	471	615	276	384	661	883
Depreciation	452	1,052	1,504	1,873	1,209	1,465	2,674	3,075
Total Expenses	7,446	12,151	19,597	20,948	32,988	20,929	53,918	51,173
Profit Before Exceptional Items & Tax	13	32,980	32,994	3,230	1,146	71,176	72,322	5,532
Exceptional Items	-	-	-	-	773	-	773	1,092
Provision for Taxes	19	8,662	8,681	1,156	343	10,171	10,513	1,079
Profit After Tax for the Period	**-6**	**24,318**	**24,312**	**2,074**	**31**	**61,005**	**61,036**	**3,361**
Share Capital**			**418**	**209**			**418**	**209**
Earnings Per Share in ₹***								
Basic			581.86	49.64			1460.74	80.45
Diluted			581.25	49.59			1459.21	80.37

*(1 million = ₹ 10 lakhs)

**During FY 2022, the Company's equity share capital increased primarily on account of 1:1 Bonus Issue of Equity Shares.

*** Earnings Per Share for FY 21 has been computed on post bonus share capital of 41.79 million shares of ₹10 each.

(The Standalone and Consolidated Financial Statements for the year ended March 31, 2022, have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended, ('Ind AS'), as prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other recognized accounting practices and policies to the extent applicable).

The financials for FY 2022 are not comparable to FY 2021 due to the following reasons:

- **Sale of Healthcare Business**

  On August 9, 2021, your Company entered into a definitive agreement for the sale of its Healthcare Services Business (accounting for around 55% of the revenues of FY 2021) to wholly owned subsidiaries of Betaine BV ('Investor'), which is owned by funds affiliated with Baring Private Equity Asia.

  The transaction has been concluded and your Company ceased to have ownership of the Healthcare Services Business at close of business hours on January 5, 2022. The transaction was based on an enterprise value of US$ 1,200 million, subject to closing adjustments, and resulted in inflows of US$ 1,088 million in the Company and some of its subsidiaries.

  As part of the divestment, your Company has transferred all client contracts, employees, and assets, including infrastructure related to the healthcare services business, to the Investor effective January 6, 2022. Further, as per the Transition Services Agreement, the new healthcare organization will operate under the name "HGS Healthcare" for a period of up to 12 months from closing.

- **Acquisition of Diversify Offshore Solutions Pty Ltd.**

  On January 28, 2022 , HGS International Mauritius, a wholly owned subsidiary of the Company, entered into definitive agreements for acquisition of Diversify Offshore Staffing Solutions Pty Ltd., Australia. The transaction was completed effective February 25, 2022.

- **Increase in Share Capital**

  During the financial year, your Company has:

  i. issued/ allotted 20,311 Equity shares of ₹10/- each under ESOP Schemes (i.e., ESOP 2008 and ESOP 2011), pursuant to exercise of stock options by eligible employees; and

  ii. issued and allotted Bonus Equity shares in the ratio of 1:1, 2,08,97,566 equity shares of ₹ 10 each (fully paid up) on February 25, 2022.

Operating Performance

On a Consolidated basis, your Company's retained business registered a strong performance during the financial year ended March 31, 2022. As compared to the previous financial year, Operating Revenues of the Retained Business grew 25.4% to ₹ 32,637 million from ₹ 26,018 million. The Company saw strong growth in the revenues of its UK business especially from UK public sector.

Overall revenues grew 3.7% from ₹ 55,889 million to ₹ 57,959 million. The Overall revenue growth was muted due to the sale of the Healthcare business effective January 6, 2022.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) excluding Other Income for the retained business grew 46.1% from ₹ 776 million to ₹ 1,134 million. Overall EBITDA fell from ₹ 8,674 million to ₹ 7,376 million due to the sale of the Healthcare Business.

Other Income during FY 2022 increased from ₹ 816 million to ₹ 68,280 million. This sharp increase was primarily due to profits from the sale of the Healthcare Business.

PAT (Profit After Tax) for FY 2022 increased from ₹ 3,361 million to ₹ 61,036 million. This sharp increase is primarily due to gains from the sale of the Healthcare business of ₹ 57,536 million (after providing for taxes of ₹ 8,007 million).

Standalone financials comprise of the financials of the Company in India and its branch in Philippines.

On a Standalone basis, in FY 2022, revenues from operations of the Retained Business grew 17.05% over FY 2021 to ₹ 6,183 million. Overall standalone revenues decreased by 9.1 % from ₹ 23,629 million to ₹ 21,469 million, primarily on account of the sale of the Healthcare Business.

Profit After Tax increased from ₹ 2,074 million in FY 2021 to ₹ 24,312 million in FY 2022. This sharp increase in Profit After Tax is primarily due to gains from the sale of the healthcare business of ₹ 21,485 million (after providing for taxes of ₹ 7,236 million). Profit After Tax also increased due to Other Income which included interest income on the sale proceeds of the healthcare business.

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

Other financial highlights:

- Consolidated Cash flow from operations and after working capital changes: ₹6,916 million in FY 2021 to ₹5,895 million in FY 2022, primarily due to the sale of the healthcare business;
- CAPEX: ₹ 2,372 million in FY 2022 as compared to ₹1,581 million in FY 2021;
- Gross Debt (exclusive of finance lease liability) of ₹ 35 million as at March 31, 2022 as compared to ₹ 3,936 million as at March 31, 2021, i.e., a decrease of ₹ 3,901 million during the year. This reduction is due to scheduled repayments as well as accelerated loan repayments from the proceeds of the healthcare business;
- Net Worth: ₹78,084 million as at March 31, 2022 as compared to ₹ 20,849 million as at March 31, 2021, an increase of 274% , primarily due to gains from the sale of the healthcare business;
- Consolidated EPS (on post bonus share capital) has increased from ₹ 80.45 in FY 2021 to ₹ 1,460.74 in FY 2022;
- Standalone EPS (on post bonus share capital) has increased from ₹49.65 in FY 2021 to ₹581.86 in FY 2022.

Revenue Summary:

- Revenue by origination Geography – US & Canada: 76.3% , UK & Europe: 16.9%, India: 5.6% and others 1.3% .
- Revenue by Verticals – Healthcare: 45.3%, Telecom and Technology: 10.8%, Consumer: 10.2%, Banking and Financial Services: 10.1% and Others: 23.6%.

Business Highlights:

- **Clientele:** HGS had 207 Business Process Management (BPM) clients across its consumer engagement solutions and digital businesses and 736 HRO/Payroll processing clients.
- **Active Clients:** 200 core BPM clients and 730 Payroll processing, HRO and F&A clients.

- **Delivery Centres:** 38 global delivery centres across seven countries at the end of FY 2022. Employee Headcount: 21,608 as on March 31, 2022; of which India: 40.2%., Philippines: 14.3%, Jamaica: 7.7%, US: 9.4%, UK: 16.8%, Canada: 11.6%

Focus on Consumer Engagement Services (CES) and Digital Business

Post sale of the Healthcare Business, your Company focus on strengthening its Consumer Engagement Solutions (CES), HGS Digital and HRO/ Payroll businesses that support several top global brands across its nine verticals. Services to healthcare clients delivered by HGS Digital and HRO/ Payroll businesses will continue to be part of HGS' portfolio.

The Company will use the funds generated from the divestment to strategically invest in building its technology capabilities for the future growth of the organization and would also explore several acquisition candidates for the inorganic growth of its business.

Dividend

Your Directors are pleased to recommend a Final Dividend of ₹25 per equity share (250% on face value of ₹10/- each) for FY 2021-22, subject to your approval at the ensuing Annual General Meeting ('AGM'). This is in addition to four Interim Dividends aggregating to ₹195 per equity share of ₹10/- each for FY 2021-22 which were declared by the Board of Directors (`the Board`) on August 09, 2021, November 12, 2021, January 06, 2022 and February 12, 2022, and have been duly paid. Thus, the total dividend for the financial year ended March 31, 2022 is ₹ 245 per equity share (2450% on face value of ₹10/- each), if approved by the Members, on pre bonus basis.

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

Business Review / Overview

Your Company is a global leader in (BPM), services and optimizing the customer experience lifecycle. Your Company's mission is to help transform its clients' operations, thereby making them more competitive in the global market place. Your Company combines technology-powered services in automation, analytics and digital with domain expertise focusing on back office processing, contact centres, and HRO/ Payroll solutions to deliver transformational impact to clients. By applying analytics, automation, and interaction expertise to deliver innovation and thought leadership, your Company increases revenue, improves operating efficiencies and helps clients retain valuable customers. Your Company's expertise spans the healthcare, telecommunications, media, insurance, banking, consumer electronics, packaged goods industries, retail, technology and public sector verticals. Post the sale of the healthcare business, your Company operates on a global landscape with around 21,600 employees at the end of FY 2022, with 38 delivery centres worldwide, delivering localized solutions. As on March 31, 2022, your Company has delivery centres in India, Philippines, UK, US, Canada, Jamaica and marketing office in Australia. Detailed information pertaining/ relating to Business Review has been provided in the 'Management Discussion and Analysis' section, which forms part of this Report as **Annexure 'D'**.

Acquisition of digital, media and communication business undertaking of NXTDigital Limited

The Board of Directors at its meeting held on January 14, 2022 has agreed in-principle to acquire digital, media and communication business undertaking of NXTDIGITAL Limited ('NDL'), a related party, through issuance of shares in order to build the Company's Digital Customer Experience Transformation Practice, focus on the triple A's of Automation, Analytics, and Artificial Intelligence and to create industry-specific solutions for the top global brands that Company services. Thereafter, the Audit Committee and the Board of Directors at its meeting held on February 17, 2022 have approved, *inter-alia*, the following:

- Valuation reports
- Share Entitlement Ratio of 20 : 63

  Twenty (20 Only) Equity Shares of HGSL of ₹10/- each fully paid up (i.e. Post issue of bonus equity shares by HGSL) for every Sixty Three (63 Only) Equity Shares of NDL of ₹10/- each fully paid up.
- Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and rules thereunder amongst NXTDigital Limited ('Demerged company'), and Hinduja Global Solutions Limited ('Resulting company') and their respective shareholders ('Scheme').

On June 9, 2022, the Company has filed the requisite petition (post receiving the Observation Letters from the Stock Exchanges) with the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench. Hon'ble NCLT vide Order dated July 29, 2022 directed the Company to convene the Meeting of Equity Shareholders for approval of the Scheme on September 2, 2022. Accordingly, the Company has sent the Notice convening meeting of Equity Shareholders on July 30, 2022. The notices has also been served to other Regulatory authorities in terms of Section 230(5) of the Companies Act, 2013.

NDL is the media vertical of the global Hinduja Group.

The media and communications company is India's premier integrated Digital Delivery Platforms Company - delivering services via satellite, digital cable and broadband. With a pan-India reach, NXTDIGITAL delivers television services through a dual delivery platform consisting of digital cable and the country's only Headend-In-The-Sky (HITS) satellite platform, under the brand names INDigital and NXTDIGITAL respectively. The Company's Digital Cable television platform delivers 750+ channels across 100+ cities and towns whilst the HITS service is available in more in over 1500 cities and towns covering more than 4400 Pin Codes - with a significant presence in the fastest-growing demographics of semi-urban, semi-rural and rural India. The company is well established nationally through a franchisee base of nearly 10,000 Last Mile Owners; delivering digital services to millions of customers across the length and breadth of the country.

NDL has grown into one of India's largest integrated digital, media and communications companies. In 2020, as a step towards consolidation of media and communications business, the digital, media and communications business was transferred by Indusind Media and Communications Limited (a Hinduja Group Company), to NDL pursuant to scheme of arrangement approved by National Company Law Tribunal. Recognizing the growth potential of the 'Digital (Media, Communication & Broadband) business including HITS platform & licenses' to evolve and grow the digital market, your Company is proposing to acquire 'Digital, Media and Communications Business Undertaking' of NDL through Scheme of Arrangement with the Company. With the Company's strategy focusing on delivering value through deep B2B and B2C domain expertise in Telecom, Media and Technology (TMT) vertical, this merger will help HGSL leverage its experience, talent, expertise and credentials to grow faster and expand further.

The acquisition of NDL will not entail cash outflow from the Company as the proposed merger will be carried out on share exchange on arm's length basis and shall be subject to all applicable regulatory approvals and other requisite approvals.

Key Subsidiaries

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

HGS International, jointly with Hinduja Global Solutions UK Limited, owns 100% of the share capital of Falcon PR Holdings, Puerto Rico.

HGS International holds 76% of share capital of Hinduja Global Solutions UK Ltd. while the balance 24% is held by Hinduja Global Solutions Europe Ltd., UK.

During FY 2022, HGS International acquired 100% equity stake of Diversify Offshore Staffing Solutions Pty Ltd, Australia. Diversify Offshore Staffing Solutions Pty Ltd ('Diversify') is an Australian owned BPM company with operations in Philippines. The Head office of Diversify is located in Brisbane, Australia and it has service delivery locations in Metro Manila and Cebu, Philippines. Diversify provides BPM services in the nature of financial & accounting, marketing, legal, HR and IT support to 50+ clients from sectors such as BFSI, Technology, Retail, Logistics etc. and primarily based in Australia.

The acquisition of Diversify open up Australia New Zealand (ANZ) as a new market for HGS Philippines, with the addition of a significant number of clients from that region. It will also supplement the company's portfolio in the US. HGS Philippines will gain a large number of experienced domain experts in verticals such as professional services, retail, and telecommunications across 4 new delivery centers in the Philippines. While most of its current offshore footprint is in the Philippines, this will open up more avenues for ANZ offshoring to HGS' Indian operations, while bolstering HGS' portfolio of back-office and non-voice business in domains like Digital Marketing, Finance & Accounts, IT services, etc. The acquisition also opens up a significant opportunity for HGS Philippines to offer its digital solutions across automation, analytics, AI and cloud to Australian companies, who are increasingly looking to digitalize their operations.

Accordingly, Diversify Offshore Staffing Solutions Pty Ltd and its subsidiaries namely Diversify Intelligent Staffing Solutions Inc, Philippines, Diversify ISS BGC Inc. Philippines and Diversify Offshore Solutions Cebu Inc, Philippines became the step down-subsidiaries of the Company effective February 25, 2022.

Revenue for FY 2022 was US$ 38.4 million as compared to US$ 2.2 million for FY 2021.

Hinduja Global Solutions LLC., USA (HGS LLC), a wholly-owned subsidiary of HGS CX Technologies Inc. specializes in marketing and providing voice and non-voice related Customer Contact and Business Process Outsourcing services to its clients. Its wholly-owned subsidiaries are HGS (USA) LLC, HGS Canada Holdings LLC, USA and HGS Properties LLC, USA, HGS Canada Inc., and Affina Company Canada.

The consolidated revenue was US$ 542.34 million for FY 2022 as compared to US$ 595.2 million in FY 2021, the drop in revenue is primarily due to the sale of healthcare business entities HGS Healthcare LLC, HGS EBOS LLC and HGS Colibrium LLC.

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

For FY 2022, it recorded revenue of US$ 129.68 million as compared to US$ 117.0 million in FY 2021.

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

For FY 2022, it recorded revenue of CAD 99.33 million as compared to CAD 113.5 million in FY 2021.

Hinduja Global Solutions Europe Ltd. is the UK-based wholly-owned subsidiary of HGS International, Mauritius, focusing on providing consulting services for BPM, call center services and offshoring services to UK-based clients. It owns 24% stake in Hinduja Global Solutions UK Ltd and it is currently under the process of liquidation.

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

For FY 2022, it recorded turnover of GBP 114.20 million as compared to GBP 66.2 million in FY 2021 i.e. an increase of 72.50%.

HGS St. Lucia Ltd., Saint Lucia, is the holding company of Team HGS Ltd., Jamaica.

Team HGS Ltd., Jamaica, began call center operations in FY 2013 at Kingston and continues to show strong performance. It services local Jamaican clients as well as US clients from healthcare and other verticals.

Revenue for FY 2022, was Jamaican Dollars 8,885.6 million compared to Jamaican Dollars 7,144.3 million in FY 2021, an increase of around 24.4%.

Hinduja Global Solutions MENA FZ-LLC: It has an office in Dubai Internet City with the objective to build sales pipeline and provide technology-based support services to other HGS entities.

In FY 2022, it recorded revenue of AED 2.2 million as compared to AED 5.6 million in FY 2021.

HGS Digital LLC (formerly known as Element Solutions LLC):

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

For FY 2022, it recorded revenue of US$ 36.4 million as compared to US$ 22.9 million in FY 2021 i.e. a growth of around 58.9%.

As on March 31, 2022, the Company has total 23 Subsidiaries. However, during the year under review, the Company does not have any joint venture or associate company.

During FY 2022, Diversify Offshore Staffing Solutions Pty Ltd, Australia , Diversify Intelligent Staffing Solutions Inc. Philippines, Diversify ISS BGC Inc. Philippines, Diversify Offshore Solutions Cebu Inc. Philippines and HGS CX Technologies Inc. USA, became the subsidiaries of the Company.

Also, during FY 2022, HGS Healthcare LLC, HGS EBOS LLC, U.S.A., HGS Colibrium LLC and HGS Axis Point Health LLC ceased to be subsidiaries of the Company effective January 6, 2022 due to sale of healthcare business of the Company.

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

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

Particulars of Loans, Guarantees and Investments

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

Share Capital

During the financial year, Authorized Share Capital of the Company increased from ₹27,65,00,000/- divided into 2,75,00,000 Equity shares of ₹10/- each and 1,50,000 1% Participatory Redeemable Non-Cumulative Preference Shares of ₹10/- each to ₹ 80,00,00,000/- (Rupees Eighty Crores) divided into 7,98,50,000 (Seven Crores Ninety-Eight Lakhs and Fifty Thousand) equity shares of ₹10/- (Rupees Ten) each and 1,50,000 (One Lakh Fifty Thousand) 1% Participatory Redeemable Non-Cumulative Preference Shares of ₹10/- (Rupees Ten) each pursuant to

Resolution passed by shareholders of the Company through Postal Ballot. The deemed date of passing of resolution is the last date specified for receipt of duly completed e-voting i.e. February 11, 2022.

During the financial year, your Company has:

i. issued/ allotted 20,311 Equity shares of ₹10/- each under ESOP Schemes (i.e., ESOP 2008 and ESOP 2011), pursuant to exercise of stock options by eligible employees.

ii. issued and allotted on February 25, 2022, Bonus shares in the ratio of 1:1, 2,08,97,566 equity shares of ₹ 10 each (fully paid up) to the eligible Members whose names appeared in the Register of Members/ List of Beneficial Owners as on February 23, 2022, i.e. Record Date.

Consequently, the issued, subscribed and paid-up capital of your Company has increased from 2,08,77,255 equity shares on March 31, 2021 to 4,17,95,132 equity shares of ₹10/- each, aggregating to ₹417.95 Million as on March 31, 2022.

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

Further, no amount is proposed to be transferred to the General Reserves of your Company out of the profits for the year.

Credit Rating

As on July 20, 2022, your Company has a long- term rating of CRISIL A+/ Watch Developing (Continues on 'Rating Watch with Developing Implications') and short-term rating of CRISIL A1+/Watch Developing (Continues on 'Rating Watch with Developing Implications') .

Investor Education and Protection Fund (IEPF)

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

Communications and Public Relations

HGS continued to grow its brand position in the global market during FY2022. In March 2022, Gartner named HGS as a Leader in Customer Service BPO in the Magic Quadrant for the second year in a row.

HGS has established itself as an industry thought leader through successful earned media coverage, with an 8.32% media share of voice in North America and a 26% SOV in India.

After the new brand launch in December 2021, HGS focused on expanding thought leadership in digital customer experiences (CX). Key messaging around industry trends, challenging the status quo, and solutions reached decision makers such as CIOs, CXOs, CDOs and CMOs. HGS appeared in key outlets such as Forbes, VentureBeat, Retail Customer Experience, DestinationCRM, Toolbox, Total Retail, Authority Magazine, Call Center Times, TMC, and more. These publications showcased HGS subject matter experts prominently through contributed content, feature stories, and quotes providing context and insights to issues affecting business leaders today.

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

During this period of continued uncertainty when most of our employees have been primarily based out of home, your Company focused on driving virtual employee engagement through specific campaigns on varied topics across internal communications and social media channels.

Corporate Social Responsibility (CSR)

As a socially responsible corporate entity, the CSR initiatives of your Company continue to aim at the overall development of the society, with a major thrust on upliftment of the economically and socially weaker communities. Towards achieving such objectives, CSR initiatives/ activities undertaken by your Company essentially focus on following core areas: Healthcare, Education, Skilling, Water, Persons with Disability and Community Development. CSR projects for honing the vocational skills of the youth and the differently abled are specifically undertaken with the objective of enhancing their employment opportunities and livelihood.

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

The Corporate Social Responsibility Committee ('CSR Committee') of your Company as at March 31, 2022, consists of following Members:

- Mr. Anil Harish (DIN: 00001685), Independent Director – Chairman
- Mr. Sudhanshu Tripathi (DIN: 06431686), Non-Executive Director - Member
- Mr. Partha DeSarkar (DIN: 00761144), Whole-time Director – Member

During FY 2021-22, one meeting of CSR Committee was held on March 28, 2022.

In terms of the CSR Policy of the Company, the CSR Forum, consisting of senior employees of your Company, identifies and evaluates CSR projects/ initiatives and recommends the same for the consideration of the CSR Committee. The CSR Committee reviews the recommended projects/ initiatives and the expenditure to be incurred as per the provisions of the Act and the Rules made thereunder. The CSR Committee post review, recommends CSR projects/ initiatives to the Board for approval. The Board reviews and approves the CSR Projects/ initiatives recommended by the CSR Committee.

The CSR Forum monitors the progress of the approved CSR Projects/ initiatives and provides periodical updates on status of implementation, expenditure incurred/ to be incurred and beneficiaries of such projects to the CSR Committee and the Board.

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

Directors' Responsibility Statement

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

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

a) in preparation of the Annual Accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there have been no material departures in the adoption and application thereof;

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

c) they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) they have prepared the Annual Accounts on a going concern basis.

e) they have laid down adequate internal financial controls to be followed by the Company and that they are adequate and operating effectively.

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

The internal control systems have been strengthened keeping in view the work from home environment due to Covid 19 pandemic. A number of technology solutions have been implemented to offer increased and robust IT controls.

Your Company has in place internal financial controls framework which, inter-alia, consist of function wise Status of Testing (Risk and Control Matrix, Test of Design, Test of Operating Effectiveness), Summary of Controls (Key and Non-Key), Process level controls (Process/ Function wise), IT General controls (Application wise and Process wise) and Summary of Gaps in Process Level Controls, IT General Controls, etc. Total number of controls including automated controls in FY 2021-22 has marginally decreased due to streamlining in processes and change in business conditions. Such framework is periodically tested internally, as well as reviewed and tested by the external consultant. Based upon the said framework and the compliance systems established and maintained by the Company, work performed by the statutory, internal and secretarial auditors, including audit of internal financial controls over financial reporting, the reviews carried on by the Management, confirmations provided by the external consultants and update on such 'Framework' presented to the Audit Committee and to the Board, the Board is of the opinion that your Company's internal financial controls were adequate and effective during FY 2021-22.

Number of Meetings of the Board

During FY ended March 31, 2022, fifteen (15) Board Meetings were held on May 22, 2021, June 18, 2021, August 09, 2021, August 18, 2021, October 29 2021, November 12, 2021, December 10, 2021, January 03, 2022, January 06, 2022 (2 meetings), January 14, 2022 (2 meetings), February 12, 2022, February 17, 2022 and February 25, 2022. The Company has complied with time gap requirement between any two meetings provided under the provisions of the Act and SEBI Listing Regulations. Further details in this regard are given in the Corporate Governance Report, which forms part of this report as **Annexure 'C'**.

Declaration by Independent Directors

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

Familiarization Program for Independent Directors

The details of familiarization program imparted to Independent Directors during the Financial Year ended March 31, 2022 has been made available on your Company's website at https://www.teamhgs.com/investors/corporate-governance/familiarization-programme-for-directors

Board Evaluation

Pursuant to Sections 134, 178 of the Act and applicable regulations of the SEBI Listing Regulations, the Board Effectiveness Evaluation has been carried out. As in the past, it consists of three components:

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

At the separate meeting of Independent Directors held during the Financial Year ended March 31, 2022 (without the attendance of Non-Independent Directors and the Members of the Management), performance evaluation of Non-Independent Directors, the Chairman of your Company and the Board as a whole was carried out for FY 2021-22. The Independent Directors also assessed the quality, quantity and timeliness of the flow of information between your Company's Management and the Board.

Directors

In terms of the provisions of the Act and the Articles of Association of the Company, Mr. Sudhanshu Kumar Tripathi (DIN: 06431686), Non-Executive Director is liable to retire by rotation at the ensuing 27th AGM and being eligible, offers himself for re-appointment.

The Nomination and Remuneration Committee and the Board of Directors at their meetings held on August 8, 2022 and August 12, 2022 respectively have approved and recommended the re-appointment of Mr. Sudhanshu Tripathi and his continuation as Non-executive Non-Independent Director. Accordingly, a proposal for re-appointment of Mr. Sudhanshu Tripathi and his continuation as Non-Executive Non-Independent Director is placed for the approval of the Members by way of an Ordinary Resolution at the ensuing AGM.

Further, the Nomination and Remuneration Committee and the Board of Directors at their meetings held on August 25, 2022 have appointed:

i. Mr. Pradeep Udhas (DIN: 02207112) as an Additional Director designated as an Independent Director for a period of 5 (five) consecutive years with effect from August 25, 2022.

ii. Mr. Paul Abraham (DIN: 01627449), as an Additional Director designated as Non-Executive Non-Independent Director with effect from August 25, 2022, liable to retire by rotation.

Accordingly, proposals for appointment of Mr. Pradeep Udhas as an Independent Director and Mr. Paul Abraham as Non-Executive Non-Independent Director are placed for the approval of the Members by way of Special Resolution and an Ordinary Resolution respectively, at the ensuing AGM.

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

Details relating to the composition of the Board, meetings of the Board held during financial year ended March 31, 2022, attendance of the Directors have been provided in the Report on Corporate Governance which forms part of this report as **Annexure 'C'**.

Registration in Independent Directors' Databank

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, the Independent Directors of the Company, to the extent applicable, have completed the registration with the Independent Directors' Databank.

Audit Committee

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, the Audit Committee of the Board as at March 31, 2022, comprises of following Members:

- Mr. Anil Harish, Independent Director – Chairman
- Mr. Yashodhan Madhusudan Kale, Non-Executive Director - Member
- Ms. Bhumika Batra, Independent Director – Member and
- Dr. Ganesh Natarajan, Independent Director – Member

Recommendations made by the Audit Committee, during the year under review, have been accepted by the Board.

Further details pertaining to the Audit Committee are included in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**.

Key Managerial Personnel

In terms of Section 203 of the Act, your Company has the following Key Managerial Personnel:

Mr. Partha DeSarkar, Whole-time Director; Mr. Srinivas Palakodeti, Chief Financial Officer and Mr. Narendra Singh, Company Secretary.

Affirmation of Code of Conduct

The Whole-time Director and Chief Executive Officer's confirmation to the effect that all members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2022 and forms part of this report as **Annexure 'A'**.

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

The particulars as prescribed under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, as amended, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo forms part of this report as **Annexure 'B'**.

Report on Corporate Governance

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

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

Report on Management Discussion and Analysis

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, a separate report on Management Discussion and Analysis is annexed to this report as **Annexure 'D'**.

Employees Stock Options Plan ('ESOP')

Two ESOP Schemes, viz. 'Hinduja Global Solutions Limited Employees Stock Options Plan 2008' and 'Hinduja Global Solutions Limited Employees Stock Options Plan 2011' have been in operation during FY 2021-22. These ESOP Schemes are in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended. Post March 31, 2022, the Nomination and Remuneration Committee had granted additional stock options to adjust the impact of Bonus Issue of Equity Shares. No. of un-exercised Options after adjustment as above stands to 40,750 stock options. The particulars of aforesaid ESOP Schemes are available on your Company's website at https://www.teamhgs.com/investors/other-reports

Annual Return

Pursuant to Section 92(3) and 134(3)(a) of the Act, an Annual Return as on Financial Year ended March 31, 2022, in the prescribed format, is available on your Company's website https://www.teamhgs.com/investors/other-reports

Related Party Transactions

All contracts/ arrangements/ transactions entered into with the related parties during FY 2021-22 are in the ordinary course of business and at arm's length basis and therefore, outside the purview of Section 188(1) of the Act and same are disclosed in the financial statements of your Company. Policy on Related Party Transactions as recommended by the Audit Committee and adopted by the Board is available on the Company's website at https://www.teamhgs.com/investors/corporate-policies. Information on related party transactions pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, is given in Form AOC-2 and the same forms part of this report as **Annexure 'F'**.

Policy on Directors' Appointment and Remuneration

Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'** and available on your Company's website at www.teamhgs.com/investors/corporate-policies.

The policies framed under the Companies Act, 2013 and SEBI LODR were uploaded on the website of the Company at link https://www.teamhgs.com/investors/corporate-policies

Whistle Blower Policy and Vigil Mechanism

The Company has a Whistle Blower Policy and Vigil Mechanism in place and is available on the website of your Company at https://www.teamhgs.com/investors/corporate-policies. During the year, one complaint was received and the same was is in progress of closure.

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

Internal Complaints Committee

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place an Internal Complaints Committee (ICC) and also Policy on appropriate social conduct at workplace. The Policy is applicable to all employees of your Company at all locations. Employees, for the purpose of this policy, shall include all persons engaged in the business and operations of your Company and includes permanent, temporary and part-time employees. In addition, this Policy shall also be applicable to all third parties such as visitors, clients, customers, contractors, service providers and any other person authorized to be present within the premises/ workplace of your Company. Your Company's workplace includes Company's premises, as well as the premises of other third parties, vendors and associates of your company where the employees of your Company are required to perform work or that are visited by the employees of your Company arising out of or during the course of employment.

The Reports of the ICC are periodically placed before the Board for review and suggestions as an ongoing process, and initiatives are taken by the Management to make the workplace safer for the employees. The status of complaints received, disposed of by the ICC and pending as at March 31, 2022 is as under:

Number of complaints pending as at March 31, 2021	-
Number of complaints received	-
Number of complaints disposed of	-
Number of complaints withdrawn	-
Number of complaints pending as at March 31, 2022	-

Risk Management Policy

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

During the year under review, the Risk Management Committee of the Board (`RMC') comprises of (i) an Independent Director (ii) a Non-Executive, Non-Independent Director and (iii) Whole-time Director was constituted.

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

Further details pertaining to the RMC are included in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**.

Fixed Deposits

Your Company has not accepted any fixed deposits from the public during the year under review, and as such, no amount on account of principal or interest on fixed deposits was outstanding as on the Balance Sheet date.

Statutory Auditors and Auditors' Report

At the 22nd AGM of your Company held on September 28, 2017, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) were appointed as the Statutory Auditors of your Company for a period of five consecutive years, i.e., from the conclusion of the 22nd AGM till the conclusion of the 27th AGM. The term of office of M/s Deloitte Haskins & Sells LLP, as Statutory Auditors of the Company concludes at the forthcoming AGM of the Company.

In view of the above and pursuant to Section 139 and other applicable provision of the Act, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 25, 2022 recommended the resolution for appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 103523W/W100048) as the Statutory Auditors of the Company to hold office for a term of 5 years i.e. from the conclusion of 27th AGM till the conclusion of 32nd AGM (to be held during calendar year 2027) for the approval of Members of the Company at the ensuing AGM. M/s. Haribhakti & Co. LLP has provided a written consent and confirmed that they are eligible to act as Statutory Auditor of the Company.

The reports of the Statutory Auditors on Standalone and Consolidated Ind AS Financial Statements forms part of this Annual Report. The Auditors' Report contains 'Unmodified Opinion' on the financial statements (standalone and consolidated) of the Company, for the year ended March 31, 2022 and there are no qualifications in their report.

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

Secretarial Audit and Compliance with Secretarial Standards

Pursuant to the provisions of Section 204 of the Act, the Board had appointed Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates, as the Secretarial Auditor to carry out the Secretarial Audit for FY 2021-22.

The Secretarial Audit Report for FY 2021-22, forms part of this report as **Annexure 'G'**. The Report does not contain any qualifications, reservations or adverse remarks.

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

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

Maintenance of Cost Records and Appointment of Cost Auditor

Your Company provides BPM Services. Hence, the Company is not required to maintain cost records pursuant to Section 148 of the Act and therefore appointment of a Cost Auditor is not applicable.

Particulars of Employees

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

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

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

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

Business Responsibility Report (BRR)

Regulation 34(2)(f) of the SEBI Listing Regulations, mandates inclusion of the BRR as part of the report of your Company. In compliance with the said regulation, BRR forms part of this report as **Annexure 'I'**.

Significant and Material Orders

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

Internal Financial Controls and its Adequacy

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

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

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

Further, Hon'ble NCLT vide order dated July 29, 2022, directed the company to convene the Meeting of Equity Shareholders for approval of the Scheme of Arrangement on September 2, 2022. The details of Scheme is provided under 'Acquisition of digital, media and communication business undertaking of NXTDigital Limited' appearing elsewhere in this report.

Acknowledgements

Your Directors express their grateful appreciation for the co-operation and support received from the customers, vendors, business associates, investors, financial institutions, bankers, the Government of India, State Governments, Governments of various countries in which your company operates, regulatory authorities and the society at large. Your Directors place on record their sincere appreciation for the dedicated efforts, commitments and contribution of employees at all levels of your Company, which has enabled your Company to achieve consistent growth in a challenging business environment.

For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Place : Mumbai **Chairman**
Date : August 25, 2022 **DIN: 00013782**

Annexure 'A'
TO THE DIRECTORS' REPORT

Affirmation of Code of Conduct

I hereby confirm that all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct of the Company for the year ended March 31, 2022.

Place : Chicago
Date : May 18, 2022

Partha DeSarkar
Whole-time Director
DIN: 00761144

Annexure 'B'

TO THE DIRECTORS' REPORT

Particulars pursuant to Companies (Accounts) Rules, 2014

a. **Energy Conservation and Technology Absorption:**

FY 2022 has been quite exciting and at the same time had been a quite complex in terms of Information Technology (IT) due to the divestment of Healthcare ('HC') business.

This involved carving out of infrastructure which was used for both CES & HC verticals in the past and had 3 months time separate right from desktops to networks to servers and telephony systems.

CES business that was retained with HGS, had a challenge of continuing with telephony systems as the entire Avaya telephony switch was transferred to HC. This led to a quick cloud adoption of telephony for CES globally through industry leading cloud providers.

It also involved separating client telephony access to HGS and the residual call recordings also separated out.

"Cloud First" approach was adopted for all the requirements and the cut over had been so seamless that both the verticals end user's were able to access their infra/apps with no change to their front end and all of the changes was accommodated in the backend.

Efforts are on to migrate the active directory to cloud and all of the server logins to be enabled with MFA for administrator logins to handle any external threats. Domain changes globally carried to change the end points to the new domains so as to function separately with its own specified policies.

New business ramps were considered on an opex model along with investments on cyber security tools such as Akamai, Imperva, Cloudflare kind of products that can enable a middleware to reach to the Database or app servers thereby restricting any external logins trying for Brute force attempts.

Tokenizing or tools to force end users/administrators to set complex combination of passwords has been initiated in light of the vulnerabilities that exist due to end user setting simpler passwords.

Overall lot of work has been performed by the entire IT & apps team in ensuring that Healthcare also functions independently as a separate entity and HGS is also looking forward to venture into the digital world of business.

b. **Foreign Exchange Earnings and Outgo:**

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

- **Foreign Exchange Earnings and Outgo:**

(₹ in million)

For the Year	2021-22	2020-21
Total Foreign Exchange earned	**10,559.9**	11,227.5
Total Foreign Exchange outgo	**162.35**	137.4

- **Export initiatives and development of new export market:**

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

For the Year	2021-22	2020-21
Export as a:		
% of operating income	**46.8%**	47.4%
% of total income	**19.1%**	46.4%

For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Chairman
DIN: 00013782

Place : Mumbai
Date : August 25, 2022

REPORT ON CORPORATE GOVERNANCE

For the Financial Year ('FY') ended March 31, 2022

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

2. BOARD OF DIRECTORS

- **Composition**

As at March 31, 2022, the Board of Directors of the Company comprises of one Whole-time Director/ Executive Director and Five Non-Executive Directors. Of the Five Non-Executive Directors, two are Non-Independent Directors and three are Independent Directors. The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). None of the Directors are related to each other including, promoters and key managerial personnel. During the year, there has been no change in the composition of the Board of Directors of the Company.

However, the Nomination and Remuneration Committee and the Board of Directors at their meetings held on August 25, 2022 have appointed Mr. Pradeep Udhas (DIN: 02207112) as an Additional Director designated as an Independent Director and Mr. Paul Abraham (DIN: 01627449), as an Additional Director designated as Non-Executive Non-Independent Director of the Company.

The Members of the Board are drawn from diverse fields and devote substantial time in the deliberations at the Board Meetings and Committee Meetings of which they are Members. The Board is fully committed towards ensuring adoption and implementation of highest standards of corporate governance.

The Whole-time Director is responsible for the day-to-day business, operations and the management of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company.

In accordance with Section 149 of the Act read with Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they fulfill criteria of independence. Based on the confirmations/ disclosures received from the independent directors, in the opinion of the Board, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the Management.

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

None of the Directors holds directorships in more than seven listed companies. Also, none of the Directors holds directorships in more than ten public companies. Further, none of the Directors are members of more than ten committees or Chairperson of more than five committees considered under Regulation 26(1) of the SEBI Listing Regulations across all the companies in which they are Director.

- **Details of Board Meetings held during FY ended March 31, 2022, attendance of Directors at the said Meetings and at the last AGM and details of Directorships and Memberships of the Board and of the Committees (including that of the Company).**

During FY ended March 31, 2022, fifteen (15) Board Meetings were held on May 22, 2021, June 18, 2021, August 09, 2021, August 18, 2021, October 29 2021, November 12, 2021, December 10, 2021, January 03, 2022, January 06, 2022 (2 meetings), January 14, 2022 (2 meetings), February 12, 2022, February 17, 2022 and February 25, 2022.

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

The composition of the Board, details of other directorships, committee positions as on March 31, 2022 and attendance of Directors at the Board Meetings and at the AGM held during the year under review are given in the table below:

Name of the Director	Attendance at Board Meetings	Attendance at the last AGM held on September 23, 2021	Board Membership		Committee Membership		Directorship in other listed entities	
			Chairman	Member	Chairman	Member	Name of the listed entity	Category
Mr. Yashodhan Madhusudan Kale, Chairman (Non-Executive Non-Independent Director) DIN : 00013782	15	Yes	1	Nil	Nil	1	Nil	Nil
Mr. Anil Harish (Independent Director) DIN: 00001685	14	Yes	NIL	3	3	3	Blue Star Limited	Independent Director
							NXT Digital Limited	Independent Director
Mr. Sudhanshu Tripathi (Non-Executive, Non-Independent Director) DIN: 06431686	15	Yes	NIL	5*	1	7	GOCL Corporation Limited	Non-Executive, Non-Independent Director
							NXT Digital Limited	Non-Executive, Non-Independent Director
Ms. Bhumika Batra (Women Independent Director) DIN: 03502004	15	Yes	NIL	10#	4	10	Repro India Limited	Independent Director
							Jyothy Labs Limited	Independent Director
							Sharp India Limited	Independent Director
							Finolex Industries Limited	Independent Director
							NXT Digital Limited	Independent Director
Dr. Ganesh Natarajan (Independent Director) DIN: 00176393	13	Yes	Nil	3	Nil	4	State Bank of India	Independent Director
							Honeywell Automation India Ltd	Independent Director
Mr. Partha DeSarkar (Whole-time Director) DIN: 00761144	15	Yes	Nil	1	Nil	1	Nil	Nil

* Includes two unlisted public companies

\# Includes four unlisted public companies

I. Membership of the Board and the Committees:

a) Excludes Foreign Companies, Private Limited Companies (which are not subsidiaries of public limited companies), Alternate Directorships and Companies registered under Section 8 of the Act.

b) As per Regulation 26(1)(b) of the SEBI Listing Regulations, Membership and Chairmanship of Audit Committee and Stakeholders' Relationship Committee only are considered.

II. The terms and conditions of appointment of Independent Directors have been uploaded on the website of the Company at *https://www.hgs.cx/investors/corporate-policies*.

III. The details of familiarization program imparted to Independent Directors during FY ended March 31, 2022 has been uploaded on the website of the Company at *https://www.teamhgs.com/investors/corporate-policies*

IV. Chart or Matrix Skills/expertise/competence of the Board:

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

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

As on March 31, 2022, following are the skills as identified by the Board:

Skills/expertise/ competence of the Board of Directors as required in the context of its business(es) and Sector(s)	Name of Directors who have such skills/ expertise / competence
Corporate Governance, Accounting, Auditing and Corporate Laws	Mr. Yashodhan Madhusudhan Kale
Corporate Law, Income-tax, FEMA and property matters	Mr. Anil Harish
HR and Corporate Governance	Mr. Sudhanshu Tripathi
Legal, Corporate and International laws	Ms. Bhumika Batra
IT and BPM Industry	Dr. Ganesh Natarajan
BPM Industry	Mr. Partha DeSarkar

As on March 31, 2022, the Board of Directors consists of six (6) Directors out of which five (5) are Non-Executive Directors and one Executive (Whole-time) Director. The members of the Board are drawn from diversified field and each member of the Board has varied and vast experience in their chosen field. Having regard to the deliberations ensued at the meetings of the Board and the Committees particularly on the matters relating to the Business and operations of the Company, Regulatory compliances, adherence to the Corporate Governance standards etc.; the Board believes that its members do possess requisite skills, expertise and experience which enables the Board as a collective body to discharge its functions effectively by providing timely advice and guidance to the management in critical areas.

V. Your Company has adopted the Code of Conduct for Board Members, Senior Management Personnel and Employees ('the Code'). The Code is available on the Company's website at *https://www.teamhgs.com/investors/corporate-policies*. All Board Members and Senior Management Personnel have affirmed compliance with the Code for the year ended March 31, 2022. As required under Schedule V(D) of the SEBI Listing Regulations, the declaration of the Chief Executive Officer to this effect has been attached as **Annexure 'A'** to the Directors' Report.

VI. Details of equity shares of the Company held by the Directors as on March 31, 2022 are as under:

Name of Director	Number of shares held
Mr. Yashodhan Madhusudan Kale	NIL
Mr. Anil Harish	NIL
Mr. Sudhanshu Tripathi	NIL
Ms. Bhumika Batra	NIL
Dr. Ganesh Natarajan*	1,000
Mr. Partha DeSarkar*	100,836

*The shareholding is increased due to Bonus Issue of Equity Shares in the ratio of 1:1 on February 25, 2022.

3. AUDIT COMMITTEE

- **Terms of Reference**

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

Recommendation to the Board for appointment, remuneration and terms of appointment of Statutory Auditors of the Company, review and monitoring the Auditor's independence; performance and effectiveness of Audit process; Examination and recommendation to the Board of the quarterly and annual financial statements and Auditor's Report thereon; Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; Discussion with internal auditors and with the Management on critical and significant findings of the Internal Audit Reports and suggesting corrective measures and follow up thereon; Evaluation of Internal Financial Controls; Review and approval of transactions with related parties, Review of Enterprise Risk Management framework and updates thereon; Review of and report to the Board, findings of any internal investigation by the Management/ internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, Review of Reports submitted by the Compliance Officer under Prevention of Insider Trading Code of the Company and matters relating to the compliance of the said Code, Review of Reports submitted under HGS Whistle Blower Policy & Vigil Mechanism.

- **Composition**

The Audit Committee consists of four members as follows:

- Mr. Anil Harish (Independent Director) - Chairman
- Mr. Yashodhan Madhusudan Kale (Non- Executive & Non-Independent Director) – Member

- Ms. Bhumika Batra (Independent Director) - Member
- Dr. Ganesh Natarajan (Independent Director) – Member

  The composition of the Audit Committee conforms with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. During the year under review there has been no change in the composition of Audit Committee.

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

- **Meetings**

  During FY ended March 31, 2022, sixteen (16) meetings of the Committee were held on April 10, 2021, May 29, 2021, June 18, 2021, July 03, 2021, August 09, 2021 (2 meetings), August 27, 2021, November 12, 2021, December 30, 2021, January 06, 2022 (2 meetings), January 14, 2022, February 12, 2022, February 17, 2022, March 23, 2022 and March 29, 2022. The Company has complied with the time gap requirement between any two meetings as provided under the provisions of the Act and SEBI Listing Regulations.

- **Attendance**

Name of the Member	No. of Meetings Attended
Mr. Anil Harish	14
Mr. Yashodhan Madhusudan Kale	16
Ms. Bhumika Batra	16
Dr. Ganesh Natarajan	14

Mr. Anil Harish, Chairman of the Audit Committee, attended the last AGM of the Company held on September 23, 2021.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

5. NOMINATION AND REMUNERATION COMMITTEE

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

i. Identification and appointment of a qualified Managing Director (MD) and approving senior management candidates one level below the MD (including promotions), Key Managerial Personnel.

ii. The terms of engagement for Independent Directors, Non-Executive Directors, Managing Director, Whole-time Directors and senior management candidates one level below the Managing Director / Whole-time Director.

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

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

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

- **Composition**

During the year, Mr. Yashodhan Madhusudan Kale ceased to be the Member of the Nomination and Remuneration Committee w.e.f. November 12, 2021. In view of this, the NRC comprises of three members as follows:

- Mr. Anil Harish (Independent Director) – Chairman
- Mr. Sudhanshu Tripathi (Non-Executive, Non-Independent Director) – Member
- Ms. Bhumika Batra (Independent Director) – Member

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

- **Meetings**

During FY ended March 31, 2022, one meeting of the NRC were held on August 5, 2021.

- **Attendance:**

Name of the Member	No. of Meeting Attended
Mr. Anil Harish, Chairman	-
Mr. Yashodhan Madhusudan Kale (Member till November 12, 2021)	1
Mr. Sudhanshu Tripathi	1
Ms. Bhumika Batra	1

Mr. Anil Harish, Chairman of the Committee attended the last AGM of the Company held on September 23, 2021.

- **Performance Evaluation Criteria for Independent Directors**

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

(a) Role and Accountability

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

(b) Objectivity

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

(c) Leadership and Initiative

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

(d) Personal Attributes

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

- **Remuneration Policy**

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

Pursuant to the Companies (Amendment) Act, 2017, and SEBI (LODR) Amendment Regulations, 2018, the Remuneration Policy effective April 01, 2019, as approved by the NRC and the Board has been placed on the website of the Company at *https://www.teamhgs.com/investors/corporate-policies*

➢ **REMUNERATION OF DIRECTORS**

- **Remuneration by way of sitting fees:**

The Non-Executive Directors were paid sitting fees, within the limits prescribed under the Act, for attending Meetings of the Board and the Committees of the Board held during FY ended March 31, 2022, as under:

(INR in Lakhs)

Name of Director	Sitting Fee
Mr. Yashodhan Madhusudan Kale	31.50
Mr. Anil Harish	33.00
Mr. Sudhanshu Tripathi	32.50
Ms. Bhumika Batra	49.50
Dr. Ganesh Natarajan	33.00
Total	**179.50**

➢ **Remuneration by way of Commission:**

The Non-Executive Directors are paid commission within the ceiling of 1% of the net profits of the Company as computed in the manner as specified under Section 198 of the Act in accordance with the approval granted by the Members at the 25th AGM held on September

30, 2020. Such commission is divided amongst the Non-Executive Directors as determined and approved by the NRC and the Board based upon the parameters such as tenure as a Board member, attendance and participation in the Board meetings during the year, etc.

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

(₹ In lakhs)

Name of the Director	Commission paid for FY 2020-21 (₹ In lakhs)	Commission payable for FY 2021-22 (₹ In lakhs)
Mr. Yashodhan Madhusudan Kale	40.09	60.00
Mr. Anil Harish	40.91	60.00
Mr. Sudhanshu Tripathi	39.55	60.00
Ms. Bhumika Batra	40.00	60.00
Dr. Ganesh Natarajan	39.46	60.00

The commission for FY 2021-22 will be paid after the approval and adoption of Audited Accounts for FY ended March 31, 2022 at the ensuing 27th AGM of the Company. The aggregate amount of commission payable to Non-Executive Directors is within the ceiling of 1% of the net profits of the company as computed in the manner as specified under section 198 of the Act.

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

➢ **Remuneration to Mr. Partha DeSarkar Whole-time Director from April 1, 2021 to March 31, 2022**

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

Elements of remuneration	Amount in ₹
Salary	2,91,28,059
Perquisites & Allowances	1,89,791
Commission	-
Bonus	-
Annual Performance Incentive payable for FY 2021-22 #	4,35,60,000
Deferred payment incentive@	15,86,51,151
Severance fee	-
Stock Options granted	-
Other, please specify (Employer's contribution towards Provident Fund, Gratuity Fund and Superannuation Fund and Medical Insurance)	12,42,508
Total	**23,27,71,509**

#. Executive remuneration includes provision for variable remuneration. Annual Performance Incentive (API) is payable subject to the approval of the Nomination & Remuneration Committee (NRC) and the Board of Directors of the Company. The NRC and the Board at their meetings held on August 12, 2022 have approved payment of ₹ 4.79 crores as API.

@ Deferred Performance Incentive (DPI), payable in FY 2023, is subject to Company achieving certain profitability targets by the financial year ending March 31, 2022 and approval by the Nomination & Remuneration Committee and the Board of Directors of the Company. The NRC and the Board at their meetings held on August 12, 2022 have approved payment of ₹5.438 crores as DPI out of amount accrued in previous Financial Years.

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

During FY ended March 31, 2022, apart from the sitting fees and commission paid to the Non-Executive Directors, the Company did not have any material pecuniary relationships or transactions with Non-Executive Directors in their individual capacity. The transactions, if any, with the firms / entities where directors are interested are disclosed in notes to Financial Statements under Related Party Transactions.

6. STAKEHOLDERS RELATIONSHIP AND SHARE ALLOTMENT COMMITTEE

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

- **Composition**

The SRSAC consists of four members as follows:

- Ms. Bhumika Batra (Independent Director) – Chairperson
- Mr. Sudhanshu Tripathi (Non-Executive, Non-Independent Director) - Member
- Dr. Ganesh Natarajan (Independent Director) - Member
- Mr. Partha DeSarkar (Whole-time Director) - Member

The composition of the SRSAC conforms with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing

Regulations. Mr. Narendra Singh, Company Secretary acts as Compliance Officer. During the year under review, there has been no change in the composition of SRSAC. Further, the terms of reference of SRSAC includes the requirements as specified in the SEBI Listing Regulations/ the Act, from time to time.

During FY ended March 31, 2022, five complaints were received from the Investors/ members, out of which 3 were resolved during the year and 2 complaints received in last week of March 2022 were resolved after March 31, 2022. Status of the complaints received, disposed off and pending on quarterly basis has been reported to the Board on a periodical basis along with matters relating to the 'Shares' of the Company. During the year, two meetings of SRSAC were held on June 09, 2021 and November 15, 2021.

7. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ('RMC') of the Company consists of the following members:

- Ms. Bhumika Batra (Independent Director) – Chairperson
- Mr. Sudhanshu Tripathi (Non-Executive, Non-Independent Director) – Member
- Mr. Partha DeSarkar (Whole-time Director) – Member

The Terms of Reference of this Committee are as follows:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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

- **Meetings**

During FY ended March 31, 2022, two meetings of the RMC were held on December 10, 2021 and March 23, 2022.

- **Attendance:**

Name of the Member	No. of Meetings attended
Ms. Bhumika Batra, Chairperson	2
Mr. Sudhanshu Tripathi, Member	2
Mr. Partha DeSarkar, Member	2

8. COMMITTEE OF DIRECTORS

During the year under review on August 13, 2021, the Committee of Directors ('COD') was re-constituted and the Members of the COD were as follows:

Mr. Sudhanshu Tripathi (Non-Executive, Non-Independent Director) – Chairman

Ms. Bhumika Batra (Independent Director) – Member

Mr. Partha DeSarkar (Whole-time Director) - Member

The primary objective of the Committee was to monitor progress of completion of sale of the Company's Healthcare service business to wholly owned subsidiaries of Betaine BV ('Investor'), which is owned by funds affiliated with Baring Private Equity Asia, by way of (a) a slump sale of the healthcare services business undertaking of the Company in India and its Philippines branch on a going concern basis; and (b) a transfer of the entire shareholding of the Company in HGS Healthcare LLC, HGS AxisPoint LLC, HGS EBOS LLC and HGS Colibrium LLC, and (c) sale as a going concern of the healthcare services business of Team HGS Limited, Jamaica ('transaction').

The terms of the reference of the Committee were be as under:-

i. To review the plan of implementation prepared and presented by the Management to complete the transaction;

ii. To monitor the status of implementation plan;

iii. To appoint external Consultants/ Advisors, whenever required;

iv. To invite the Management and the Board Members, from time to time; and

v. Such matter as may be decided by the Committee from time to time.

The said COD has met 22 times to review the progress of sale of HS Business which was completed on January 6, 2022.

Further, on January 14, 2022, the COD was again re-constituted and the Members of the reconstituted Committee are as follows:

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

The main objectives of the re-constituted COD is to review the progress of acquisition of digital, media and communication business undertaking of NXTDigital Limited. Other terms of reference of the COD are as under:-

i. To review the plan of action prepared and presented by the Management and the Legal Expert to complete the acquisition of digital business of NDL with the Company in a time bound manner;

ii. To review the valuation including share swap ratio of digital business before placing the same for approval of the Audit Committee and the Board;

iii. Being a related party transaction, review a plan of action to seek shareholders' approval and Regulatory approvals including steps to be taken to obtain majority of minority approval;

iv. To appoint external Consultants/ Advisors including Legal Advisors, whenever required;

v. To review the draft Scheme of Arrangement and recommend to the Board for approval;

vi. To review the draft applications to be filed with Stock Exchanges and other regulatory and statutory authorities seeking approval to the Scheme;

vii. To authorize management to sign necessary applications, affidavits, applications, petitions and other related documents to be filed with NCLT for the scheme process;

viii. To Invite the Management Members including Technical/ Digital Function Head, if any, from time to time;

ix. To discuss the overall synergies between the two businesses and how HGS will add value to NXT Digital and vice versa;

x. Such matter as may be decided by the Committee and approved by the Board from time to time.

During the FY 2021-22, 5 meetings of the Committee were held.

9. GENERAL BODY MEETINGS

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

AGM	Date	Time	Venue
24th	September 28, 2019	4:00 pm	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018
25th	September 30, 2020	11.00 am	Through Video Conferencing / Other Audio Visual means
26th	September 23, 2021	11.00 am	Through Video Conferencing / Other Audio Visual means

- No extraordinary general meeting of the members was held during FY 2021- 22.
- Two Special Resolutions each were passed by the Members at the previous AGMs of the Company held on September 23, 2021 and September 30, 2020. No special resolution was passed in the AGM of the Company held on September 28, 2019.
- One Special Resolution was passed during the year ended March 31, 2022 through postal ballot notice dated January 06, 2022.

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

  Details of Voting Pattern of Resolutions passed through Postal Ballot on February 11, 2022 were as under:-

i. **Increase in the Authorised Share Capital and consequent alteration of Clause V i.e., Capital Clause of the Memorandum of Association (MoA) of the Company (Ordinary Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	267	1,28,88,542	-	-	267	1,28,88,542	99.95
Votes cast against the resolution	13	6,944	-	-	13	6,944	0.05
TOTAL	**280**	**1,28,95,486**	**-**	**-**	**280**	**1,28,95,486**	**100**

Number of votes abstained/less voted: 71

ii. **To approve the issue of Bonus shares (Ordinary Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	276	1,28,94,813	-	-	276	1,28,94,813	99.99
Votes cast against the resolution	7	695	-	-	7	695	0.01
TOTAL	**283**	**1,28,95,508**	**-**	**-**	**283**	**1,28,95,508**	**100**

Number of votes abstained/less voted: 49

iii. **To enhance the limits applicable for extending loans, making investments and providing guarantees or security under Section 186 of the Companies Act, 2013 (Special Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	171	1,15,74,625	-	-	171	1,15,74,625	89.76
Votes cast against the resolution	108	13,20,749	-	-	108	13,20,749	10.24
TOTAL	**279**	**1,28,95,374**	**-**	**-**	**279**	**1,28,95,374**	**100**

Number of votes abstained/less voted: 183

All the above resolutions were passed with requisite majority.

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

10. DISCLOSURES

A Transactions entered into with the Related parties, as defined under the Act and Regulation 23 of the SEBI Listing Regulations during FY ended March 31, 2022, were 'in the ordinary course of business' and on 'arm's length basis and do not attract provisions of Section 188 of the Act. There were no material significant related party transactions during the year ended March 31, 2022 that may have a potential conflict with the interests of the Company at large. Related party transactions have been disclosed in Note 39 to the standalone financial statements and in Note 40 to the consolidated financial statements. The Company has in place a policy on dealing with Related Party Transactions and on Materiality of Related Party Transactions which is available on the website of the Company at *https://www.teamhgs.com/investors/corporate-policies*

B There have been no instances of non-compliance by your Company on any matter related to the capital markets, nor has any penalty/stricture been imposed on your Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

C Your Company has a Whistle Blower Policy and Vigil Mechanism for Directors and employees, inter-alia, to report unethical conduct. No personnel have been denied access to the Ombudsman or Chairman of the Audit Committee of your Company to report any matter of substance. Quarterly Report on Whistle Blower Policy and Vigil Mechanism is placed before the meetings of the Audit Committee and the Board. During the year, one complaint was received and the same was is in progress of closure.

The said policy is available on the website of the Company at https://www.teamhgs.com/investors/corporate-policies

D Your Company has complied with all the mandatory requirements of Corporate Governance as stipulated under the SEBI Listing Regulations.

E The details of 'Loans and advances' by the Company and its subsidiaries have been disclosed in Note 12 to the standalone financial statements and in Note 11 to the consolidated financial statements:

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

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

- **The Board:** The Non-Executive, Non-Independent Chairman does not have a separate office.
- **Shareholder Rights:** Your Company publishes its quarterly unaudited and yearly audited financial results in the newspapers and also displays it on its website *https://www.teamhgs.com/investors* Communication by way of letter of the Chief Executive Officer on financial results, interim dividends and business and operations of the Company are sent to the shareholders of the Company periodically.
- **Opinion(s) in Audit Report:** Audit Reports (Standalone and Consolidated Financial Statements) for FY ended March 31, 2022 are unmodified/ unqualified. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.
- **Separate posts of Chairman and CEO:** There is separate post of the Chairman and the CEO in the Company.
- **Reporting of Internal Auditor:** Internal Auditor reports are placed before the Audit Committee.

F **CEO/CFO Certification:**

A certificate from the CEO and CFO in terms of Regulation 17(8) of the SEBI Listing Regulations was placed before the Board on August 12, 2022 to approve the financial statements for the year ended March 31, 2022.

G During the year ended March 31, 2022, the Company does not have any material non-listed Indian subsidiary company. The Company has a policy for determining 'material subsidiaries' which is available on the Company's website at https://www.teamhgs.com/investors/corporate-policies

H **Disclosure of commodity price risks and commodity hedging activities:**

Not applicable, since your Company is not in the business of commodity manufacturing/ trading.

I A Certificate has been received from Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities Exchange

Board of India and Ministry of Corporate Affairs or any such Statutory Authorities. A copy of the certificate is Annexed.

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

a)	number of complaints pending as at March 31, 2021	Nil
b)	number of complaints received	Nil
c)	number of complaints disposed of	Nil
d)	number of complaints withdrawn	Nil
e)	number of complaints pending as at March 31, 2022	Nil

K The Company has complied with all the Corporate Governance requirements specified in Regulation 17 to Regulation 27 and Clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations for FY ended March 31, 2022.

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

11. MEANS OF COMMUNICATION

- The quarterly, half-yearly and annual results are published in leading newspapers (Business Standard and Sakal). The results are simultaneously displayed on the Company's website *www.teamhgs.com/investors*. The website is updated regularly with the official news releases, presentations made to Institutional Investors / Analysts if any and disclosures as required from time to time.
- Report on Management Discussion and Analysis is given as an **Annexure 'D'** to the Directors' Report.

12. GENERAL SHAREHOLDER INFORMATION

Sr. No.	Subject	Date
1	Next Annual General Meeting (27th AGM)	
	Date	Wednesday, September 28, 2022
	Time	11.00 a.m. (IST)
	Venue	The Company is conducting AGM through VC / OAVM pursuant to the MCA Circular dated May 05, 2022 and SEBI circular dated May 13, 2022 and as such there is no requirement to have a venue for AGM. For details please refer to Notice of this AGM.
	Financial Year	April 01 to March 31
2	**Financial Calendar for 2022-23 (Tentative)**	
	Unaudited results for the quarter ended June 30, 2022	On or before August 14, 2022
	Unaudited results for the quarter / half year ending September 30, 2022	On or before November 14, 2022
	Unaudited results for the quarter/ nine months ending December 31, 2022	On or before February 14, 2023
	Audited results for the year ending March 31, 2023	On or before May 30, 2023
3	Book Closure Date	September 27, 2022 to September 28, 2022 (both days inclusive)
4	Final Dividend payment date for FY 2021-22, if approved at the 27th AGM	On or before October 15, 2022
5	Listing of Equity Shares	BSE Limited (BSE) P. J. Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, G. Block, Bandra - Kurla Complex, Mumbai - 400 051
6	Stock Code	BSE: 532859 NSE: HGS
7	ISIN	INE170I01016
8	CIN	L92199MH1995PLC084610

Note: Annual Listing fee for FY 2021-22 has been paid to BSE and NSE.

13. SHARES RELATED INFORMATION

- **STOCK MARKET DATA**

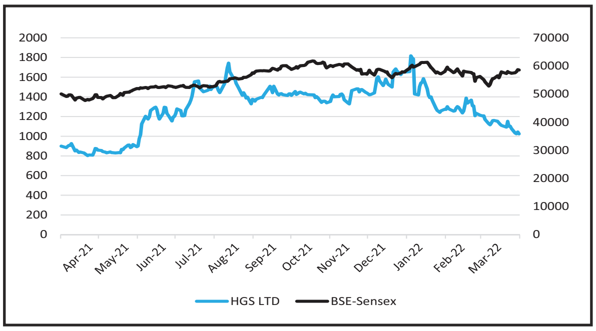
HGS Share Price - Monthly High & Low FY 2021-22

Month	BSE		NSE	
	Month's High (₹)	Month's Low (₹)	Month's High (₹)	Month's Low (₹)
Apr-21	1891.00	1590.65	1890.00	1585.00
May-21	1969.45	1606.35	1971.15	1614.80
Jun-21	2729.00	1785.05	2718.05	1781.10
Jul-21	3269.20	2316.10	3262.85	2330.00
Aug-21	3529.00	2545.55	3555.00	2540.00
Sep-21	3087.00	2651.10	3089.00	2611.00
Oct-21	2951.00	2645.00	2929.00	2604.00
Nov-21	3030.00	2615.00	3029.00	2616.25
Dec-21	3445.00	2809.00	3450.00	2801.10
Jan-22	3948.00	2467.35	3920.00	2469.95
Feb-22	2820.00	1115.05	2820.00	1200.05
Mar-22	1235.00	1020.10	1236.95	1020.00

Note: Report Date for Bonus Issue of Equity shares was February 23, 2022

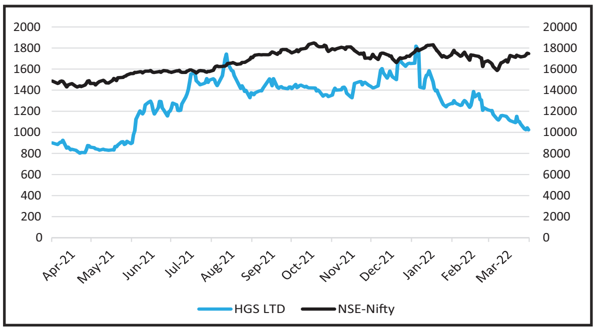
- **SHARE PRICE MOVEMENT (BSE)**

Your Company's closing share price movement on the BSE relative to BSE Sensex closing prices (April 2021 to March 2022)



- **SHARE PRICE MOVEMENT (NSE)**

Your Company's closing share price movement on the NSE relative to NSE Nifty closing prices (April, 2021 to March, 2022)



The above share price movement (in graph) at BSE and NSE has been adjusted with the impact of Bonus Issue of Equity shares in the ratio of 1:1.

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

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

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

KFin Technologies Limited (formerly known as KFin Technologies Private Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032
Toll Free No.: 1-800-309-4001
E-mail: einward.ris@kfintech.com
CIN: U72400TG2017PTC117649

- **SHARE TRANSFER SYSTEM**

Your Company's equity shares are compulsorily traded in dematerialized form. As on March 31, 2022, 4,17,23,683 equity shares, i.e. about 99.83% of your Company's equity shares are in dematerialized form.

During FY ended March 31, 2022, no proposals for transfer of equity shares were received or approved by the "Share Transfer Committee"; and no proposal was pending approval at the year end.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 effective April 01, 2019, except in case of transmission or transposition of shares, requests for effecting transfer of shares in physical form shall not be processed unless the shares are held in the dematerialized form with Depositories.

Subsequently, SEBI vide its circular dated 2nd December, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Further SEBI has effective January 24, 2022, mandated to issue shares in demat form only after processing the requests in prescribed Form ISR-4 received for issue of duplicate certificate, transmission, transposition, renewal/exchange of share certificate, endorsement, sub-division/splitting of certificate, consolidation of certificates, etc. The RTA will after processing such requests issue a Letter of Confirmation to the concerned shareholder for submission to DP within 120 days from the date of issue of Letter of Confirmation for dematerialistion of shares. In case shareholder fails to submit the demat request within the aforesaid period, the RTA shall credit the shares to Suspense Escrow Demat Account of the Company.

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

- **Common and Simplified Norms for updation of PAN and KYC details**

SEBI has vide circular dated November 3, 2021 introduced Common and Simplified Norms for furnishing PAN, KYC details and Nomination by the Shareholders, according to which all shareholders holding shares in physical form are mandatorily required to furnish PAN (compulsorily linked with Aadhaar), nomination, contact details, bank account details and specimen signature to RTA. Further, effective January 1, 2022, it is mandated that the RTA shall not process any service request or complaint of shareholders till PAN, KYC and nomination document/details are received. In case, any one of aforesaid documents are not available on or after April 1, 2023, the folios shall be frozen by the RTA.

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

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

In accordance with the above SEBI circulars, the Company has sent a communication to all the shareholders holding shares in physical form requesting for updating their KYC details

Pattern of Shareholding as on March 31, 2022:

Particulars	No. of fully paid-up equity shares held	% of shareholding
Promoter and Promoter Group		
a) Domestic	225,36,050	53.92
b) Overseas Corporate Body	55,22,854	13.21
FIIs	25,39,186	6.08
NRIs/ OCBs/ Non-Domestic Companies	3,25,334	0.78
Mutual Funds, Banks, Financial Institutions, Insurance Companies, Central Government	49,496	0.12
Private Corporate Bodies	13,09,846	3.13
Individuals/ Others	94,93,500	22.71
IEPF*	18,866	0.05
Total	417,95,132	100.00

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

The outstanding equity shares as above has increased consequent to allotment of Bonus equity shares in the ratio of 1:1 in February 25, 2022.

Distribution Schedule of shareholding as on March 31, 2022:

Distribution	No. of shareholders		No. of Shareholding	
	No. of shareholders	% to Total	No. of shares	% to Total
Up to 500	71,181	97.16	30,57,012	7.31
501 - 1000	1,043	1.42	7,89,381	1.89
1001 - 2000	514	0.70	7,73,936	1.85
2001 - 3000	163	0.22	4,08,478	0.98
3001 - 4000	80	0.11	2,88,111	0.69
4001 - 5000	50	0.07	2,24,886	0.54
5001 - 10000	115	0.16	8,36,151	2.00
Above 10000	115	0.16	3,54,17,177	84.74
TOTAL	**73,261**	**100.00**	**4,17,95,132**	**100.00**

The Company has not issued any ADRs/ GDRs/ Warrants or any convertible instruments in the past and hence as on March 31, 2022, there are no outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

A Practicing Company Secretary carries out Share Capital Audit on a quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (‘NSDL’) and the Central Depository Services (India) Limited (‘CDSL’) and the total issued and listed equity share capital. All the audit reports issued in respect of FY ended March 31, 2022 confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

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

- **Transfer of unclaimed dividend**

Pursuant to sections 124 and 125 of the Act and other applicable provisions, as amended, unclaimed dividend for FY 2013-14, 1st interim dividend, 2nd interim dividend and 3rd interim dividend for FY 2014-15 remained as such for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company were transferred to the IEPF:

Unclaimed Dividend for	No. of Share holders	Amount (₹)	Date of Transfer to IEPF
FY 2013-14	445	2,93,360	August 31, 2021
FY 2014-15 (1st Interim)	444	1,28,250	October 05,2021
FY 2014-15 (2nd Interim)	444	1,25,750	December 22, 2021
FY 2014-15 (3rd Interim)	462	1,30,255	March 23, 2022
Total		**6,77,615**	

Interim Dividend for FY 2015-16 remaining unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company will be transferred in the month of September 2022 to the IEPF. Members are requested to claim the same at the earliest to avoid transfer of the same to IEPF. Periodic communications were sent to the Members for claiming/ encashment of dividend before the same is transferred to the IEPF.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on March 31, 2022 on the website of the Company https://www.teamhgs.com/investors/corporate-information/details-unclaimed-dividend and also on the website of the Ministry of Corporate Affairs *www.mca.gov.in.*

Transfer of equity shares:

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

During FY 2021-22, 306 equity shares, in respect of which dividend had not been claimed for a period of seven consecutive years, were transferred to IEPF as under:

Description	No. of share-holders	No. of shares trans-ferred to IEPF	Date of transfer to IEPF
FY 2013-14	6	57	September 7, 2021
FY 2014-15 (1st Interim)	4	62	October 8, 2021
FY 2014-15 (2nd Interim)	4	65	January 11, 2022
FY 2014-15 (3rd Interim)*	3	122	April 8, 2022
Total	**17**	**306**	

**Due in March 2022 and transferred to IEPF in April 2022.*

The details of shares so transferred are placed on the website of the Company *www.teamhgs.com/investors/corporate-information/details-unclaimed-dividend*. Any claimant of such shares shall be entitled to claim the transferred shares from IEPF in accordance with the procedure laid down in the aforesaid Rules.

Shares in respect of which interim dividend for FY 2015-16 remains unclaimed/ unpaid for a period of seven consecutive years, will be transferred to the IEPF in the month of September 2022. Relevant communication for encashment of unclaimed dividend and transfer of shares to IEPF are sent to the concerned Members and Notices will be published in Newspapers in due course.

14. OTHER INFORMATION

- **Credit rating of the Company:**

  The Company has a long- term rating of CRISIL A+/ Watch Developing (Continues on 'Rating Watch with Developing Implications') and short-term rating of CRISIL A1+/Watch Developing (Continues on 'Rating Watch with Developing Implications').

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

(INR in Lakhs)

Payment to Statutory Auditors	FY 2021-22
Audit Fees including Quarterly fees	288
Tax Audit Fees	-
Other Services	86.50
Total	**374.50**

Note: Reimbursements of expenses were at actuals

- **Foreign Exchange Risk and Hedging Activities:**

  The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP, CAD and JMD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the functional currency cash flows of highly probable forecast transactions.

The Company's risk management policy is to hedge up to 75% of forecasted foreign currency inflows for each financial year. The policy is 75% for 1st year, 40% for 2nd year and 20% for 3rd year. As per the risk management policy, foreign exchange forward contracts are taken to hedge up to 75% of the forecasted sales/ transactions.

The Group's risk management is carried out by a finance department under direction of the Board of Directors. The Group's finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated. The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/ (losses). When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Effective December 31, 2021, the Financial Conduct Authority of UK (FCA) has mandated cessation of publication and utilisation of LIBOR by Banks and Financial Institutions. (Overnight and 12-month U.S. Dollar LIBOR settings publication would cease after June 30, 2023). Regulators globally have signaled those institutions should transition away from the Interbank Offered Rate (IBOR) to alternative overnight risk-free rates (RFR) (ex-SONIA, SOFR, etc.). As on March 31, 2022, the Company has no outstanding debt.

15. ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

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

Mr. Srinivas Palakodeti, Chief Financial Officer:
Address: 1st Floor,
Gold Hill Square Software Park,
690, Bommanahalli, Hosur Road,
Bangalore - 560 068.
Tel: (+91 80) 4643 1000

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

Mr. Narendra Singh, Company Secretary:
Address: Hinduja House, 171, Dr. Annie Besant Road, Worli Mumbai – 400 018
Tel: (+91 22) 2496 0707
Email: *investor.relations@teamhgs.com*

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

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

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

For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Chairman
DIN: 00013782

Place : Mumbai
Date : August 25, 2022

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

CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCIOSURE REQUREMENTS) REGULATIONS,2015

TO THE MEMBERS OF

HINDUJA GLOBAL SOLUTIONS LIMITED

We have examined all relevant records of **Hinduja Global Solutions Limited** (further known as "the Company") for the purpose of certifying compliance of the disclosure requirements and Corporate Governance norms as specified for the Listed Companies as prescribes in Regulations 17 to 27, clauses (b) to (I of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), for the Financial Year ended March 31,2022. We have obtained all the information and explanation to the best of our knowledge and belief, which were necessary for purpose of this certification.

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

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

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

Place: Mumbai
Date : July 25, 2022

For Amrita Nautiyal & Associates

RP. No: 1332 / 2021

CS Amrita Nautiyal
Proprietor
FCS No: 5079 / C P No: 7989
UDIN:F005079D000682591

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended)

To,

The Members of
HINDUJA GLOBAL SOLUTIONS LIMITED
Hinduja House, 171,
Dr. Annie Besant Road,
Worli, Mumbai- 400018.

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal *www.mca.gov.in*) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ended on March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority (ies).

Sr. No.	Name of Director	DIN	Date of appointment in Company (DD/MM/YYYY)
1	Mr. Yashodhan Madhusudhan Kale	00013782	21.09.2016
2	Mr. Anil Harish	00001685	29.09.2015
3	Ms. Bhumika Batra	03502004	04.09.2019
4	Mr. Sudhanshu Kumar Tripathi	06431686	30.09.2019
5	Mr. Ganesh Natarajan	00176393	30.09.2019
6	Mr. Partha DeSarkar	00761144	04.09.2019

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

For Amrita Nautiyal & Associates

PR. No: 1332/2021

CS Amrita Nautiyal
Proprietor
FCS No: 5079 / C P No: 7989
UDIN:F005079D000841035

Place: Mumbai
Date: August 24, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Overview

The financial statements and the associated notes to accounts for the financial year 2021–22 ('FY 2022') have been prepared in accordance to and compliance with the requirements of the Companies Act, 2013 (the Act), and other related and associated guidelines issued by the Securities and Exchange Board of India (SEBI), along with the generally accepted accounting norms, under Indian Accounting Standards (Ind-AS) reporting format, and co-opting all the amendments and revisions from time to time. HGS' management accepts responsibility for the integrity and objectivity of these financial statements as well as for the various other estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner, in order to capture the form and substance of the transactions and reasonably present your Company's state of affairs, profits and cash flows of the year.

Macroeconomic Trends

The first half of FY 2022 saw the global economy recovering slightly, led by vaccine access, early policy support and stronger near-term prospects among some commodity-exporting emerging market and developing economies. However, as the pandemic resurfaced and rapidly spread with the Delta and Omnicron variants, the environment again became uncertain about how quickly the pandemic can be overcome and policy choices turned difficult. Gaps in expected recoveries across economy groups widened, for instance between advanced economies and low-income developing countries. As restrictions were relaxed, demand accelerated but supply was slower to respond. In January 2022, the World Bank said that at a time when governments in many developing economies lack the policy space to support activity if needed, new COVID-19 outbreaks, persistent supply-chain bottlenecks and inflationary pressures, and elevated financial vulnerabilities in large swaths of the world could increase the risk of a hard landing.

While the global economy was still recovering from the impact of the pandemic, including China's Covid Zero lockdowns, it was hit further by the Russia-Ukraine war in end of February 2022. The ongoing crisis had a direct and massive impact on the economy. Prices of commodities, especially oil and gas, have surged significantly, sanctions against Russia have disrupted industry and food supply chains, inflation has been at 40-year highs while stock markets have been volatile.

The International Monetary Fund's (IMF) revised World Economic Outlook published in April 2022 gives a sobering picture, with the organization significantly downgrading its projections for economic growth. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January 2022. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. With a few exceptions, employment and output will typically remain below pre-pandemic trends through 2026. Scarring effects are expected to be much larger in emerging market and developing economies than in advanced economies - reflecting more limited policy support and generally slower vaccination - with output expected to remain below the pre-pandemic trend throughout the forecast horizon.

War-induced commodity price increases and broadening price pressures have also led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies. The rising inflation trends – which hit low-income workers particularly hard –is constraining monetary policy. Many emerging and developing economies are withdrawing policy support to contain inflationary pressures – well before the recovery is complete.

In light of the projected slowdown in output and investment growth, limited policy space, inflation pressures and substantial risks clouding the outlook, analysts suggest that emerging and developing economies will need to carefully calibrate fiscal and monetary policies. They also need to undertake reforms to erase the scars of the pandemic and improve investment and human capital, reverse income and gender inequality, and cope with challenges of climate change. *(Source: IMF's World Economic Outlook April 2022, World Bank statement and media reports)*

Economies where HGS operates

United States of America (US)

The largest economy in the world, the US, posted its strongest GDP growth since 1984, surging 5.7 percent in 2021. While consumer expenditures, which account for nearly 70 percent of the US economy, drove growth in the first half of 2021, an inventory rebuild from the depleted pandemic levels accounted for almost all the growth in the final two quarters of 2021. Analysts suggested continued strength, citing strong household balance sheets, household consumption and business investment. In President Biden's first year in office, the US economy also created a historic 6.6 million new jobs, with recent unemployment rates at 3.6 percent.

According to Deloitte's United States Economic Forecast, some trends seen in this market over the last year are:

- After the 'Great Resignation', the labor force participation rate has started to pick up.
- Corporate profits are more than satisfactory. E.g.: profits in Q3 2021 were 21% above the pre-pandemic level.
- Strong profits have supported business investment. The pandemic shifted investment away from

buildings and toward equipment and information products. However, the willingness to invest suggests that businesses are surprisingly optimistic about the future.

- The pandemic accelerated the adoption of technology and, as a consequence appears to have accelerated labor productivity growth. Previous forecasts assumed trend productivity was less than 1%. However, productivity growth has remained surprisingly strong during the recovery from the pandemic, about 2% over the four quarters to December 2021. If productivity growth remains high, many of the long-term issues facing the US economy, such as financing social security, will likely become considerably easier to solve.

The Omicron and the Russia-Ukraine crisis did affect the US economy in the last few months, but it is still in better shape than a lot of other developed economies. However, the first quarter of 2022 saw the US economy unexpectedly shrink, led by declines in fixed investment, defense spending and the record trade imbalance that weighed on growth. While seen as mixed signs of weakness, they add to worries that the US might be headed for another recession as the US Federal Reserve seeks to fight inflation by raising interest rates. *(Source: US Government figures, media reports and Deloitte's United States Economic Forecast)*

United Kingdom (UK)

The scenario in the UK is no different from that of the US in terms of the economic recovery. When the UK economy had started to recover from impact of the pandemic, the Russia-Ukraine war slowed down growth. After a brief contraction at the end of 2021, the UK economy had accelerated slightly, following the easing of restrictions from the Omicron wave early in 2022. However, growth momentum is estimated to slow down further during the course of 2022, as the squeeze on consumer incomes, and the impact of higher energy and commodity prices caused by the conflict in Ukraine is felt in the UK.

Investment is expected to grow at a modest pace of 2.1 percent during 2022 and will be particularly impacted in 2023, which could see an overall contraction of 2.4 percent, as business investment falls, following the winding down of the Government's super-deduction capital allowance. The net effect of the scheme, which incentivizes firms to switch the timing of capital spending to take advantage of a 130 percent allowance on investments in certain plant and machinery, is expected to boost investment in the run-up to the scheme's deadline, before a substantial drop from Q2 of 2023 onwards.

Despite having its GDP growth estimate cut from 4.7 percent to 3.7 percent, the UK is expected to show the joint-fastest growth in the G7 this year. However, the outlook will worsen rapidly, with growth expected to be only 1.2% in 2023, just over half the rate previously expected. This will mean that the UK will face the weakest growth and the highest inflation of any G7 country in 2023. *(Source: IMF data, KPMG Global Economic Outlook 2022)*

Canada

Canada's economy staged a strong recovery and was humming in the final months of 2021 at its pre-pandemic levels, before the country was hit by a wave of COVID-19 cases and fresh lockdowns in December 2021. Economic activity lagged gains in the job market, with employment levels going past pre-pandemic levels. Household spending continued to be strong while the economy also benefited from easing supply chain problems. Canada's economy grew by 4.6 percent in 2021, in line with Government expectations. In 2022, the region's GDP is projected to expand by 3.8 percent.

The impact of the pandemic is still being felt by workers and businesses, whether from the ongoing rebalancing of consumer demand and related supply chain issues, or new realities such as increased remote work and the accelerating digitalization of the economy. Federal emergency support managed to stabilize household finances, support millions of jobs, and keep small businesses afloat. However, the global economy remains fragile and any potential setback could have a major impact on Canada. *(Source: OECD data, media reports)*

India

On the back of a rapid vaccination program roll-out and government support, India contained the impact of the COVID-19 third wave while also pursuing the objective of economic recovery. According to National Statistical Office (NSO) estimates, the Indian economy is estimated to have grown by 8.9 percent in real terms in 2021-22, subsequent to a contraction of 6.6 percent in 2020-21.

The International Monetary Fund (IMF), in its April 2022 World Economic Outlook report, slashed its forecast for India's FY 2023. GDP growth to 8.2 percent from 9 percent, saying that higher commodity prices will weigh on private consumption and investment. While one of the steepest cuts for emerging economies compared to its January forecast, India's projection is by far the best growth rate across all major economies in the world. It is more than double the average growth rate of both the advanced economies (3.3 percent) as well as the emerging economies (3.8 percent).

However, retail inflation has been increasing steadily since September 2021 and stood at 6.07 percent in February 2022, owing to increasing oil prices, rising input costs and supply chain disruptions. The Monetary Policy Committee (MPC) of the RBI has maintained an accommodative stance to pursue growth and keep inflation within the target. The central bank anticipates inflation rate to be around 4.5 percent in 2023.

The predominant theme in the Union Budget of 2022-23 is its focus on the creation and augmentation of physical and digital infrastructure. The Indian economy is expected to continue its positive growth trajectory; however, recent geopolitical developments are hurting domestic stock indices and creating volatility in crude oil prices and exchange rates. Given India's import dependence on crude oil, natural gas, and other commodities, a spike in inflation and in the current account deficit are aspects to be watched, particularly given the evolving geopolitical situation. Furthermore, uncertainty about the fourth wave and virus mutations pose a significant risk for future growth of the Indian economy. (Source: IMF data, media reports and KPMG Global Economic Outlook 2022)

The Philippines

The Philippine economy is expected to grow the fastest in Southeast Asia this year, even as its labor market could take time to recover due to the scarring inflicted by the COVID-19 pandemic. In its 'Economic Outlook for Southeast Asia, China and India 2022' report, the OECD projected 7 percent GDP growth for the Philippines in 2022, at the lower end of the government's 7 to 9 percent target.

Analysts suggest that the three shifts introduced during the pandemic will persist into the future: economic activity will be digitally enabled but also hyperlocal; the wealth gap is widening, and new consumer segments have emerged; and the pandemic is likely to result in a greener and more sustainable economy.

The economic outlook for the country varies by industry:

- Outlook for the IT and business process outsourcing (BPO) and remittances from overseas Filipino workers, a resilient lifeline for the Philippine economy, remain strong.
- Companies in the consumer and retail sector are likely to see a low recovery through 2022 but consumer demand for essentials remains strong.
- In financial services, active use of digital banking and e-wallet services has increased significantly in the region.
- The healthcare sector is expected to grow through 2022, while pharmaceutical manufacturing is likely to remain steady.
- Certain consumer behaviors such as digital-care adoption, focus on preventive care and wellness, and interest in value for the money, are likely to stick on after the pandemic.
- Headwinds could stall tourism recovery until 2024.

(Source: OECD, McKinsey reports)

Jamaica

Jamaica is an upper-middle-income economy that is nevertheless struggling due to low growth, high public debt and exposure to external shocks. The country's economy was severely affected by the combined effects of the COVID-19 global crisis and the flooding caused by tropical storms, with GDP contracting an unprecedented 10 percent in 2020, reversing several continuous years of positive growth.

The economy rebounded by 4.6 percent in 2021 according to the IMF, which also forecasts growth at 2.7 percent in 2022, supported by external demand and tourism revenues (35% of GDP), as well as by strong global demand for agricultural and mining products. Private investment is also expected to pick up through public-private partnership projects. *(Source: IMF data and media reports)*

Industry Overview – Business Process Management ('BPM')

It's been two years since the COVID-19 pandemic disrupted life and caused seismic changes. The world is now gradually limping to normalcy, thanks to sustained global health efforts. However, the threat of new variants persists. Amidst this new normal, customer expectations have permanently changed. Businesses have accelerated digital transformation to meet challenges unlike any seen in decades. Processes ordinarily set to take years were fast-tracked to happen within months.

The need to keep business running even during the lockdown phases pushed enterprises to look at technology as a panacea while consumers also spent heavily on digital platforms such as eCommerce, social media, gaming, etc. These factors pushed global technology spend (excl. hardware) to over $1.7 trillion in 2021, almost 9 percent y-o-y growth, and is further expected to reach $1.8 trillion at 6.5 percent growth in 2022. The global sourcing market also witnessed significantly higher growth at 12-14 percent reaching between $238-243 billion in 2021.

India IT/BPM market

While the global economic environment has been uncertain, India's technology industry was able to manage this crisis with significant growth projected for FY 2022. This was led by two major factors: technology became the fulcrum that allowed enterprises to not just keep the lights on but also accelerate their business journey, while Indian IT/ BPM companies were able to leverage the WFH model successfully.

FY 2022 was a milestone year on many fronts: India's total IT/ BPM revenue crossed $200 billion for the first time, projected to reach ~$ 227 billion in FY 2022 (15.5 percent y-o-y growth). This is a >2X revenue growth from the pre-pandemic FY 2019. The industry added its latest $100 billion in just 10 years, while the first $100 billion took 30. The industry also added 445,000 net new hires in FY 2022, its highest-ever in a year, to take the total industry workforce to 5.1 million.

The BPM sector in India posted 13.5 percent growth, with projected revenue for FY2022 touching $44 billion (exports accounted for $39 billion). The segment is steadily moving up the value chain from live, Customer Interaction Services (CIS), which remains the largest revenue contributor, to integrated technology-led intelligent business operations, that is more knowledge and vertical driven. The sector is adapting to deliver experiences transcending traditional measures of customer satisfaction. Central to this are the 3A's – Automation, Analytics and Artificial Intelligence, and Cloud, which BPM companies are leveraging to build specialized capabilities in data monetization while driving growth in platform-based services and automation.

Looking ahead, as firms increasingly rely on data to generate revenue, data management and data interoperability are seen as important capabilities for BPM companies. They will focus on building an integrated Digital Capability Platform that will ensure seamless data flow. Automation is another key trend that will further embed itself within systems and processes, with further acceleration in adoption of bots. New BPM segments that have a more direct impact on revenue and risk-management will emerge too. For e.g.: marketing & sales; trust & safety (content moderation).

The CX Market

In addition to the 3A's, Web 3.0, Metaverse and Digital analytics will be the major drivers of the Indian BPM industry. The sector expects to tap into a large chunk of the $90 billion global customer experience (CX) opportunity, which is rapidly evolving. The CX demand is driving BPM providers to work on more holistic design-oriented deals, intersecting with IT players and start-ups in their offerings.

While overall CX opportunities are valued at $410 billion, almost $90 billion of this comes from the core BPM sector. Digital CX use cases, where the BPM sector can participate, range from improving customer retention, loyalty and experience to increasing organizational efficiency and expenses. BPM service providers are trying to address these through CX solutions that focus on delivering lower onboarding time to faster customer outcomes.

Changing BPM CX deals

Out of $33 billion worth of managed services deals awarded in 2021, almost 10 percent were won by industry-specific BPM firms. Industry leaders opine that customers are increasingly reaching out for end-to-end CX restructuring solutions, that engage with different stakeholders within organizations.

Another change is seen in the way deals are structured. Traditionally, BPM organizations were paid by the number of interactions that they supported but today, clients are increasingly looking at not only execution but also for CX strategies. (Source: NASSCOM Strategic Review 2022, ISG)

Trends in verticals which HGS supports

Telecom and Media

Today's telecom industry is facing a broad range of significant business challenges. The last few years have witnessed a heavy decline of revenue streams in core areas like voice and text messaging along with severe competition from Over-the-Top service providers. While telcos rose successfully to the challenge of COVID-19 – connecting people to work, school, family and healthcare – the pandemic accelerated and amplified trends that were already redefining the basis for success.

Faced with an unprecedented crisis, operators innovated quickly, adopting rapid decision-making and response processes across the board with an absolute focus on customer support. Throughout the pandemic, they were remarkably responsive to customers' rapidly changing habits and surging connectivity needs. Operators kept people connected to vital public-health and safety information, supported enterprises and their employees in work-from-home arrangements, and helped to maintain the (virtual) fabric of families and communities worldwide. At the same time, the industry was experiencing seismic, irrevocable shifts. Customer behaviors leap-frogged 5 to 10 years ahead. The importance of digital-enabled sales interactions doubled, with consumers moving online and increasingly embracing self-service customer care.

To manage the ongoing evolution, many of the telecom players are changing structurally. They are converting their customer channels, content and communication services into digital, resulting in a whole new ecosystem of value, interconnected market and technology shift. The providers are trying to adopt high-performing networks to provide what customers need and want in this digital era. To create and scale digital-native customer experience or CX, operators will have to move away from digitizing existing interactions. Instead, they must focus on designing entirely new interactions by focusing on a digital-back approach to create distinctive digital experiences robust enough to be customers' first port of call.

Companies have also focused on leveraging technologies such as Mobile Edge Computing (MEC), IoT and 5G to drive customer-centricity, efficiency and addition of high-value margins by gradually moving from traditional services.

A key area in the future will be the telecom cloud market, this was valued at $25.33 billion in 2020 and is projected to reach $74.36 billion by 2026, according to the Mordor Intelligence report. The next few years are going to witness a massive shift of Communication Service Providers (CSPs) to the cloud. Currently, most telecom providers rely on a large computing infrastructure to deliver a diverse set of applications, manage data and bill services. Migrating to the cloud reduces internal computing resource needs as well as the internal cost and increases revenue streams. The pay-per-use service model will also help telecom firms introduce new services, reduce the cost of service and work more effectively as per market demands. *(Source: McKinsey article – Blueprint for telecom's critical reinvention, media reports)*

Banking, Financial Services and Insurance (BFSI)

The pandemic has been a watershed in the evolution of banking. If 2020 and 2021 were the years that COVID-19 forced BFSI enterprises to embrace change, 2022 will be the year in which this change is institutionalized and the beginnings of a new normal emerge. For most of the world's leading BFSIs, the pre-COVID inclination for incremental change and cautious experimentation has given way to a faster digital metabolism and a willingness to challenge conventional business models, even if these cannibalize traditional revenue streams. Empowered customers are becoming more demanding on multiple dimensions, from service fees to sustainability while new entrants are becoming more ambitious in their scope of services.

Today, banking and capital market businesses face a critical juncture. Two years into the pandemic, many hurdles still remain, right from implementing technology solutions holistically to staying ahead of the impacts of digital assets. In spite of these challenges, banking institutions are eager to grow, scale and achieve new heights but the window for bold and transformational action may soon be closing.

To cater to dynamic requirements of the customers, the future of banking will be fuelled by digitization, supported by new-age technologies like APIs, empowering customers in making seamless, secure and fast payments. Cost efficiency, standardization and interoperability of financial systems will be a gamechanger.

Some key trends in the BFSI vertical:

1. The shift to 100% digital onboarding: The pandemic added to an existing trend away from the need for bank branches, and this accelerated trend will continue in 2022. Hand-in-glove with the move to branch-free banking will come 100% digital onboarding of customers. A historic shift to intuitive digital technology and consumer expectations are already making this happen fast. The move is reducing the time necessary to sign up new customers. Already some major financial institutions are using advanced technologies – such as blockchain-based know-your-customer solutions and artificial intelligence for faster decision making — in pursuit of 100% digital onboarding.
2. Use of emerging technologies: Several emerging technologies such as APIs and AI will continue to redefine the BFSI sector. APIs can transform the customer experience through improved responsiveness, transparency and efficiency with their ability to deliver real-time services. Banks will apply AI and machine learning to back-office processes, enabling computers to outperform humans in some tasks. This will eventually decouple bank revenue from headcount. There are already some examples of the best digital banks lowering absolute headcount and boosting the productivity of their remaining staff.
3. Increased collaboration will elevate the CX: Organizations must employ the right talent and apply the right technological capabilities to examine customer data, improve products and services, and win the confidence of existing and prospective customers. It is imperative for technology teams to collaborate openly across business units, including product development and design.
4. CX personalization will set brands apart from competitors: As the industry continues to navigate its digital transformation, it will look for ways to optimize the customer experience through personalization via mobile apps.

(Source: Deloitte outlook for 2022, media reports)

Consumer and Retail

With consumers managing through the pandemic-led challenges since early 2020, time and experience have yielded some clarity for retailers about what to expect moving forward. Despite increasing bifurcation, executives are confident that consumer behaviour is moving in their favour, especially around the willingness to spend and a return to in-person experiences. However, recent consumer data suggests that consumers are rethinking priorities, with one-third of consumers saying they are spending more on experiences than possessions compared to a year ago.

The ongoing global pandemic has brought seismic changes to the world of retail. In the online space, retailers are busier than ever and challenged by the need to fill orders and refresh inventory at an increasingly rapid pace, as well as reduce revenue and wastage caused by returns. Offline, in the world of malls, high streets and bricks 'n' mortar, the challenges are very different as retailers face declining footfall and the need to compete with global e-tailers on convenience as well as price.

While the pandemic turbo-charged digitalization, e-commerce is no longer a unique differentiator. To attract and keep delighting more customers, retail leaders are delivering fun, convenient, digital and in-person experiences, while baking in sustainable business practices. There's also a renewed focus on keeping employees happy too, because knowledgeable, engaged workers are a crucial part of the customer experience (CX).

Some key trends in the vertical:

1. Experiential retailing: Experience is increasingly becoming an important differentiator for consumers when it comes to making decisions.

2. Omnichannel retail experience rules: Online shopping has become part of what's called the omnichannel CX. In a recent Gartner survey, 95% of retail CEOs said they planned to increase investments in digital capabilities. However, differentiation requires offering what consumers want most. Consumers have flocked to digital channels; however, the physical store remains 'the most preferred shopping destination.' In fact, IDC analysts predicted that by next year, to counter digital fatigue, 60% of leading organizations will look to differentiate by delivering trusted and memorable engagements that recreate physical experiences. An example would be through live commerce, where retailers showcase products, qualify customers and promote the brand.

3. Integrated experience for physical shoppers: Shoppers return to stores with expectations that retailers will offer tools that connect digital and physical shopping experiences, like curbside click and collect or QR code payment options. Today, grocers and outlets are looking to outfit their stores with tech-driven solutions that offer more streamlined, frictionless services such as self-checkout.

4. Connected data to drive personalized CX: Moving to cloud-based platforms is foundational to retail growth. IDC analysts predicted by 2024, 30% of Fortune 2000 companies will deploy next-best action across their omnichannel environment, driving demand for customer data platforms, omni-channel management, and customer service solutions. Connected data will help retailers quickly change course as market demands shift, while still providing personalised customer experiences.

5. Automated technology is helping retailers get a handle on the labor shortage: Nearly one in three retailers is worried about being able to attract and retain staff in 2022. To combat the increased complexity caused by the labor shortage, 72% of retailers are using or planning to use automation. Streamlining efficiencies for tasks like tracking orders, managing customer loyalty programs and communicating with customers are the top three areas where retailers say automated technology will help fill staffing gaps to decrease their team's time on hands-on work.

6. Social selling: An extension of e-Commerce portals, retailers are experimenting with multiple ways to meet the evolving needs of customers. From selling on Instagram to flash online sales, this new omnichannel landscape is exciting, with 75% of retailers projected to now be selling on social media.

(Source: Square/ Wakefield research, Gartner and IDC data, media reports)

Public Sector

Governments and public authorities around the world continue to face an unprecedented combination of challenges that test their resilience and resources to the limit. A second year of COVID-19 produced new and constantly evolving impacts on citizens, workforces and economies. Given this scenario and the acute productivity imperative, governments are being asked to do more, do it better and with the same amount of taxes. This means that the operating environments have to be transformed toward a more performance-led model. For e.g.: by fostering competition between public, private and non-profits.

Citizens now expect the same efficiency from the government that they get from the private sector. That gap between digital expectation and delivery has widened but the good news is that governments are open to change. Many public sector organizations are responding by putting people at the heart of their services, providing greater access, choice and personalization of services. They are embracing technology, innovation, data, analytics and new ways of working with skill, commitment and pace.

According to a Salesforce survey, 87% of the 24,500 people surveyed across 36 countries said that an exceptional digital government customer experience would increase their degree of trust. While trust is not a term leading most digital transformation conversations, public sector clients know all too well that trust can make operations more efficient.

Security and accessibility are also becoming a key challenge for public sector organizations, with growing work from anywhere conditions creating an environment of increased threat vectors like ransomware attacks. Government organizations are now seeking to implement zero trust architectures to safeguard data securely and maintain public trust.

Yet another trend is the increasing use of automation technology. For example, many departments within the UK public sector are now utilising chatbots to great effect. The Driver and Vehicle and Licensing Agency (DVLA) deployed a chatbot that helped improve customer engagement, while the Ministry of Justice (MoJ) explored the use of a chatbot on their website. The trend of developing more emotive and increasingly complex chatbots which can automate tasks and processes by leveraging natural language processing (NLP) technologies to simulate human conversations is expected to gain ground.

Cloud adoption will continue to accelerate but tailormade approaches remain crucial: The public sector is increasingly focused on cloud sovereignty. This means working closely with service providers to ensure transparency, control, choice and autonomy over the strategic landscape and IT assets such as data, systems and critical software. Benefits include security, regulatory compliance and the building of trust with citizens and other stakeholders. *(Source: McKinsey, Salesforce, media reports and blogs)*

Healthcare

COVID-19 heightened chronic challenges within the global healthcare industry. It became a catalyst amid fierce competition and tight regulations for health providers and payers to focus on digital health, cybersecurity, patient data transparency and a variety of customer-centric and operational enhancements. Many other digital health trends will accelerate this year to make patient care more precise, personalized and connected. Internet of Things (IoT) and AI-enabled algorithms, machine-to-machine communications and other technologies will continue to improve the productivity of patient diagnosis and treatment, as well as R&D. Incremental advances across connected drug delivery, wearable devices and apps will also improve levels of patient engagement and adherence.

The healthcare industry has seen a massive wave of investment, innovation and new entrants from the technology, telecom and consumer industries. In 2021 alone, $44 billion was raised globally in health innovation – twice as much as 2020 – and the acquisition of health and health tech companies rose by 50%.

According to a HIMMS report, the pandemic also hastened a transition to digital health, and there was a consensus among stakeholders that they plan to continue investing in digital health. For example, 80% of US health systems said they plan to increase their investment levels in digital health over the next five years. This aligns with the appetite for digital health among patients, more than half of whom indicated they would be amenable to a healthcare future that provides telehealth visits exclusively, so long as proper care is delivered on those visits.

Led by the trend of Bioconvergence – where data and digital are rapidly merging with the latest techniques in drug discovery, engineering and biotech, collaborations between industry partners with interdisciplinary skills is expected to become the new normal in 2022, while overall investment in pioneering research, as well as mergers and acquisitions, should continue to remain very strong. This will also help unlock the potential of personalized medicine. *(Source: World Economic Forum blog, HIMSS (Healthcare Information and Management Systems Society survey)*

Business Overview

HGS is part of the multi-billion-dollar Hinduja Group, which has operations worldwide.

HGS is a global leader in BPM services' business and optimizing the customer experience lifecycle. HGS' mission is to help transform its clients' operations, thereby making them more competitive in the market place. HGS combines technology-powered services in automation, analytics and digital with domain expertise focusing on back office processing, contact centres and HRO/Payroll solutions to deliver transformational impact to clients. By applying analytics, automation and interaction expertise to deliver innovation and thought leadership, HGS increases revenues, improves operating efficiencies and helps clients retain valuable customers. HGS' expertise spans the healthcare, telecommunications media, technology, insurance, banking, consumer electronics, packaged goods, retail and public sector verticals.

HGS has over 21,600 employees across 38 delivery centers in six countries, making a difference to some of the world's leading brands across verticals. HGS has a strong presence in India, Philippines, the UK, US, Canada, Jamaica and Australia & New Zealand.

Revenue by Origination

In FY 2022, US-originated revenue accounted for 66% of total revenues, as compared to 73% in FY 2021. US-originated revenues are delivered from centres based out of US, India, Philippines and Jamaica.

In FY 2022, revenue originating from Canada in CAD terms were at 10% while UK-originated business in GBP was at 17% of total revenue. UK-originated revenues are delivered from centres based out of UK, US and Philippines

Onshore to Offshore/ near-shore Revenue Mix

The revenue rebalancing initiative between onshore to offshore/near-shore, which HGS undertook a few years back, is gaining the desired outcome. In FY 2014, Onshore revenues to Offshore/Near Shore ratio was 63% to 37%. This has now changed to 56% to 44% in FY 2022. The offshore/near shore ratio has improved by 7% over the past eight years.

Voice to Non-Voice Revenue Mix

In FY 2014, Voice CRM revenues accounted for 79% of total revenues. The share of Voice CRM revenues declined to around 73% in FY 2018, and at the end of FY 2022, stood at 78%. In FY 2022, digital revenues accounted for 12% of total revenues

Revenue by Vertical

Healthcare revenues are only for the period April 1, 2021 to January 5,2022. Healthcare revenues contributed to 45% of overall HGS Revenues in FY 2022.

Share of the telecom & technology vertical has fallen from 20% in FY 2018 to around 11% in FY 2022.

The share of revenues from the Consumer vertical dropped from 14% in FY 2017 to 13% in FY 2018, and at the end of FY 2022, it was at 10%.

The share of revenues from BFSI vertical increased from 7% in FY 2017 to 10% in FY 2022. The share of revenues from other verticals was at 23% at the end of FY 2022, as against 12% in FY 2021.

Discussion on Financial Position

Property, Plant, Equipment and Intangible assets:

The net block of assets as of March 31, 2022 was ₹4,071 million as compared to ₹5,395 million in March 31, 2021, representing an absolute decrease of ₹1,324 million during the year under review and in percentage terms, it was 24.5%.

The Right to use asset balance as on March 31, 2021 was ₹6,988 million. The Right to use asset balance as of March 31, 2022 is ₹2,731 million.

Goodwill:

As of March 31, 2022, goodwill was ₹3,156 million as compared to ₹3,397 million in March 31, 2021. Goodwill is tested for impairment.

Investments:

It mainly comprises of Non-Convertible Debentures and Treasury bills at overseas location. As of March 31, 2022, investments were ₹24,696 million as compared to ₹48 million in March 31, 2021.

Other financial assets (Non-current):

It comprises of security deposit, margin money deposit and other long-term deposits. As of March 31, 2022, the amounts were ₹382 million compared to ₹713 million in March 31, 2021.

Deferred tax assets (net) [DTA]:

DTA as of March 31, 2022 were ₹646 million as compared to ₹696 million in March 31, 2021.

Income tax assets (net):

As of March 31, 2022, amounts were ₹1,590 million as compared to ₹878 million in March 31, 2021.

Other non-current assets:

Other non-current assets include of capital advance, prepaid expenses, balance receivable from government authorities, and other receivables. As of March 31, 2022, the amounts were ₹211 million as compared to ₹267 million in March 31, 2021.

Trade receivables:

As of March 31, 2022, trade receivables from the customers were at ₹6,163 million as compared to ₹12,305 million in March 31, 2021, after making allowance/ provision for doubtful debts.

Cash and Bank balances:

As of March 31, 2022, cash and bank balances were at ₹20,481 million as compared to ₹5,300 million in March 31, 2021.

Loans (Current):

As of March 31, 2022, amount of ₹16,123 million consists of loans to related parties of which ₹11,247 million were for working capital finance. The same as of March 31, 2021, were at ₹5,208 million and comprises of loans to related parties during the year of ₹3,595 million for working capital finance, and the balance represents loans given to a third party at an overseas entity in earlier years, that are now re-classified as Current Loans. These loans are made on normal commercial terms and conditions and at market rate.

Other financial assets (Current):

It comprises of security deposit, interest accrued, derivative gains and other receivables. As of March 31, 2022, the amounts were ₹203 million as compared to ₹476 million in March 31, 2021.

Other current assets:

The Other Current Assets comprises of balance with government authorities, Employee advances, vendor advances and prepaid expenses. As of March 31, 2022, the amounts were ₹1,412 million as compared to ₹1,162 million on March 31, 2021.

Share Capital:

The authorized share capital of the Company is ₹798.50 million comprising of 79.85 million equity shares of ₹10 each and 0.15 million 1% participatory redeemable non-cumulative preference shares of ₹10 each. The paid-up share capital as of March 31, 2022 was ₹417.95 million.

During the year, the Company had issued:

- 17,200 Equity shares of ₹10/- each pursuant to the exercise of stock options by certain employees under the "Employees Stock Option Plan, 2008" and 3,111 equity shares pursuant to the exercise of stock options by certain employees under the "Employees Stock Option Plan, 2011"; and
- 2,08,97,566 Bonus Equity shares of ₹10/- in the ratio of 1:1.

Other Equity:

The other Equity of the Company increased from ₹20,640 million in March 31, 2021 to ₹77,666 million in March 31, 2022.

Borrowing (Non-current):

As of March 31, 2022, the total long-term borrowings were Nil as compared to ₹1,913 million in March 31, 2021. The Company repaid gross debt of ₹1,913 million from the operating cash flows during FY 2022, as compared to ₹2,146 million in FY 2021.

Lease liability:

HGS has adopted Ind AS 116 - Leases with the initial date of application being April 1, 2019. Thus, HGS discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019 for measuring the lease liability. Accordingly, as of March 31, 2022, the non-current and current portion of the lease liability was ₹2,270 million and ₹778 million respectively. As on March, 31, 2021, the non-current and current portion of the lease liability was at ₹6,646 million and ₹1,212 million respectively.

Other financial liabilities (Non-current):

Other non-current financial liabilities as of March 31, 2022 were ₹40 million as compared to ₹40 million as on March 31, 2021.

Provisions (Non-current):

Provision comprises of pension obligation and gratuity (as per actuarial valuation performed by an independent actuary). As of March 31, 2022, the provisions were ₹288 million as compared to ₹2,095 million on March 31, 2021.

Deferred tax liabilities (net) [DTL]:

DTL as of March 31, 2022 were ₹315 million as compared to ₹30 million in March 31, 2021. Major components of DTL are due to temporary differences to the Property, Plant, Equipment and Hedge reserve.

Contract liabilities (Non-current):

It mainly comprises of Income received in advance from customers. As of March 31, 2022, contract liabilities are Nil as compared to ₹102 million in March 31, 2021.

Borrowing (Current):

As of March 31, 2022, total short-term borrowings were ₹35 million as compared to ₹2,022 million in March 31, 2021.

Trade Payables:

As of March 31, 2022, the trade payables were at ₹4,664 million as compared to ₹3,836 million in March 31, 2021.

Other current financial liabilities:

Other current financial liabilities consist of Interest accrued, capital creditors, unpaid dividend, employee related payables and derivative loss. As of March 31, 2022, those amounts were at ₹2,066 million as compared to ₹2,444 million in March 31, 2021.

Provisions (Current):

Provision comprises of Deferred Compensation Payable and leave encashment liabilities (as per actuarial valuation performed by an independent actuary). As of March 31, 2022, provisions were ₹2,480 million as compared to ₹813 million in March 31, 2021.

Contract liabilities (Current):

It mainly comprises of income received in advance from customers. As of March 31, 2022, the amounts were at ₹117 million as compared to ₹239 million in March 31, 2021.

Current tax liabilities:

As at March 31, 2022, the amount was ₹4,960 million and as at the end of March 31, 2021, the amount was ₹251 million.

Other current liabilities:

Other current liabilities comprise of advance from customers, statutory dues payable and other payables. As of March 31, 2022, the amounts were ₹1,069 million as compared to ₹956 million in March 31, 2021.

Operational Review

During the financial year under review, the Company has been communicating to all its stakeholders, that the focus of the Company is to grow its profitable businesses, re-price or exit unprofitable accounts and sub-scale or sub-optimal contracts, generate free cash flows, reduce debt, undertake cost rationalization from time to time, improve return ratios become net-cash, and increase dividend payout, with the approval of the Board.

Looking at the financial numbers for FY 2022 under review, on a like-to-like basis (Excluding Healthcare Business sold in January 2022 and had exited certain contracts which had "pass through" revenues) FY 2022 has seen organic revenue growth of 25.4%, as against 10.3% achieved in FY 2021. Of the growth over FY 2021, 0.6% is on account of acquisitions.

The revenue growth was led by the volume growth from the top 10 clients and new clients that HGS won in the last financial year in verticals like healthcare, telecom, public sector and financial services.

On a like-to-like profitability, the EBITDA (computed excluding Other Income and Excluding Healthcare Business sold in January 2022) improved by 46.1% on account of improvement in performance of business in UK. Total EBITDA in FY 2022 (computed excluding Other Income) decreased by 15.0% as compared to FY 2021.

During FY 2022, from the free cash flow generated, the Company increased Cash & Cash Equivalents by ₹15,679 million, enabling the net debt to equity at NIL in FY 2022 as against 0.2x in FY 2021. Overall Debt at the end of FY 2022 stood at ₹35 million as against ₹3,936 million in FY 2021.

Key Financial Ratios

Ratios	FY2022	FY2021
Debtors Turnover	6.3	5.0
Current Ratio	3.7	2.1
Debt Equity Ratio	-	0.2
EBIDTA Growth	-15.0%	21.1%
Net Profit Growth Ratio	1716.3%	63.4%
Interest Coverage Ratio	109.3	6.0
Operating Profit Margin	8.1%	10%

The above ratios represent the key financial ratios, as applicable to the Consolidated financial statements of HGS. The ratios on EBITDA Growth, Interest Coverage, Operating Profit and Net Profit is significant, as defined under the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations i.e., over 25% compared to previous year. This change in EBITDA, Operating Profit and Net Profit ratios was due to Sale of Healthcare business effective January 5, 2022.

Further, the increase in interest coverage ratio is due to the increase in Earnings before Interest and Tax because of increase in other income due to sale of healthcare business and decrease in interest expense on lease liabilities as well as loan repayment in FY 2022 as compared to FY 2021.

HGS continues to win new businesses from existing and new clients in UK. The UK operations had good wins in public sector.

Jamaica is an attractive near-shore location for the company, mainly due to its proximity to the US and available talent pool. During FY 2022, revenues from Jamaica grew by 24.4% over FY 2021. Once pandemic abates, there is a scope for further growth with increase in utilization of existing capacities. The revenues from the UK in FY 2022 were around 72.5% higher than the previous year.

HRO business continues to do well and add clients for its payroll processing, staffing and compliance services. The revenues of the HRO business grew by about 36.1% in FY 2022. This business, which began with payroll processing, has steadily expanded its services offering to include compliance services, staffing, managed services, recruitment and finance and accounting services.

Globally, HGS has initiated steps to achieve better utilization and cost management measures such as site consolidation wherever appropriate. Given the uncertainties in the business environment and time taken to implement the cost rationalization measures, the capital expenditures will be linked to the demand construct and expectation.

Over the last many years, HGS has made significant investments in developing new capabilities such as Robotic Process Automation, digital services like social care and DigiCX, analytics, work at home and platform services. These investments are showing results and HGS has signed several engagements related to this area in FY 2022.

The feedback that HGS has received from its clients over the last year and over the three years has been encouraging. Based on the demand, HGS will continue to focus on providing its clients with differentiated experience, led by technology-based solutions.

HGS' digital offerings under the HGS Digital brand continued to gain traction in the year. During FY 2022, the Company has signed numerous engagements to deliver digital transformation to clients as they stride through an ever-evolving consumer market.

Looking ahead, HGS is focusing on enhancing the product portfolio further by investing in technology services and re-skilling people. The traction for these solutions and the use of automation and analytics internally within HGS is expected to add non-linearity.

Delivery Centres

As on March 31, 2022, HGS had 38 delivery centers across six countries which includes an addition of 4 centers in the Philippines through the Diversify acquisition. As on March 31, 2021, there were 56 delivery centers in seven countries (including Healthcare business).

Customer Additions

The total number of active clients (retained business) at the end of FY 2022 was 207 BPM clients and 736 HRO/ payroll / F&A clients. The total number of active clients at the end of FY 2021 was 254 BPM clients and 708 HRO/ payroll / F&A clients.

Human Capital

HGS had a headcount of 21,608 employees as of March 31, 2022 as compared to 39,889 as of March 31, 2021 on consolidated basis. The decrease in absolute number is due to the divestment of the Healthcare Services business in early January 2022. As of December 31, 2021, HGS had grown its headcount to 48,573 including the healthcare employees.

As a people-driven organization, HGS' human capital philosophy revolves around creating an inclusive, results-oriented and high-performance culture that consistently delivers quality service to clients by happy and motivated employees. The company has successfully leveraged multiple levers to attract and retain the best talent on an ongoing basis, led by career and personal growth.

The ongoing COVID-19 pandemic meant that HGS had to not only continue the work from home model that we had shifted to in 2020, but also sustain and improve upon it to ensure business continuity as per client and government mandates while keeping employees' well-being as the topmost priority. All processes – right from recruitment, onboarding and training to client delivery, continued learning and employee engagement – are now available in a virtual environment. During the year, HGS has been continuously making improvements to this model by leveraging technology – be it using innovative recruitment chatbots, to creating employee-centric and user-friendly platforms, that are available on mobile and accessible with single sign-ons, to specifically training employees on how to support clients and teams in a virtual environment and developing an on-demand learning & development structure.

Upskilling and learning have been a priority, with multiple programs launched during the year. These included the introduction of HALL – Healthcare Anytime Learning Library, a mobile app that features all HGS' healthcare related learning modules to enable learning on the go; Lead2Succeed, that focuses on employees looking to make their first step into management, and Coach2Succeed in HGS' UK operation; Agrima in India; technology bootcamps for the digital teams and engineering campus outreach, etc. HGS also stepped up its focus on D&I and building women leaders with the launch of its Global Women Leaders Network (GWLN).

Given the impact of the 2nd and 3rd wave of COVID-19, employee engagement with a focus on physical and mental wellness was critical, especially in India which faced the brunt of the pandemic. HGS deployed several initiatives to support and motivate employees. These included individual outreach calls made to employees and their families, virtual events encompassing business townhalls, fun activities and learning sessions, physical and mental wellness coaching and contests, and structured CSR virtual volunteering activities, etc. In India, HGS also launched specific benefits for COVID impacted employees, including additional leave and insurance availability.

HGS' focus on driving ongoing people-led investments and engagement have ensured that HGS continues to sustain its position as a top preferred employer in the markets we operate in.

HGS' response to COVID-19

COVID-19 pandemic has continued to impact the business and people alike. In FY 2022, HGS has ensured that we sustained our focus on business continuity for all our clients while keeping our employees' safety and health as our topmost concern. A majority of our employees are still working from home even as we have begun getting some teams to shift to a hybrid model (combination of work from home and work from office), wherever feasible and safe.

During the second and third waves, HGS was determined to support our employees, with regular connects by team leads and HR, employee engagement campaigns focused on collaboration and physical & mental wellness, setting up of COVID war rooms, introduction of COVID-19 assistance programs and insurance, COVID-19 specific leave, arranging of medical kits, and counselling support for employees and their families.

HGS also provided vaccination support to employees and their families by facilitating a vaccination drive at our locations in India and Philippines last year during a period when there were shortages of vaccines along with huge demand.

Compliance

HGS has implemented a robust Compliance framework to identify, assess, monitor, control and report compliance status with respect to the applicable laws and regulations specific to the geography in which it provides services. Applicable laws and regulations, including Employment and Labour laws, in countries where the Company operates and any changes to the said laws and regulations are reviewed periodically for their compliance. The Board reviews the compliance status of all the laws and regulations applicable to the Company on a quarterly basis, based on the compliance certificates submitted by the CEO and the CFO.

HGS' new digital-led vision

In December 2021, HGS unveiled a new brand identity for its ongoing evolution into a digital-led, people-driven organization that is transforming customer experiences (CX). Building on its legacy of making clients more competitive, HGS serves as the preferred CX and business process transformation partner for some of the world's most admired brands.

HGS has renewed its vision and mission as it evolves as a comprehensive digital and CX services partner and employer of choice for roles critical to transformation – digital professionals, data analysts, automation experts, and CX ambassadors. HGS will leverage its experience handling billions of interactions every year to keep pace with rapidly rising expectations in the digital CX economy.

- **Vision:** Be the world's leading expert in transforming customer experiences for the most admired brands.
- **Mission:** Innovate, optimize, and grow our clients' businesses with the perfect balance of people and technology.

HGS is positioned at an exciting juncture today, led by technology adoption, changing client demands and rising expectations of the modern customer. The time is right to refresh and reiterate our value proposition to our stakeholders and expanding target audience of CIOs, CMOs, and Experience Officers (CXO) that are leading experience transformation. HGS' new brand identity is a distinctive and future-forward expression of how the enterprise is evolving as a transformation partner. Critical to the new positioning is attracting and providing opportunities for top talent to drive digital-led customer experiences for our clients and their customers today.

Awards and recognitions

HGS' brand awareness increased significantly in the past year with awards and recognitions by leading analysts and organizations in our industry.

Leader: Gartner Magic Quadrant for Customer Service BPO

For the second year in a row, Gartner ranked HGS as a Leader in the Magic Quadrant for Customer Service BPO. The evaluation was based on specific criteria that analyzed the company's overall "Completeness of Vision" and "Ability to Execute."

HGS' growth is driven by providing tech-enabled HGS Work Cloud™ solutions such as HGS Agent X™, a next-generation, intelligent-automation-enabled platform for agents to get work done anywhere. Agent X is part of the AI-driven cognitive contact center, which considers the user experience (UX), the stage of the customer journey, and other data to enrich every interaction.

Other cutting-edge solutions from HGS include:

- HGS PULSE™ – A new contact center analytics platform that provides visibility into business performance and customer insights using real-time data. With access to predictive analytics and real-time information, contact center leaders can be proactive by predicting customer churn and loyalty, as well as better manage their workforce by tracking customer demand.
- HGS EPIC™ Social Care – A solution that uses artificial intelligence to engage customers quickly and effectively on social media channels. The award-winning solution uses superior AI and speed when compared to other solutions, cutting industry average response time in half while also using advanced AI technology to filter out spam posts.
- HGS Work@Home™ – An operating model that protects employee safety by enabling staff to conduct call center tasks securely from home. HGS Work@Home delivers the flexibility to rapidly ramp up remotely during a time of crisis and ensures security through data encryption and device lockdown. All customer care team members receive training, coaching, and support virtually.
- HGS Automated Enterprise™ – A bot store made up of more than 600 front and back-office bots that help streamline customer service contact center processes.

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

- Business Intelligence Group (BIG) Excellence in Customer Service Awards 2022
  - Technology of the Year: HGS Axle™
  - Transformation of the Year: HGS Group Messaging Console
  - Executive of the Year: Crystal Davis
- IAOP recognition:
  - Best of Global Outsourcing 100: Leader Status and All Star for Sustained Excellence 2022
  - Excellence in Strategic Partnerships 2021
- Training APEX Awards Winner 2022
- Stevie Awards – Woman of the Year for Sales and Customer Service 2022
- Stevie Awards APAC:
  - Silver in COVID-19: Most Exemplary Employer category
  - Bronze in Innovative Achievement in Customer Satisfaction category
- Transformance 3rd D&I Summit and Awards – Winner in Gender Equability and D&I Company of the year categories
- Frost & Sullivan Best Practices Award for HGS EPIC™ Social Care 2021
- TMC Cloud Computing Excellence Award for HGS Cloud Accelerator 2021
- CII Industrial Innovation DX Award for Integrated Customer Engagement Model 2021
- CIO 100 India Award 2021 by IDG Media
- 2021 CIO of the Year at the CIO Vision and Innovation Awards by Transformance Forum
- Recognized in the 2021 Working Mother and Avtar 100 Best Companies for Women in India by BCWI Study conducted by Avtar
- Winner in the 3rd D&I Summit and Awards, organized by Transformance Business Media
  - 2021 Diversity Marketing Campaign of the Year
  - 2021 Gender Equability
  - 2021 Diversity & Inclusion Company of the Year Modern, frictionless, and agile

HGS helps clients become more competitive. HGS enables clients to optimize, innovate, and grow their business. From acquiring new customers, nurturing customer loyalty, and slowing customer churn, HGS increases operating efficiency and reduces errors at every stage of the consumer journey. HGS is a solution provider at heart, solving businesses problems by improving processes. A tradition of continuous improvement has led to CX optimization capabilities and a process called HGS LeanOps™ – which helps quickly identify business processes that can be improved with analytics, automation, and artificial intelligence.

HGS' commitment to being brilliant at the basics is our foundational promise to earn our clients' trust by consistently meeting and exceeding expectations. HGS believes that every dollar spent on our services is an investment in creating a competitive advantage for our clients. This means HGS earns trust first with fundamentals like hiring, training, and retaining top talent. HGS then looks for intelligent innovation benefits to drive results consistently.

HGS grows with its clients and helps them along the digital transformation journey, creating value through innovation. Clients continue to trust HGS to balance the cost to service customers with the opportunity to make them more loyal, more satisfied, and more valuable.

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

HGS has a proven method for right-shore outsourcing with local onshore capabilities as well as key nearshore and offshore locations. Post the healthcare divestment, HGS delivers services out of 34 centers in 6 countries.

HGS offers strong leadership with a deep domain expertise. The award-winning management team leads geographic (as well as vertical) heads and practice leaders with extensive experience in their respective domains. The local leadership teams are close to their clients and have access to market insights, local partners, and trends. They are empowered to make decisions. Decentralized decision-making accelerates our response to market opportunities.

Risk and Concerns

For a company like HGS, new risks can emerge or change intensity over a period of time. This is due to the fact that HGS has its operations spread across multiple geographical locations, its clients located across different continents and revenues accrued and costs incurred in multiple currencies.

The current year also witnessed the start of a war between Russia and Ukraine. While HGS is not present in Russia or Ukraine, there may be indirect consequences as a fall out of the war and could include the following:

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

COVID-19 pandemic continues to impact the way businesses are operated. Given the progress made in vaccinations and its coverage, there are signs of returning to normalcy, but the risk of newer variants continues to pose a challenge for the operations to return to pre-pandemic state.

While newer modes of operations like the hybrid work model are emerging to adapt to the changing conditions, the following risks will need to be monitored to mitigate risks:

- Stress on account of increased demand on IT resources and systems
- Increased exposure to cyber-attacks, ransomware attacks and security breaches despite having strong cyber security controls in place
- Data privacy and information security risks as our employees continue to work from environments that may be less secure than those of our delivery centers.
- Increase in absenteeism and attrition

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

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

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

Risk Categories

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

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

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

HGS Risk Management Practices

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

Risk identification and Impact Analysis

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

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

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

Risk Reporting and Disclosures: Risks impacting achievement of business objectives, movement of risk levels, impact and mitigation status are reported and discussed with the Risk Management Committee periodically. This committee further reports to the board through periodic updates highlighting key risks, their impact and mitigation status.

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

Internal controls

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

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

Based on the current structure of internal financial controls and compliance systems established and maintained by the Company, work performed by the Statutory, Internal and Secretarial Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022.

Cautionary Statement

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

Annexure ‘E’

TO THE DIRECTORS’ REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on CSR Policy of the Company.**

   Your Company is inspired and guided by the pioneering thoughts “My dharma (duty) is to work so that I can give” of late Shri Parmanand Deepchand Hinduja Founder of the Hinduja Group. Your Company is a socially responsible corporate and has undertaken and implemented CSR activities for the upliftment of the economically and socially disadvantaged communities and shall continue to do in future. The prioritized areas for CSR activities of your Company include: Education, Sustainability Development, Health Care and other philanthropic and humanitarian activities.

2. **Composition of CSR Committee:**

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

   During the year, the CSR Committee meeting was held on March 28, 2022.

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

   - Composition of the CSR Committee: www.hgs.cx
   - CSR Policy: www.teamhgs.com/investors/corporate-policies
   - CSR projects approved by the Board are disclosed on the website of the company: www.teamhgs.com/investors/other-reports

4. 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**

5. 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 - **Not applicable**

6. Average net profit of the company as per section 135(5) : **₹28,258.22 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹566 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+7b-7c): **₹566 Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
Amount	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
566	-Not applicable-				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
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 (year)	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State/ District						Name	CSR Registration number
1.	Youth Livelihood Program	Livelihood Enhancement	Yes	Hyderabad	1	25	25	-	No	Magic Bus Foundation	CSR00001330
2.	Mid-Day Meal Program	Education	Yes	Bangalore	1	25	25	-	No	Akshaya Partra Foundation	CSR00000286
3.	PwD Skilling program	Welfare of Persons with Disability	Yes	Bangalore	1	5	5	-	No	Samathanam Trust for the Disabled	CSR00000063
4	English Education Program	Education	Yes	Bangalore	1	15	15	-	No	Step-up for India	CSR00000745
5	Women Empowerment, Livelihood and Health	Woman Empowerement	Yes	Chikkaballapur	1	36	36	-	No	Samarpaka Seva Trust	-
6	Water Project	Water	No	Bangalore	1	30	30	-	No	Hinduja Foundation	CSR00002326
7	Mushar Integrated Development Program	Rural Development	No	Kishanganj & West Champaran	1	215	215	-	No	Hinduja Foundation	CSR00002326
8	COVID Care ICU beds	Health	Yes	Bangalore	1	60	60	-	No	Samarpaka Seva Trust	-
9	Samarpaka Seva Trust	Health	Yes	Karnatak	1	30	30	-	No	NASSCOM Foundation	-
10	Gandhi Lincoln Hospital	Health	No	Deesa,Gujarat	1	75	75	-	No	Hinduja Foundation	CSR00002326
11	Supplementary Nutrition Program	Eradicating Nutrition	No	Mushar	1	50	50	-	No	Hinduja Foundation	CSR00002326

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **NIL**

(d) Amount spent in Administrative Overheads - **NIL**

(e) Amount spent on Impact Assessment, if applicable – **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹566 Lakhs**

(g) Excess amount for set off, if any - **NIL**

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

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 - **NIL**

    - Asset-wise details – **Not applicable**

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): **The Company has spent two per cent of the average net profit as per section 135(5) of the Act.**

	Partha DeSarkar	**Anil Harish**
Place: Mumbai	DIN: 00761144	DIN: 00001685
Date: August 25, 2022	(Whole-time Director)	(Chairman - CSR Committee)

Annexure ‘F’

TO THE DIRECTORS’ REPORT

PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES

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

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

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

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm’s length basis.

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

a)	1. Name of Subsidiary*	HGS Healthcare LLC, USA*
	2. Nature of Relationship	Wholly owned step-down subsidiary
b)	Nature of contract/ arrangement	Sub-contract Agreement
c)	Duration of Contract/ Arrangement	April 1, 2021 to January 5, 2022
d)	1. Salient terms of the Contract/ arrangement	Your Company provides BPM services to HGS Healthcare LLC and diligently perform the contract in a timely manner and provide services in accordance with the SOWs.
	2. Value	₹ 134,314.13 Lakhs
e)	Dates of Board’s approval(s)	Not applicable, since the contract was entered into in the ordinary course of business and at arm’s length basis.
f)	Amount paid as advances, if any:	NIL

• Ceased to be the subsidiary of the Company effective January 6, 2022 due to the sale of Healthcare Business.

For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Chairman
DIN: 00013782

Place : Mumbai
Date : August 25, 2022

Annexure 'G'

TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,

The Members,

HINDUJA GLOBAL SOLUTIONS LIMITED

Hinduja House, 171,
Dr. Annie Besant Road Worli,
Mumbai - 400018.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hinduja Global Solutions Limited having CIN No. L92199MH1995PLC084610** (hereinafter called the 'Company') for the audit period covering the financial year ended on **31st March 2022** (the 'audit period'). Secretarial Audit was conducted in a manner that provided us 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, soft copy as provided by the company and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; I hereby report that in my opinion, the Company has, during the audit period 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 Company for the financial year ended on, 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, overseas Direct Investment and External Commercial Borrowings;

(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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) 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(Not Applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (g) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

(vi) Laws specifically applicable to the Company :

- a) Information Technology Act, 2000 and Information Technology Amendment Act, 2008 and rules thereunder
- b) Encryption Rules and Regulations under Comptroller of IT
- c) Telecom Regulatory Authority of India Act,1997
- d) The Telecom Commercial Communications Customer Preference Regulations, 2010
- e) The National Do Not Call Registry (NDNC);
- f) DoT/ OSP Regulations;
- g) The Indian Wireless Act,1933;
- h) Data Security and Data confidentiality rules (HIPPA and GLBA to the extent of technology infrastructure to be deployed);

i) The Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011;

j) Payment Card Industry Standard – PCI DSS; and

k) The EU General Data Protection Regulations 2017 to the extent applicable while handling EU citizen's information. (UK DPA 2018supplementing EU-GDPR to the UK's requirements).

(vii) Other laws to the extent applicable to the Company as per the representations made by the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India during the audit period;

During the audit period, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Secretarial standard and Bye-laws mentioned above.

During the period under review, provisions of the following regulations were not applicable to the Company:

i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and;

ii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

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 as on 31st March 2022 as under:

I. One Executive Directors;

II. Two Non- Executive Non -Independent Directors;

III. Two Non- Executive Independent Directors and

IV. One Non- Executive Woman Independent Directors;

There was no change in the composition of the Board of Directors during the period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (seven) days in advance except for few Board Meetings where consent for shorter notice was obtained from majority of the directors. 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 dissenting views were expressed by the Board Members on any of the subject matter discussed that were required to be captured and reported as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, following specific event / action has occurred :

1. The members of the company at the 26th Annual General Meeting held on 23rd September 2021 approved following transactions:

   a) Final dividend of ₹22 per equity share which includes a special dividend of Rs.15 per equity share (on an equity share of par value of Rs.10/- each) for the financial year ended March 31, 2021 and to confirm three interim dividends aggregating to ₹18, already paid, per equity share of ₹10/- each for the financial year ended March 31, 2021.

   b) To sell/ transfer/ hive-off / dispose of the healthcare services business conducted by the Company, its branch office and its subsidiaries (including employees / contracts etc. pertaining to such business, as may be required) as a going concern for an aggregate consideration of USD 1,200,000,000 (United States Dollars One Billion Two Hundred Million) on the basis of an arms' length price, subject to certain adjustments as may be mutually agreed between the parties, to wholly owned subsidiaries/branch of Betaine B.V. (the "Investor")

2. The Company has increased the authorised share capital and subsequently it has altered the Memorandum of Association (MOA) via postal ballot whose results were declared on 11th February 2022. Amended clause V of MOA reads as under:

   V. The Authorised Share Capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crores) divided into 7,98,50,000 (Seven Crores Ninety-Eight Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten) each and 1,50,000 (One Lakh Fifty Thousand) 1% Participatory Redeemable Non-Cumulative Preference Shares of Rs.10/- (Rupees Ten) each with power to increase or reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined and to vary modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company and as may be provided under the provisions of the Companies Act, 2013."

3. The Company has allotted 2,08,97,566 Equity Shares of Rs. 10/- each fully paid-up Bonus Equity Shares, in the proportion of One (1) Equity Share

of Rs. 10/- each for every One (1) existing Equity Shares of Rs. 10/- each to the eligible Members whose names appeared in the Register of Members / List of Beneficial Owners as on February 23, 2022, i.e. Record Date and same was approved by members through postal ballot dated 11th February 2022. Consequently, Share Capital of the Company stands increased from Rs.20,89,75,660/- divided into 2,08,97,566 Equity Shares of Rs. 10/- to Rs. 41,79,51,320/- divided into 4,17,95,132 equity shares of Rs. 10/- each.

4. The Company at its Board Meeting dated February 17, 2022 approved the scheme of arrangement between related party NXTDigital Ltd and the Company and its shareholders.

5. The Board of Directors of the Company have declared and paid total four interim dividend for FY 2021-22 i.e. total Rs. 195 per shares.

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

CS Amrita Nautiyal
Proprietor
FCS No. 5079/CP No. 7989
UDIN: F005079D000396723

Place: Mumbai
Date: May 26, 2022

Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,

The Members,
Hinduja Global Solutions Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Hinduja Global Solutions Limited (the 'Company') is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

CS Amrita Nautiyal
Proprietor
FCS No. 5079/CP No. 7989
UDIN: F005079D000396723

Place: Mumbai
Date: May 26, 2022

Annexure 'H'

TO THE DIRECTORS' REPORT

[Statement of Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; and the percentage increase in remuneration of each director in the financial year 2021-22;

Name of Director	Ratio of Remuneration to MRE*	% increase / (decrease) in remuneration for FY 2021-22
Mr. Yashodhan Madhusudan Kale	30.49	69.37
Mr. Anil Harish	30.00	69.16
Mr. Sudhanshu Tripathi	30.33	100.87
Ms. Bhumika Batra	35.90	100.92
Dr. Ganesh Natarajan	30.49	82.50

* MRE = Median Remuneration of Employees

(ii) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager ('KMP') in the financial year 2021-22;

Name of KMP	Designation	% increase in remuneration for FY 2021-22
Mr. Partha DeSarkar#	Whole time Director	19.5
Mr. Srinivas Palakodeti	Chief Financial Officer	13.7
Mr. Narendra Singh	Company Secretary	Refer Note 2 below

Ratio of Remuneration to MRE: 763.18

Note:

1. Annual remuneration includes fixed pay, perquisites and Annual Performance Incentive. It excludes Deferred Performance Incentive payable in FY 2023, subject to (a) Company achieving certain profitability targets by the financial year ending March 31, 2022 and (b) subject to approval by Nomination & Remuneration Committee and the Board of Directors.
2. Was employed for part of the year during FY 2020-21, hence % increase is not given.

(iii) The percentage increase in the median remuneration of employees in the financial year 2021-22

The median remuneration of employees (MRE) for the FY 2021-22 increased by 29.79% (includes the prorated increase for part of the year) as compared to FY 2020-21.

(iv) The number of permanent employees on the rolls of the Company: 2,553

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

The average percentage increase in the salaries of employees, other than KMPs in the last financial year is 5% and the percentage increase in the remuneration of KMP is 17.9%. There has been an increase in the remuneration of KMP in FY 2021-22 due to the higher payments of Annual Performance Incentive arising from better earnings performance of the Company. Further, remuneration for the KMP excludes a provision for Deferred Payment Incentive (DPI). The payment of this is subject to the Company achieving defined profitability targets and if achieved, will be payable in FY 2022-23 based on actual performance and as may be approved by the Nomination & Remuneration Committee and the Board of Directors.

(vi) The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Chairman
DIN: 00013782

Place : Mumbai
Date : August 25, 2022

Annexure 'I'

TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report of the Company for the financial year ended March 31, 2022 is as under:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L92199MH1995PLC084610
2.	Name of the Company	Hinduja Global Solutions Limited (the 'Company')
3.	Registered Address	Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018
4.	Website	*www.hgs.cx*
5.	E-mail ID	investor.relations@teamhgs.com
6.	Financial Year Period	1st April 2021 - 31st March, 2022
7	Sector(s) that company is engaged in (industrial activity code-wise)	Name and description of main product/ services: The Company provides BPO services Description - IT Enabled Services – BPO NIC Code of the product/ services: 63999
8	List three key products / services that the Company manufactures/ provides (as in balance sheet)	Contact Centre Services Back Office Services Digital marketing and interactive services
9	Total number of locations where business activity is undertaken by the Company	**International locations** • Delivery centres in Philippines, UK, USA, Canada, Jamaica, and Australia (Marketing office)
		National locations • Delivery Centres in Bengaluru, Hyderabad, Vizag and Mumbai • Total 38 global delivery centres
10	Markets served by the Company (Local/ State/ National/ International)	**Market served through subsidiaries/ step down subsidiaries** India, USA, Canada, Jamaica, UK, Australia and Philippines.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital : ₹ 4,179.51 Lakhs
2. Total Turnover : ₹ 2,14,690 Lakhs (Standalone)
   : ₹ 5,79,592 Lakhs (Consolidated)
3. Total Profit after Taxes : ₹ 2,43,123 Lakhs (Standalone)
   : ₹ 6,10,355 Lakhs (Consolidated)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2% of last 3 years' average net profits
   [Actual spending: ₹566 Lakhs in FY 2022]
5. List of activities in which expenditure in point 4 above has been incurred:
   - Promoting education & eradicating hunger
   - Promoting healthcare including preventive healthcare
   - Employment enhancing vocation skills and livelihood enhancement projects
   - Ensuring environmental sustainability, ecological balance
   - Rural development projects

   Expenditure incurred for CSR Activities are as per the CSR Policy of the Company. The detailed Report on CSR activities carried out during the year forms part of this Annual Report.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes. As of March 31, 2022, the Company has 23 subsidiaries (including step down) located in US, UK, Canada, Netherlands, Mauritius, St. Lucia, Jamaica, Philippines and Australia.

2. **Do the Subsidiary Company / Companies participate in the Business Responsibility Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)**

   No.

3. **Do any other entity/ entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]?**

   No. The Company does not mandate external parties to participate in the Company's Business Responsibility initiatives.

SECTION D: BUSINESS RESPONSIBILITY ('BR') REPORT INFORMATION

1. **Details of Director / Directors responsible for Business Responsibility Report:**

   a) Details of the Director /Directors responsible for implementation of the BR policy/ policies

   DIN : 00761144

   Name : Mr. Partha DeSarkar

   Designation : Whole-time Director

2. **Principle-wise (as per NVGs) BR Policy / policies:**

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs have been articulated in the form of nine Principles as briefed below:

   P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

   P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycles.

   P3 – Businesses should promote the well-being of all employees.

   P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

   P5 – Businesses should respect and promote human rights.

   P6 – Businesses should respect, protect, and make efforts to restore the environment.

   P7 – Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

   P8 – Businesses should support inclusive growth and equitable development.

   P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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(a) Details of compliance (Reply in Y/N)

<table>
<tr><th>Sl. No.</th><th>Questions</th><th>Business Ethics</th><th>Product Life cycle Sustainability</th><th>Welfare of Employees</th><th>Stakeholder Engagement</th><th>Human Rights</th><th>Environment</th><th>Public Policy</th><th>CSR</th><th>Value to customers</th></tr>
<tr><td></td><td></td><td>P1</td><td>P2</td><td>P3</td><td>P4</td><td>P5</td><td>P6</td><td>P7</td><td>P8</td><td>P9</td></tr>
<tr><td>1</td><td>Do you have a policy / policies for:</td><td>Y</td><td rowspan="10">Not applicable, as the Company provides Business Process Management (BPM) services</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>No</td><td>Y</td><td>Y</td></tr>
<tr><td>2</td><td>Has the policy been formulated in consultation with the relevant stakeholders?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td rowspan="9">However, the Company is member of various trade bodies through which areas of concern or significance is voiced for consideration at appropriate forum.</td><td>Y</td><td>Y</td></tr>
<tr><td>3</td><td>Does the policy conform to any national/ international standards? If yes, specify?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>4</td><td>Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board of Director?</td><td>Y</td><td>#</td><td>#</td><td>#</td><td>#</td><td>Y</td><td>#</td></tr>
<tr><td>5</td><td>Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>6</td><td>Indicate the link for the policy to be viewed online?</td><td>*</td><td>^</td><td>*
^</td><td>^</td><td>*</td><td>*</td><td>^</td></tr>
<tr><td>7</td><td>Has the policy been formally communicated to all relevant internal and external stakeholders?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>8</td><td>Does the Company have in-house structure to implement the policy/policies?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>9</td><td>Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>10</td><td>Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
</table>

Notes:

1. *Available at www.hgs.cx
2. ^Available at internal portal of the Company accessible to employees.
3. #Framed and approved in consultation with respective Functional Head and / or under the authority of CEO / Executive Committee.
4. Policies are framed in consultation with relevant stakeholders and ensure compliances of applicable laws.
5. Respective Function / Committee monitors the implementation and evaluation of the policies.

(b) If answer to Sl. No 1 against any principle, is 'No', please explain why:

Requisite details are provided in the table above i.e., Section D point 2(a) forming part of this report.

3. **Governance related to Business Responsibility:**

   a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR Report performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**

   CEO/ Business or Functional Heads review the performance of respective policies covering the principles given in the Business Responsibility Report on an annual basis.

   b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   Yes, Annually. The same is available on website of the Company at www.hgs.cx

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   Yes. The policy (Code of Conduct for Board Members, the Senior Management Personnel and Employees) covers the Company. The Code of Conduct is designed to promote honest and ethical conduct, ensure full, fair, accurate and timely disclosure of information and compliance with applicable laws, rules, and regulations. The objective of the Code of Conduct is to uphold the ethical standards of integrity and probity, act objectively and constructively while exercising his/her duties, not to derive personal benefit or undue advantages by virtue of their position or relationship with HGS.

   Further, Policy on "Professional Standards and Code of Conduct" is extended to consultants or employees of a vendor who may provide services to the Company at the Company's workplace.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Shareholders' complaints

   During FY 2021-22, 5 complaints were received from the Company's equity shareholders. As on March 31, 2022, there were 2 complaints pending which has been resolved. The statement providing the details of investor complaints are also disseminated to the Stock Exchanges on a quarterly basis.

Principle 2: Product Lifecycle Sustainability

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

   Not applicable as the Company provides BPM services.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):**

   Not applicable as the Company provides BPM services.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Not applicable. However, the Company endeavors to source the goods that help sustainability.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?**

   If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

   Not applicable, as the Company provides BPM services. However, to the extent possible, the Company procures good and avail services from local and small producers.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Not applicable. However, e-waste is disposed through scrapping process with the identified vendors.

Principle 3: Employee Wellbeing

Sl. No.	Particulars	Details#
1	Please indicate the Total number of employees	8,681
2	Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.	Temporary employees : Nil Contractual employees : 6,128 Casual basis : Nil **Total : 6,128**
3	Please indicate the Number of permanent women employees	1,031
4	Please indicate the Number of permanent employees with disabilities	122
5	Do you have an employee association that is recognized by management	None
6	What percentage of your permanent employees is members of this recognised employee association?	NA
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	

Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
Child labour/forced labour/ involuntary labour	None	None
Sexual harassment	None	None
Discriminatory employment	None	None

8 What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

		Skill	Safety
a)	Permanent Employees	The Company does the safety training and skill upgradation twice a year. However, due to Covid and continued lockdown, it was done only once across all locations except Hyderabad. The number of participants was limited to the attendees in office as under: • Permanent employees/ Permanent Women employees - 48 • Casual /Temporary/ Contractual Employees - 100 • Employees with Disabilities - 92	
b)	Permanent Women Employees		
c)	Casual/Temporary/Contractual Employees		
d)	Employees with Disabilities		

 # The details are on Standalone basis.

Principle 4: Stakeholder Engagement

1. **Has the Company mapped its internal and external stakeholders?**

   Yes. The Company has mapped all its stakeholders. For example, the members of the CSR Committee, CSR

Forum and any employee who is directly or indirectly involved in the execution of CSR initiatives have been mapped under the internal stakeholder category. The external stakeholders comprise NGOs or other project implementation partners, local government bodies, community members, program beneficiaries, vendors and suppliers.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes. The beneficiaries of CSR programs have been identified as disadvantaged and vulnerable stakeholders. This section of stakeholders can be further categorized into children, youth, persons with disability ('PwD'), etc. The Company's program implementation partners (NGO/others) are trusted with the identification of the beneficiaries. This process of identification generally involves associating with local government authorities, local social groups and other NGOs operating in the region.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   The Company is committed to operate in an economically, socially, and environmentally responsible manner while balancing the interests of diverse stakeholders. The Company's initiatives in the areas of Corporate Social Responsibility are targeted to bring meaningful difference in the lives of its associated stakeholders.

   The Company supports different programs that promote holistic education among underserved children:

   - English and Remedial Education - Step-up India
   - Meal Distribution - The Akshaya Patra Foundation

   PwD and disadvantaged youth are supported through two comprehensive programs that provide skill development training and employment opportunities:

   - Vocational Training for PwD - Samarthanam Trust for the Disabled
   - Youth Livelihood Program - Magic Bus India Foundation
   - Vocational training for rural woman – Samarpaka Seva Trust

   The Company also works in the area of water conservation and restoration through Chikkajala Lake project.

   HGS also supported 4 programs to promote curative and preventive health as following:

   - COVID-19 care enablement at Rangadore Memorial Hospital in Bengaluru – Samarpaka Seva Trust
   - Provision of basic COVID med-kit as part of COVID Care at Home – NASSCOM Foundation
   - Capacity improvement at Gandhi Lincoln Hospital Program with Hinduja Foundation
   - Preventive healthcare for children through Supplementary Nutrition Project through Hinduja Foundation

   Integrated Rural Development Program (IRDP) project spanning across the cause areas of hygiene, primary education, primary health care, mobile dispensaries, microcredit, and income generation.

Principle 5: Human Rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ JV/ Suppliers/ Contractors/ NGO/ Others?**

   The Company is an equal opportunity employer providing employment and advancement opportunity to all individuals that is fair and reflect diversity in all aspect of employment and ensure that all applicable laws, wherever it operates, are adhered to including laws relating to human rights. The Company promotes diversity and inclusion through various training programs and awareness communication/ initiatives.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   No stakeholder complaint received in the reporting period with regard to human rights violations.

Principle 6: Environmental Management

1. **Does the policy relate to Principle 6 cover only the Company or extends to the Group/ Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The Environmental Policy is applicable to all the Company's owned/ leased facilities. The Company is committed to provide services to its customer in a manner that ensures safe and healthy workplace, minimise the impact on the environment, minimise waste and promote reuse or recycle to the extent possible.

The Policy also aims to communicate Company's environmental commitment to clients, customer and the public and encourage them to support it.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? If yes, please give hyperlink for webpage etc.**

   The Company constantly endeavors to make carbon footprint smaller with each passing year and has taken several initiatives to create positive impact on the environment.

3. **Does the Company identify and assess potential environmental risks?**

   Yes.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Currently, the Company has not undertaken any project related to Clean Development Mechanism. Nonetheless, the Company is committed to comply with all applicable environmental laws.

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? If yes, please give hyperlink to web page etc.**

   The Company constantly endeavors to make carbon footprint smaller with each passing year. The Company makes sustained efforts to reduce, optimize the use of energy consumption and increase efficiency of the systems across geographies. Among the various measures taken during the fiscal year, the Company enhanced the virtualization of server infrastructure and leveraged Cloud for Work@Home offerings. This has helped reduce investment on desktops and decrease carbon footprint due to low power consumption.

   Some of the initiatives on clean technology, energy efficiency, renewable energy continues to be as under:

   - Certificate from Pollution Control Board for installation of DG set, STP and disposal of Hazardous Waste
   - Reuse of treated water from STP for flushing and watering of Garden plants
   - Water saving through use of Tap Aerators in Washrooms
   - Energy savings through use of light sensors, switching off ACs on sparsely occupied floors and use of LED lights
   - Deployment of 5-star Power efficiency rating ACs in standalone mode
   - Automation of entries in the registers at various entry points to reduce use of stationery
   - Use of Sun films and Venetian blinds to reduce dissipation of heat

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported?**

   The Company provides BPM services and is a non-pollution generating Industry. Further, there is no emission or industrial wastes generated by the Company.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.**

   Nil. The Company has not received any show cause notices from CPCB or SPCB.

Principle 7: Public Advocacy

1. **Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.**

   In India, the Company is a member of three trade associations –

   - National Association of Software and Services Companies (NASSCOM)

     The Company's Whole-time Director and Global CEO, Mr. Partha DeSarkar is a member of the NASSCOM BPM Council, a team of 10+ industry leaders, who drive the growth charter along with NASSCOM for the BPM industry in India.
   - Confederation of Indian Industry (CII)
   - Bangalore Chamber of Industry and Commerce (BCIC)

Outside India, the Company is associated with the IT and Business Process Association of the Philippines (IBPAP) and International Association of Outsourcing Professionals (IAOP) based out of US.

2. **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company has leveraged its relationship with associations such as NASSCOM and CII to support or seek change in Government advocacy issues such as Work from home enablement and government permissions, sharing of best practices, inclusive initiatives like gender diversity and PwD support, and skilling initiatives including creation of industry-specific curriculum at colleges.

Principle 8: Inclusive Growth

1 **Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes. The Company considers Corporate Social Responsibility as an important aspect of its operations. It has aligned its focus areas in line with the requirements of Schedule VII, as amended, to the Companies Act, 2013. To oversee implementation of various initiatives, Company has a Board Level Committee called the Corporate Social Responsibility (CSR) Committee. The details of various CSR initiatives of the Company are given in the Corporate Social Responsibility report forming part of Directors' Report.

2. **Are the programmes/ projects undertaken through in-house team / own foundation/ external NGO/ government structures / any other organization?**

   The projects are undertaken in co-ordination with external agencies, NGOs, and Government institutions. The on-ground implementation of projects is done in partnership with external organizations, like NGOs and government institutions who supply the project progress report and fund utilization data to an external CSR project management agency. This agency then reports on all projects to the internal teams. The internal teams are also regularly coordinating with the implementation partners to monitor progress, resolve challenges, make recommendations, and engage employee volunteers in supporting the projects through their contributions of time and effort.

3. **Have you done any impact assessment of your initiatives?**

   The impact assessment of the projects undertaken occur at several levels:

   Identification of project: Every project is identified and approved by the CSR committee after careful analysis of impact areas and ensuring its alignment with the Company's focus areas and goals.

   Governance: Each project has specific impact deliverables that need to be met. The CSR team reviews the progress of the project and ensures impact measurement at frequent intervals.

   Internal audit: Internal audit conducts a detailed analysis of all aspects of CSR initiatives and measures the social impact.

4. **What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

   The Company has spent ₹ 566 Lakhs in various CSR activities during FY 2021-22. The details of the amount disbursed, and a brief on the projects are mentioned in the Corporate Social Responsibility report forming part of Directors' Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes. The Company firmly believes that community development initiatives are adopted by the community as required. To ensure successful adoption of the Company's initiatives by the communities, many of the NGO partners involve local government bodies in their operations. This enables easy dissemination of program related information and helps gain acceptance for the program within the communities. This in turn promotes community involvement and builds sustainability. Additionally, some of the Company's programs create impact beyond their scope of assigned beneficiaries and contribute to the welfare of the larger community.

Principle 9: Value for Customers

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

   Nil

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (Additional information)**

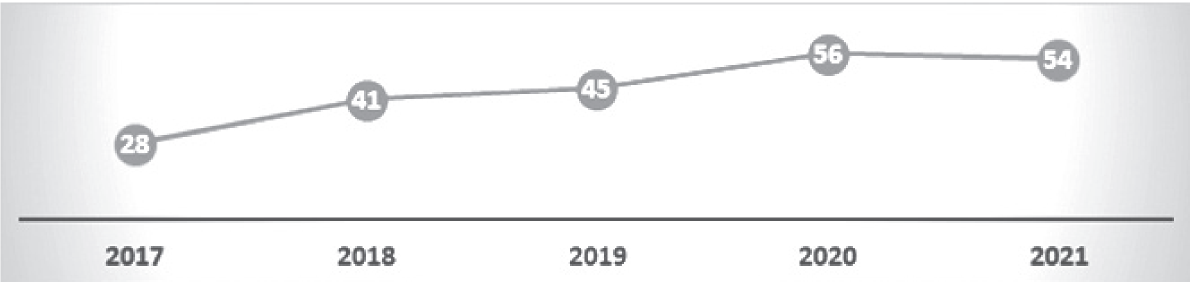
   Not applicable

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.**

   Nil

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, the Company carries out Client Satisfaction survey every year. The Company has achieved a very healthy Client Satisfaction score (NPS-Net Promoter Score) of 54 in FY21-22. Following is the last 5 years' trend of NPS. Also, 92% of the 125 client organizations polled and 81% of the 234 client contacts polled responded to the survey in FY 2021-22.



For and on behalf of the Board of Directors

Yashodhan Madhusudan Kale
Chairman
DIN: 00013782

Place: Mumbai
Date : August 25, 2022

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To THE MEMBERS OF HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of HINDUJA GLOBAL SOLUTIONS LIMITED ("the Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") comprise the Consolidated Balance Sheet as at March 31 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the branch of the Group located at Philippines.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditor and other auditors on financial information of the branch and subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated 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 specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Principal Audit Procedures
1	**Revenue recognition and measurement in respect of unbilled receivables as at March 31, 2022** The Company, in its contracts with customers, promises to transfer distinct services ('performance obligations') which may be rendered in the form of back-office processing, claim processing, and contact centre services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services ('transaction price'). At each reporting date, revenue is accrued for work performed that may not have been invoiced.	**Our audit procedures in relation to management's estimation of unbilled receivables included, among others:** • We gained an understanding of the Company's processes in collating the evidence supporting delivery of services, for quantifying units of services that would be invoiced and the application of appropriate prices for each of such services. • We tested the design and operating effectiveness of controls in collating the units of services delivered and in the application of accurate prices for each of such services.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Principal Audit Procedures
	Recognition of revenue before acknowledgment of receipt of services by customer and not recognizing penalties for not meeting the service levels defined in the contract, where applicable, could result in an overstatement of revenue and correspondingly, the profit. Accordingly, we consider measurement of unbilled receivables as a key audit matter.	• We have tested samples of unbilled receivables as at March 31, 2022 with reference to the customer confirmations or reports from information systems that record the inputs relating to the services delivered to confirm the units of services delivered and contractual rates for the application of appropriate price for each of services. • We extended our audit procedures to the date of approval of financial statements by the Board of Directors of the Company to verify the subsequent invoicing of the unbilled receivables. We have also determined whether adjustments, if any, are necessary upon receipt of approvals from customers for services delivered prior to March 31 2022, and / or collections against those. • We have verified the ageing of unbilled receivables recognised to evaluate their reasonableness.
2	**Accounting and disclosure of loans, intercorporate deposits and investment in non-convertible debentures [NCDs]** As described in note 5 note, 11 and note 40, the Company has made an investment in the unquoted non-convertible debentures and has given loans and intercorporate deposits to certain parties, including related parties. Accounting and disclosure of such transactions have been identified as a key audit matter due to significance of such transactions, and risk associated with recoverability and, risk of such transactions not getting disclosed in the financial statements.	**Our audit procedures in relation to accounting and disclosure of loans, intercorporate deposits and investment in non-convertible debentures included, among others:** • Obtained and read the Company's policies, and procedures in respect of identification of related parties, • In respect of unsecured loans given to other entities, we have reviewed the legal assessment by an external legal counsel appointed by the management in assessing and concluding such entities as not a related party under Ind AS 24, Related Party Disclosures. • Obtained approval for the loans and intercorporate deposit related transactions, recording and disclosure of related party transactions. • Tested such related party transactions and balances with the underlying contracts, promissory note, direct confirmation letters, and other supporting documents provided by the Company. • Obtained and inspected the relevant Board and audit committee minutes providing an unanimous approval of all directors present in the meeting approving the investment of surplus funds of the Company in the non-convertible debentures, the terms thereof, degree of credit risk associated with the respective borrowers. • Inspected the Board and audit committee minutes providing an unanimous approval of all directors present in the meeting approving the investment of surplus funds of the Company in the unsecured intercorporate deposits to related parties including the promoter shareholders, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and the arms' length interest rates considered, as applicable. • Verified that the investment in debentures and loans and intercorporate deposits granted are within the permissible limits specified in the Companies Act, 2013.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Principal Audit Procedures
		• Inspected the Company Secretary's assessment and conclusion that there exists no conflict of interest of the independent directors of the Company approving these non-convertible debentures, loans and intercorporate deposits. • Tested the repayment and fresh disbursement of the intercorporate deposits during the year with the bank statements • Verified the classification of the intercorporate deposits as current assets considering these being granted for meeting the short-term working capital requirements of the borrowers in the ordinary course of business and the terms of the intercorporate deposits being repayable on demand. • Inspected Managements evaluation of recoverability by reference to the audited or unaudited financial statements as applicable of the respective borrowers • Reviewed the disclosures in the financial statements to assess whether the disclosure is in accordance with Ind AS 24 Related Party Disclosure and under the Companies Act, 2013
3	**Accounting and disclosure of the sale of healthcare business** As described in note 46(ii), the Company sold its healthcare services business ("HS Business") on January 5, 2022. As a result, the healthcare business is reported as Discontinued Operations in its Financial Statements and related notes in accordance with Indian Accounting Standards 105 – "Non-current Assets Held for Sale and Discontinued Operations. We identified the accounting and disclosure of discontinued operations as a key audit matter because of the significance of the healthcare business to overall operations and the impact on measurement of goodwill, income taxes and assets/ Liabilities not transferred. Refer note 31 (3) and 50 in relation to income taxes and assets/ Liabilities not transferred.	**Our audit procedures in relation to the sale of healthcare business included, among others:** • Inspected the approval of the Board of Directors and the Shareholders to the terms of the sale. Obtained and inspected the key regulatory approvals including the approval by the Committee of Foreign Investment in the United States (CFIUS) and the Competition Commission of India (CCI) and evaluated the Company's conclusion on classification of the Healthcare business as discontinued operations. • Verified the sale transaction with the underlying contracts to identify the assets, Liabilities and employees transferred. • Verified the third-party business valuation reports to the selling price. Compared the selling price for the healthcare business to the carrying value of the healthcare business (including goodwill allocated to the healthcare business based on the relative fair values) and tested the accuracy of the gain from the sale. • Verified the receipt of the consideration from the bank statements. • Involved our internal tax specialists to assess the applicable fiscal regulations across four countries to determine the appropriateness of the uncertain tax positions on transactions pursuant to the sale of the healthcare business.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Principal Audit Procedures
		• In respect of contracts and agreements not transferred relating to the healthcare, verified the legal opinion obtained from the external legal counsels of the Company and evaluated the probable future liability on such contracts including reasonableness of management's estimate of potential obligation. • Evaluated the appropriateness of the disclosure of the discontinued operations in the financial statements in compliance with Ind AS 105 Non-Current Assets Held for Sale and Discontinued Operations and tested the classification of amounts included in discontinued operations including assumptions used and estimates made with regard to the determination of income and expenses pertaining to the healthcare business.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Corporate Governance Report and Management Discussion & Analysis Report, but does not include the consolidated financial statements, standalone 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, compare with the financial statements of the branch and subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the branch and subsidiaries, is traced from their financial statements audited by the branch auditor and other auditors.

  If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the

AUDITOR'S REPORT

Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 financial 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 system 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 the 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 branch, entities or business activities within the Group 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other branch or entities or business activities included in the consolidated financial statements, which have been audited by the branch auditor or other auditors, such branch auditor and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

AUDITOR'S REPORT

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

(a) We did not audit the financial information of a branch included in the standalone financial information of the companies included in the Group whose financial statements reflect total assets of Rs. 99,297 lakhs as at 31st March 2022 and total revenue of Rs. 82,445 lakhs for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial information of the branch has been audited by the branch auditor whose report has been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch, is based solely on the report of such branch auditor.

(b) We did not audit the financial information of three subsidiaries, whose financial information reflect total assets of Rs. 202,866 lakhs as at 31st March, 2022, total revenues of Rs.183,210 lakhs and net cash inflows amounting to Rs.74,887 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(c) We did not audit the financial information of twelve subsidiaries whose financial information reflect total assets of Rs.31,192 lakhs as at 31st March, 2022, total revenues of Rs.7,252 lakhs and net cash inflows amounting to Rs.136 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

AUDITOR'S REPORT

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditor and other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditor and other auditors on the separate financial information of the branch and subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept and proper returns adequate for the purposes of our audit have been received from the branches not visited so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The reports on the accounts of the branch office of the Companies included in the Group audited under Section 143(8) of the Act by branch auditor has been sent to us other auditors and have been properly dealt with by us in preparing this report.

   d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us and the other auditors from the branch not visited by us.

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

   f) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies. None of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration accrued by the Company to its whole-time director during the year exceeds the prescribed limit of 5% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2021-22 in excess of the limit laid down under this section is INR 359 lakhs and has been approved by the Nomination and Remuneration Committee of the Company. The remuneration is included under the heading salaries and wages in Note 27 Employee Benefit Expenses and is also disclosed in note 40. Related Party Transactions. The Company has represented that it will obtain the approval of the members, by way of a special resolution, prior to the payment of the remuneration.

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

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

   iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us on the company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

   As stated in note 39 (B) to the 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 amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN 21060408AAAABT5843

Place : Mumbai
Date : August 12, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hinduja Global Solutions Limited of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of HINDUJA GLOBAL SOLUTIONS LIMITED (hereinafter referred to as "the Company"), as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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.

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors referred to in the Other Matters paragraph below, the Company, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one branch is based solely on the corresponding reports of the branch auditors.

Our opinion is not modified in respect of the above matters.

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For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN 21060408AAAABT5843

Place : Mumbai
Date : August 12, 2022

CONSOLIDATED BALANCE SHEET

(All amounts are in Rupees Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	26,794.70	47,086.54
b) Right to use asset	3	27,308.73	69,882.40
c) Capital work-in-progress	2	294.29	320.99
d) Other intangible assets	4a	13,915.24	6,864.06
e) Goodwill	4b	31,562.11	33,972.04
f) Financial Assets			
(i) Investments	5a	246,676.62	-
(ii) Other financial assets	6	3,819.80	7,131.91
g) Deferred tax assets (net)	37	6,464.29	6,955.13
h) Income tax assets (net)	7a	15,902.66	8,784.51
i) Other non-current assets	8	2,106.94	2,665.94
Total non-current assets		**374,845.38**	**183,663.52**
Current assets			
a) Financial Assets			
(i) Investments	5b	280.37	482.11
(ii) Trade receivables	9	61,633.12	123,054.02
(iii) Cash and cash equivalents	10a	204,808.68	53,003.81
(iv) Bank balances other than (iii) above	10b	147,312.23	623.38
(v) Loans	11	161,227.78	52,078.87
(vi) Other financial assets	12	2,032.05	4,758.43
b) Other Current assets	13	14,117.89	11,622.97
c) Assets classified as held for sale	46(i)	5,397.17	5,202.73
Total current assets		**596,809.29**	**250,826.32**
Total assets		**971,654.67**	**434,489.84**
EQUITY AND Liabilities			
Equity			
a) Equity share capital	14	4,179.51	2,087.73
b) Other equity		776,662.45	206,399.60
Equity attributable to the equity holders of the company		780,841.96	208,487.33
c) Non-controlling interest	-	-	
Total Equity		**780,841.96**	**208,487.33**
Liabilities			
Non-current Liabilities			
a) Financial Liabilities			
(i) Borrowings	15a	-	19,134.05
(ii) Lease Liabilities	16a	22,699.31	66,458.04
(iii) Other financial Liabilities	17	402.52	398.28
b) Provisions	18	2,875.33	20,951.71
c) Contract Liabilities	22	-	1,023.58
d) Deferred tax Liabilities (net)	37	3,150.61	299.67
Total non-current Liabilities		**29,127.77**	**108,265.33**
Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	15b	346.14	20,224.40
(ii) Lease Liabilities	16b	7,781.66	12,122.27
(iii) Trade payables	19	46,643.25	38,364.80
(iv) Other financial Liabilities	20	20,656.29	24,442.95
b) Provisions	21	24,796.09	8,127.95
c) Contract Liabilities	23	1,170.63	2,386.60
d) Current Tax Liabilities (Net)	7b	49,601.53	2,509.16
e) Other current Liabilities	24	10,689.35	9,559.05
Total current Liabilities		**161,684.94**	**117,737.18**
Total Liabilities		**190,812.71**	**226,002.51**
Total equity and Liabilities		**971,654.67**	**434,489.84**

The accompanying notes form as integral part of these consolidated financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Place : Mumbai
Date : August 12, 2022

Date : August 12, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts in Rupees Lakhs, except per share data)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Continuing Operations			
I	Revenue from operations	25	326,369.45	260,175.69
II	Other income	26	14,976.72	7,118.25
III	**Total Income(I+II)**		**341,346.17**	**267,293.94**
IV	**Expenses**			
	a) Employee benefits expenses	27	252,319.06	210,493.98
	b) Finance costs	28	2,761.22	3,510.58
	c) Depreciation and amortization expenses	29	12,089.19	11,731.17
	d) Other expenses	30	62,712.84	41,922.05
	Total expenses		**329,882.31**	**267,657.78**
V	**Profit before exceptional items and tax**		**11,463.86**	**(363.84)**
VI	Exceptional items	50	7,729.61	10,921.35
VII	Profit before tax		3,734.25	(11,285.19)
VIII	**Tax expense**			
	a) Current tax	36	2,240.55	(1,589.17)
	b) Deferred tax	36	1,534.64	(4,418.50)
	c) Tax relating to prior years	36	(347.26)	580.77
	Total tax expense		**3,427.93**	**(5,426.90)**
IX	**Profit for the period from continuing operations (VII-VIII)**		**306.32**	**(5,858.29)**
	Discontinued Operations			
	(a) Profit before tax from discontinued operations	46(ii)	711,759.12	55,681.50
	(b) Tax expense of discontinued operations	46(ii)	101,710.23	16,218.08
X	**Profit after tax from discontinued operations [(a)-(b)]**		**610,048.89**	**39,463.42**
XI	**Profit for the period**		**610,355.21**	**33,605.13**
XII	**Other comprehensive income**			
	A. Items that will not be reclassified to statement of profit and loss			
	a) Remeasurements of defined benefit plans		293.73	(1,069.36)
	b) Income tax on above item	37	79.06	(346.62)
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)		**372.79**	**(1,415.98)**
	B. Items that will be reclassified to profit or loss			
	a) Effective Portion of designated portion of hedging instruments in a cash flow hedge		(2,642.43)	9,198.45
	b) Income tax on above item		590.95	(3,035.06)
	c) Net change in fair value of hedges of net investment in foreign operations		-	330.21
	d) Exchange differences in translating the financial statements of foreign operation		9,103.83	(553.18)
	e) Income tax on above items		(143.57)	867.16
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods (B)		**6,908.78**	**6,807.58**
XIII	**Other comprehensive income for the year, net of tax [A + B]**		**7,281.57**	**5,391.60**
XIV	**Total comprehensive income for the year**		**617,636.78**	**38,996.73**
XV	**Profit for the year attributable to:**			
	a) Equity holders of the company		610,355.21	33,605.13
	b) Non-controlling interests		-	-
			610,355.21	**33,605.13**
XVI	**Other comprehensive income for the year attributable to:**			
	a) Equity holders of the company		7,281.57	5,391.60
	b) Non-controlling interests		-	-
			7,281.57	**5,391.60**
XVII	**Total Other comprehensive income attributable to:**			
	a) Equity holders of the company		617,636.78	38,996.73
	b) Non-controlling interests		-	-
			617,636.78	**38,996.73**
XVIII	**Earning per equity share (both continuing and discontinued operations) [equity share par value share ₹10/- each]**			
	Basic	33	1,460.74	80.46
	Diluted	33	1,459.21	80.37
	Earning per equity share (continuing operations) [equity share par value share ₹10/- each]			
	Basic		0.73	(14.02)
	Diluted		0.73	(14.02)
	Earning per equity share (discontinued operations) [equity share par value share ₹10/- each]			
	Basic		1,460.01	94.48
	Diluted		1,459.48	94.39

The accompanying notes form as integral part of these consolidated financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

A. Equity Share Capital

	Notes	Amount
Balance as at April 1, 2020		**2,086.59**
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the April 1, 2020		**2,086.59**
Changes in equity share capital during the year (Refer note 15(i))	15	1.14
Balance as at March 31, 2021		**2,087.73**
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the April 1, 2021		2,087.73
Changes in equity share capital during the year (Refer note 15(i))	15	2,091.78
Balance as at March 31, 2022		**4,179.51**

B. Other Equity

	Reserves and Surplus					Other comprehensive income			Total attributable to equity holders of the company	Non-controlling interest	Total
	Capital reserve	Securities Premium reserve	General reserve	Retained Earnings	Employee stock options outstanding	Foreign currency translation reserve	Cash Flow Hedging Reserve Account	Remeasurements of defined benefit plans			
As at March 31, 2020	**24,273.83**	**1,255.81**	**53,897.61**	**90,263.31**	**56.47**	**9,131.06**	**(4,321.64)**	**(4,695.19)**	**169,861.26**	**1,235.78**	**171,097.04**
Profit for the year	-	-	-	33,605.13	-	-	-	-	33,605.13	-	33,605.13
Other Comprehensive Income	-	-	-	-	-	644.19	6,163.42	(1,415.98)	5,391.63	-	5,391.63
Total	**24,273.83**	**1,255.81**	**53,897.61**	**123,868.44**	**56.47**	**9,775.25**	**1,841.78**	**(6,111.17)**	**208,858.02**	**1,235.78**	**210,093.80**
Transaction with owners in their capacity as Equity holders of the company:											
Adjustment during the year (Refer note 43)	-	-	-	1,106.96	-	-	-	-	1,106.96	(1,235.78)	(128.82)
Employee stock options	-	53.73	-	-	9.48	128.82	-	-	192.03	-	192.03
Dividends(including dividend tax thereon)	-	-	-	(3,757.41)	-	-	-	-	(3,757.41)	-	(3,757.41)
As at March 31, 2021	**24,273.83**	**1,309.54**	**53,897.61**	**121,217.99**	**65.95**	**9,904.07**	**1,841.78**	**(6,111.17)**	**206,399.60**	**-**	**206,399.60**
Profit for the year				610,355.21					610,355.21	-	610,355.21
Other Comprehensive Income				-	-	8,960.26	(2,051.48)	372.79	7,281.57	-	7,281.57
Total	**24,273.83**	**1,309.54**	**53,897.61**	**731,573.20**	**65.95**	**18,864.33**	**(209.70)**	**(5,738.38)**	**824,036.38**	**-**	**824,036.38**
Transaction with owners in their capacity as Equity holders of the company:											
Adjustment during the year	6.65	-	-	-	-	-	-	-	6.65	-	6.65
Bonus issue	-	-	-	(2,089.76)	-	0.23	-	-	(2,089.53)	-	(2,089.53)
Employee stock options	-	116.79	-	-	(64.95)	-	-	-	51.84	-	51.84
Dividends(including dividend tax thereon)	-	-	-	(45,342.89)	-	-	-	-	(45,342.89)	-	(45,342.89)
As at March 31, 2022	**24,280.48**	**1,426.33**	**53,897.61**	**684,140.55**	**1.00**	**18,864.56**	**(209.70)**	**(5,738.38)**	**776,662.45**	**-**	**776,662.45**

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges

	As at	
	March 31, 2022	March 31, 2021
Balance as at the beginning of the year	2,456.25	(6,742.20)
Changes in fair value of effective portion of derivatives	3,377.92	12,394.26
Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions	(5,976.44)	(3,195.81)
Balance as at the end of the year	**(142.27)**	**2,456.25**
Deferred tax thereon	(67.43)	(614.47)
Balance as at the end of the year, net of deferred tax	**(209.70)**	**1,841.78**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

Nature and purpose of reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

General Reserve

General Reserve is used form time to time to transfer profits from retained earnings for appropriation purposes. As general reserve is created by transfer from one component of equity to another and not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Cash flow hedging reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 42. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges.

To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects statement of profit and loss.

Employee Stock Options Outstanding

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under Hinduja Global Solutions Employee stock option plan. The amounts recorded in this reserve are transferred to Securities premium upon exercise of stock options.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Company’s foreign operations from their functional currencies to the Company’s presentation currency i.e. Indian rupee (INR) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow from Operating Activities		
Profit before tax for the Year		
- Continuing operations	3,734.25	(11,285.19)
- Discontinuing Operations	711,759.12	55,681.50
Profit before tax	**7,15,493.37**	**44,396.31**
Depreciation and amortization expenses	28,206.20	30,751.31
Employee share-based compensation (income)/expense	(64.95)	9.48
(Gain)/Loss on disposal of property, plant and equipment/Write-off	941.99	1,023.82
Provision for doubtful debts	137.66	366.66
Bad Debts/ Advances Written off	93.95	60.12
Income on termination of leases	(421.53)	(865.34)
Unwinding of discount on security deposits	(2,275.98)	(564.64)
Provision for doubtful debts written back	(28.50)	(265.19)
Profit from sale of business reclassified as investing activities	(655,431.38)	-
Interest income	(9,755.00)	(3,474.24)
Finance costs	6,605.12	8,829.64
Net exchange differences	(1,373.63)	2,144.18
Non cash exceptional items	7,729.61	1,522.72
Change in operating assets and Liabilities:		
(Increase)/ Decrease in trade receivables	(11,355.22)	(25,868.76)
(Increase)/ Decrease in other financial assets	5,934.27	(251.61)
(Increase)/ Decrease in other non-current assets	555.12	46.56
(Increase)/ Decrease in other current assets	(6,682.69)	(4,154.33)
Increase/ (Decrease) in trade payables	12,368.61	10,358.11
Increase/ (Decrease) in other financial Liabilities	(2,643.00)	4,028.13
Increase/ (Decrease) in provisions	(1,114.51)	8,926.18
Increase/ (Decrease) in other Liabilities	26,200.97	5,336.20
Net cash generated from operating activities	**1,13,120.51**	**82,355.31**
Income taxes paid (net)	**(63,772.87)**	**(13,194.65)**
Net cash generated from operating activities	**49,347.64**	**69,160.66**
Cash flows from investing activities		
Payments for property, plant and equipment	(23,716.39)	(15,805.97)
Proceeds from sale of property, plant and equipment	4,603.69	545.04
Payments for purchase of investments	(246,474.88)	-
Cash proceeds from sale of healthcare business(net of expenses)	744,156.89	550.01
Payments for acquisition of Diversify Entity	(21,180.21)	
Bank Deposits	(146,688.85)	(212.97)
Loans repaid	170,500.00	116,597.24
Loans Given	(2,80,148.23)	(126,091.03)
Interest received	9,703.26	3,494.74
Net cash used in investing activities	**2,10,755.28**	**(20,922.94)**
Cash flows from financing activities		
Proceeds from issues of shares	118.81	54.87
Payment for acquisition of Non-controlling interest	(1,840.81)	(3,380.13)
Proceeds from borrowings	-	58,413.75

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Repayment of borrowings	(38,756.17)	(78,449.62)
Repayment of Lease liability	(11,695.66)	(11,585.56)
Interest paid	(6,668.78)	(8,877.46)
Dividends paid (including dividend tax)	(44,472.92)	(3,749.99)
Net cash used in financing activities	**(1,03,315.53)**	**(47,574.14)**
Net increase/ (decrease) in cash and cash equivalents	**1,56,787.39**	**663.58**
Cash and cash equivalents at the beginning of the financial year	53,003.81	53,082.42
Transfer of Opening Balances of Diversify on account of acquisition of business	443.57	-
Transfer of cash due to Healthcare Business transfer	(6,469.67)	-
Effects of exchange rate changes on cash and cash equivalents	1,043.58	(742.19)
Cash and cash equivalents at end of the year	**204,808.68**	**53,003.81**
Balances per statement of cash flows	**204,808.68**	**53,003.81**

Reconciliation of borrowings as disclosed in financing activities and Note 16 to the financial statements:

Particulars	As at April 1, 2021	Cash Changes		Non Cash Changes				As at March 31, 2022
		Repayment	Proceeds	IND AS 116 Amendment	Net additions/ Deletion to Lease Liabilities	Exchange difference/ FCTR	Others*	
Term loans	**18,019.75**	(17,527.30)	-	-	-	(492.45)	-	-
External commercial borrowings	**11,016.98**	(11,188.95)	-	-	-	171.97	-	-
Bank Overdrafts	**10,089.72**	(9,743.58)	-	-	-	-	-	**346.14**
Lease Liabilities	**78,580.31**	(11,695.66)	-	-	(35,951.12)	(452.56)	-	**30,480.97**
Others	**296.34**	(296.34)	-	-	-	-	-	-

Particulars	As at April 1, 2020	Cash Changes		Non Cash Changes				As at March 31, 2021
		Repayment	Proceeds	IND AS 116 Adoption	Net additions to Lease Liabilities	Exchange difference/ FCTR	Others*	
Term loans	**25,159.25**	(6,650.45)	-	-	-	(511.32)	22.27	**18,019.75**
External commercial borrowings	**15,132.92**	(3,778.62)	-	-	-	(379.39)	42.07	**11,016.98**
Bank Overdrafts	**19,697.94**	(67,740.83)	58,413.75	-	-	(281.14)	-	**10,089.72**
Lease Liabilities	**84,407.28**	(11,585.56)	-	(278.99)	5,508.94	528.64	-	**78,580.31**
Others	**544.44**	(279.71)	-	-	-	31.61	-	**296.34**

* Other column includes the accrued but not paid interest on borrowings.

The accompanying notes form as integral part of these consolidated financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

1 Background

Hinduja Global Solutions Limited ("HGS") is a public limited Company, domiciled in India and it's incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management. HGS with its subsidiaries offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Europe, Asia and Middle East. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The address of its registered office is 171, Hinduja House, Dr. Annie Besant Road, Worli, Mumbai 400018.

These Consolidated financial statements were authorized to be approved by the Board of Directors on August 12, 2022.

a Basis of preparation of financial statements

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

(i) Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under sec. 133 of Companies Act 2013 as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these consolidated financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2022.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

All amounts included in the financial statements are reported in lakhs of Indian rupees (in lakhs) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

(ii) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and Liabilities (including derivative instruments) that is measured at fair value;

b. b) The defined benefit liability / (Asset) is recognised as the present value of present value of defined benefit obligation less fair value of plan assets; and

c. Share-based payments

b Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, Liabilities, income and expenses. Accounting estimates are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. An accounting policy may require items in consolidated financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the consolidated financial statements are included in the following areas.

(All amounts are in Rupees Lakhs)

i) **Revenue recognition**

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the Company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Group estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

ii) **Estimation of Provisions & Contingent Liabilities.**

The group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The group uses significant judgement to disclose contingent Liabilities. Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 31)

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

iii) **Estimation of Defined Benefit Obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 38 for the details of the assumptions used in estimating the defined benefit obligation.

iv) **Useful lives of property, plant and equipment**

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

v) **Useful lives of intangible assets**

The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

vi) **Income taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

vii) **Deferred taxes**

Deferred tax is recorded on temporary differences between the tax bases of assets and Liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax Liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

viii) Impairment testing

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the group calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 35 for the details of assumptions used in estimation of impairment of goodwill.

ix) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

x) Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and Liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

xi) Leases

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

i) Identifying whether a contract (or part of a contract) includes a lease;

ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;

iii) Classification of lease agreements (when the entity is a lessor);

iv) Determination of whether variable payments are in-substance fixed;

v) Establishing whether there are multiple leases in an arrangement;

vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

i) Estimation of the lease term;

ii) Determination of the appropriate rate to discount the lease payments;

iii) Assessment of whether a right-of-use asset is impaired.

xii) Other estimates

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

Estimation uncertainty relating to COVID-19 outbreak:

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. There were no changes to our internal control over Consolidated financial statements that have materially affected or are reasonably likely to materially affect our internal control over financial reporting during the period covered in this Consolidated financial statements.

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Group has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. The Group has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

c Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. All intra group balances, transactions, income and expenses are eliminated in full on consolidation

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, Liabilities, equity, income and expenses. InterCompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the group ceases to consolidate an investment because of a loss of control, any retained interest in the entity is premeasured to its fair value with the change in carrying amount recognized in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or Liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to statement of profit and loss.

d Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (`the functional currency').

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The consolidated financial statements are presented in Indian rupee (INR), which is Hinduja Global Solutions Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and Liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of. which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a. assets and Liabilities are translated at the closing rate at the date of balance sheet.

b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c. All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR) a component of equity except to the extent that translation difference is allocated to non controlling interest.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and Liabilities of the foreign operation and translated at the closing rate.

e Revenue from contracts with customers

The Group earns revenue primarily from business process management services.

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

Nature of the services :

The Group derives its revenue from business process management (BPM) which includes services like back office processing, contact center and HRO solutions. The Group provides BPM services, which typically involve claim processing and call center services for healthcare industry, call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Group combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A. Time and Material contracts

Revenue from time and material transactions and outcome based contracts are recognised as the services are the performed.

B. Fixed price contracts

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

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

C. Contract Asset and Liabilities

The Group classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Group presents such receivables as part of Trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

D. Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date which are, contracts invoiced on time and material basis and volume based.

E. Others

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Group may enter into arrangements with third party suppliers to resell products or services. In such cases, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the services before it is transferred to the customer. If Group controls the services before it is transferred to the customer, Group is the principal; if not, the Group is the agent.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

F. Reconciliation of revenue recognised

The Group recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue recognised with the transaction price have not been provided as the same is not material to the Group.

f Income tax

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

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

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

g Deferred taxes

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

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax Liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

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

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

The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12.

h Leases

As a lessee

The Group enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within 'other expenses' in statement of profit and loss.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

i) fixed lease payments (including in-substance fixed payments), less any lease incentives;

ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii) the amount expected to be payable by the lessee under residual value guarantees;

iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19 by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a leasease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change

applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as or less than the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021(a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures.

The Group has benefited from a 12 month waiver of lease payments on buildings in India. The waiver of lease payments of ₹ 232.89 lakhs has been accounted for as a negative variable lease payment in profit or loss.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. The Group did not make any such adjustments during the periods presented.

Right-of-Use Assets:

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheet.

The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

The Group incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. the Group has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

The Company as a lessor

Leases under which the Company is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

i Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and Liabilities and contingent Liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest’s proportionate share of the acquired entity’s net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently premeasured to fair value with changes in fair value recognized in statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is premeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in statement of profit and loss or other comprehensive income, as appropriate.

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and Liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

j Impairment

i) Impairment of non financial assets

The group assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the group estimates the recoverable amount of the asset or group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than it's carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

ii) Impairment of financial assets

The group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments classified as FVTOCI, lease receivables, trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate. Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

iii) Impairment of Investment in subsidiaries:

The Group assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal (“FVLCD”) and its value-in-use (“VIU”). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

k Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current Liabilities in the balance sheet.

l Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

m Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following measurement categories:

a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and

b. those measured at amortized cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group’s business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Currently there are no debt instruments measured at Fair value.

(iii) Derecognition of financial assets

A financial asset is derecognized only when

a. The Company has transferred the rights to receive cash flows from the financial asset or

b. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Investments in equity instruments:

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Company's right to receive dividends is established.

v) Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss

vi) Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, finance lease receivables, employee and other advances and other eligible current and non-current assets.

vii) Income recognition

a. Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

b. Dividends

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

n Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other gains/(losses).

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

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

(ii) Hedges of net investment in foreign operations

The Company designates derivative financial instruments as hedges of net investments in foreign operations. The Company has also designated a foreign currency denominated borrowing as a hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as a hedge of net investment in foreign operations are recognised in other comprehensive income and presented within equity in the FCTR to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities.

iii) Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

o Offsetting financial instruments

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

p Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Particulars	Useful life
Leasehold Land, Leasehold building and Leasehold improvement	Over the period of Lease
Building	Upto 60 years
Office Equipment	Upto 7 years
Computers	Upto 6 years
Furniture and Fixtures	Upto 10 years
Vehicles	8 years

Assets costing less than ₹ 5000 each are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

q Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognized as an expense as incurred. Cost associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow .

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ii) Commercial Rights

These rights were acquired as part of erstwhile business combination.

(iii) Amortization methods and periods

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

Particulars	Useful life
Computer Software	3 to 6 years
Customer Relationship	5 - 8 years
Customer Contracts	2 years
Acquired Technology	4 years
Internally developed Software	3 year

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

r Goodwill

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

s Disposal of assets

The gain or loss arising on disposal or retirement of assets are recognised in the statement of profit and loss.

t Trade and other payables

These amounts represent Liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current Liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

u Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated.

The amendment to Ind AS 7, require entities to provide disclosures about changes in their Liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

v Borrowings

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or Liabilities assumed, is recognized in statement of profit and loss as other gains/(losses).

w Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

x Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

   The obligations are presented as current Liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

b. The Group has introduced a deferred performance incentive plan during the year which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The benefits are discounted using the market yields at the end of the reporting period.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension

(b) defined contribution plans such as provident fund.

Defined benefit obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the third-party fund managers.

The Group also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

Defined contribution plans

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

Employee options

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

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

y Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

z Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

za Earnings per share

(i) Basic earning per share

Basic earnings per share is calculated by dividing:

a. the profit attributable to owners of the Company

b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earning per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

zb Business combination and Goodwill

a) Business combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, Liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and Liabilities and contingent Liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as Liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

b) Goodwill

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and Liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

zc Non Controlling Interests

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less Liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or Liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind AS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

zd Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

ze Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Company has been identified as CODM consists of key managerial personnel of the Company. Refer note 44 for segment information.

zf Non-current assets (or disposal groups) held for sale and discontinued operations

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the Liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the asset of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The Liabilities of disposal group classified as held for sale are presented separately from other Liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

zg Subsequent events

The Group evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Group did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the consolidated financial statements, except as disclosed.

zh Rounding off amounts

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

zi New Accounting standards adopted by the Group during year

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Lease Liabilities should be separately disclosed under the head 'financial Liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

zj New Accounting standards not yet adopted by the Company

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

New Amendments not yet adopted by the Company

Amendments to Ind AS 16, Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and Liabilities assumed must meet the definitions of assets and Liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 is not expected to have any material impact on the Consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

2 Property, Plant and Equipment

	Land	Building	Furniture and Fixtures	Vehicle	Office Equipment	Computers	Leasehold Improvements	Total	Capital work-in-progress
Year ended March 31, 2021									
Gross carrying amount	**2,446.56**	**14,578.73**	**8,944.70**	**374.75**	**7,778.81**	**32,240.33**	**23,062.56**	**89,426.44**	**482.87**
Additions	-	14.58	564.02	49.33	108.38	11,650.88	1,255.20	13,642.39	345.84
Effect of foreign currency differences	(50.68)	(159.39)	(96.74)	6.73	(108.05)	480.95	(377.77)	(304.95)	(3.85)
Disposals	-	-	(1,682.92)	(52.14)	(215.56)	(10,141.04)	(2,853.37)	(14,945.03)	(503.87)
Assets reclassified as held for sale **	(964.07)	(4,945.02)	-	-	-	-	-	(5,909.09)	
Gross carrying amount	**1,431.81**	**9,488.90**	**7,729.06**	**378.67**	**7,563.58**	**34,231.12**	**21,086.62**	**81,909.76**	**320.99**
Accumulated depreciation	**-**	**2,041.68**	**3,700.22**	**265.81**	**3,488.69**	**16,425.81**	**10,294.28**	**36,216.49**	**-**
Depreciation	-	391.64	1,320.72	63.88	884.02	7,732.32	2,159.10	12,551.68	-
Effect of foreign currency differences	-	10.82	7.64	5.16	(35.01)	209.43	88.01	286.05	-
Disposals	-	-	(937.38)	(46.45)	(254.99)	(9,620.26)	(2,665.56)	(13,524.64)	-
Assets reclassified as held for sale **	-	(706.36)	-	-	-	-	-	(706.36)	
Accumulated depreciation	**-**	**1,737.78**	**4,091.20**	**288.40**	**4,082.71**	**14,747.30**	**9,875.83**	**34,823.22**	**-**
Net carrying amount as at March 31, 2021	**1,431.81**	**7,751.12**	**3,637.86**	**90.27**	**3,480.87**	**19,483.82**	**11,210.79**	**47,086.54**	**320.99**
Year ended March 31, 2022									
Gross carrying amount	**1,431.81**	**9,488.90**	**7,729.06**	**378.67**	**7,563.58**	**34,231.12**	**21,086.62**	**81,909.76**	**320.99**
Additions	-	1.09	1,329.53	-	448.27	16,869.36	3,699.39	22,347.63	294.29
Transfer pursuant to sale of healthcare business*	-	-	(3,406.47)	(83.80)	(1,086.14)	(35,885.35)	(13,097.94)	(53,559.70)	
Additions pursuant to acquisition of Diversify	-	-	1.48	-	3.14	92.78	238.50	335.90	-
Effect of foreign currency differences	46.48	291.69	140.81	(7.04)	(27.52)	(27.07)	(138.48)	278.88	-
Disposals	-	-	(1,482.85)	(49.12)	(171.71)	(6,035.35)	(2,484.20)	(10,223.23)	(320.99)
Gross carrying amount	**1,478.29**	**9,781.68**	**4,311.56**	**238.71**	**6,729.62**	**9,245.49**	**9,303.89**	**41,089.24**	**294.29**
Accumulated depreciation	**-**	**1,737.78**	**4,091.20**	**288.40**	**4,082.71**	**14,747.30**	**9,875.83**	**34,823.22**	**-**
Depreciation	-	297.24	1,096.45	0.06	316.76	7,457.36	2,226.36	11,394.23	-
Transfer pursuant to sale of healthcare business*	-	-	(2,095.30)	(46.86)	(364.71)	(16,317.75)	(6,334.64)	(25,159.27)	
Effect of foreign currency differences	-	131.39	149.46	(6.24)	(7.50)	38.35	(154.25)	151.21	-
Disposals	-	-	(810.64)	(49.12)	(169.11)	(4,538.91)	(1,347.08)	(6,914.86)	-
Accumulated depreciation	**-**	**2,166.41**	**2,431.17**	**186.24**	**3,858.15**	**1,386.35**	**4,266.22**	**14,294.54**	**-**
Net carrying amount as at March 31, 2022	**1,478.29**	**7,615.27**	**1,880.39**	**52.47**	**2,871.47**	**7,859.14**	**5,037.67**	**26,794.70**	**294.29**

* Refer note 46(ii) for details on disposal of Healthcare Services business.(HS Business) and Refer note 46(iii) for details on Acquisition of Diversify business

** Refer note 46 (i) for details.

*** Refer the note 34 for Assets pledged as security.

Depreciation	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations (Refer note 29)	6,015.52	5,831.72
Discontinued Operations (Refer note 46-ii)	5,378.71	6,719.96
Total	**11,394.23**	**12,551.68**

CWIP aging schedule- Property, Plant and Equipment As at March 31, 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	294.29		-	-	294.29
(ii) Projects temporarily suspended	-		-	-	-

CWIP aging schedule- Property, Plant and Equipment As at March 31, 2021

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	320.99		-	-	320.99
(ii) Projects temporarily suspended	-	-	-	-	-

(All amounts are in Rupees Lakhs)

3. Right of use assets

	Category of Right of use assets				Total
	Building	Computers	Furniture & Fixtures	Office equipments	
Year ended March 31, 2021					
Total carrying amount as at April 1, 2020	**84,363.39**	**263.51**	**646.84**	**1,731.12**	**87,004.86**
Additions	10,929.38	-	-	53.79	10,983.17
Disposals	(12,858.45)	-	-	-	(12,858.45)
Effect of Foreign currency differences	370.04	19.90	40.00	0.22	430.16
Gross carrying amount	**82,804.36**	**283.41**	**686.84**	**1,785.13**	**85,559.74**
Accumulated depreciation	**8,079.06**	**51.24**	**386.01**	**508.75**	**9,025.06**
Depreciation	14,166.35	119.77	119.80	345.87	14,751.79
Disposals	(8,103.17)	-	-	-	(8,103.17)
Lease modification	-	-	-	-	-
Effect of Foreign currency differences	(34.55)	6.89	31.31	0.01	3.66
Accumulated depreciation	**14,107.69**	**177.90**	**537.12**	**854.63**	**15,677.34**
Net carrying amount as at March 31, 2021	**68,696.67**	**105.51**	**149.72**	**930.50**	**69,882.40**
Year ended March 31, 2022					
Carrying amount as at April 1, 2021	**82,804.36**	**283.41**	**686.84**	**1,785.13**	**85,559.74**
Additions*	18,287.46	210.49	-	-	18,497.95
Disposals*	(52,793.82)	-	(203.55)	(677.34)	(53,674.71)
Effect of Foreign currency differences	(121.99)	(5.95)	21.64	(1.25)	(107.55)
Gross carrying amount	**48,176.01**	**487.95**	**504.93**	**1,106.54**	**50,275.43**
Accumulated depreciation	**14,107.69**	**177.90**	**537.12**	**854.63**	**15,677.34**
Depreciation	13,645.33	121.58	108.88	269.06	14,144.85
Disposals*	(6,651.78)	-	(168.96)	(20.69)	(6,841.43)
Effect of Foreign currency differences	(29.13)	(4.81)	20.00	(0.12)	(14.06)
Accumulated depreciation	**21,072.11**	**294.67**	**497.04**	**1,102.88**	**22,966.70**
Net carrying amount as at March 31, 2022	**27,103.90**	**193.28**	**7.89**	**3.66**	**27,308.73**

* Refer note 46(ii) for details on disposal of Healthcare Services business.(HS Business) and Refer note 46(iii) for details on Acquisition of Diversify business.

Depreciation	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations (Refer note 29)	5,075.15	4,600.66
Discontinued Operations (Refer note 46-ii)	9,069.70	10,151.13
Total	**14,144.85**	**14,751.79**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

4a Intangible Assets

Particulars	Computer Software	Non Compete fees	Customer Relationship	Customer Contracts	Acquired Technology	Total
Year ended March 31, 2021						
Gross carrying amount	24,054.46	159.16	2,640.80	503.01	957.30	28,314.73
Additions	2,357.36	-	-	-	-	2,357.36
Effect of foreign currency differences	(190.76)	(4.06)	(60.76)	(14.69)	(27.97)	(298.24)
Disposals	(5,405.41)	-	-	-	-	(5,405.41)
Gross carrying Amount	**20,815.65**	**155.10**	**2,580.04**	**488.32**	**929.33**	**24,968.44**
Accumulated amortisation	**18,090.46**	**112.80**	**1,080.58**	**380.55**	**477.97**	**20,142.36**
Amortisation	2,790.60	45.61	255.77	120.46	235.40	**2,415.71**
Effect of foreign currency differences	(177.33)	(3.31)	(18.52)	(12.69)	(17.03)	(228.88)
Disposals	(5,256.94)	-	-	-	-	(5,256.94)
Accumulated amortisation	**15,446.79**	**155.10**	**1,317.83**	**488.32**	**696.34**	**18,104.38**
Net carrying amount as at March 31, 2021	**5,368.86**	**-**	**1,262.21**	**-**	**232.99**	**6,864.06**
Year ended March 31, 2022						
Gross carrying amount	**20,815.65**	**155.10**	**2,580.04**	**488.32**	**929.33**	**24,968.44**
Additions	2,415.71	-	-	-	-	2,415.71
Transfer pursuant to sale of healthcare business*	(14,708.63)	-	-	(73.68)	(943.80)	(15,726.11)
Additions pursuant to acquisition of Diversify	276.27	-	11,111.12	-	-	11,387.39
Effect of foreign currency differences	9.42	5.05	75.47	16.67	14.47	121.08
Disposals	(3,120.11)	-	-	-	-	(3,120.11)
Gross carrying Amount	**5,688.31**	**160.15**	**13,766.63**	**431.31**	**-**	**20,046.40**
Accumulated amortisation	15,446.79	155.10	1,317.83	488.32	696.34	18,104.38
Amortisation	2,268.28	-	256.74	-	181.26	2,706.28
Transfer pursuant to sale of healthcare business*	(10,981.46)	-	-	(73.68)	(888.21)	(11,943.35)
Effect of foreign currency differences	43.62	5.05	33.45	16.67	10.61	109.40
Disposals	(2,845.55)	-	-	-	-	(2,845.55)
Accumulated amortisation	**3,931.68**	**160.15**	**1,608.02**	**431.31**	**-**	**6,131.16**
Net carrying amount as at March 31, 2022	**1,756.63**	**-**	**12,158.61**	**-**	**-**	**13,915.24**

* Refer note 46(ii) for details on disposal of Healthcare Services business.(HS Business) and Refer note 46(iii) for details on Acquisition of Diversify business

** Refer the note 34 for Assets pledged as security.

(All amounts are in Rupees Lakhs)

Amortisation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations (Refer note 29)	998.53	1,298.79
Discontinued Operations (Refer note 46-ii)	1,707.75	2,149.05
Exceptional item	-	-
Total	**2,706.28**	**3,447.84**

As at March 31, 2022 the estimated remaining amortisation period for Intangible assets are as follows:

Intangible Assets	Estimated remaining Amortisation period
Customer Relationship	4 to 8 year
Internally developed Software	3 year

4b Goodwill

Particulars	Good Will
Year ended March 31, 2021	
Gross carrying amount	33,918.31
Acquisition through business combination	-
Impairment	-
Effect of foreign currency differences	53.73
Net carrying amount as at March 31, 2021	**33,972.04**
Year ended March 31, 2022	-
Gross carrying amount	33,972.04
Acquisition through business combination*	14,677.71
Deletion due to disposal of Healthcare Services business. (HS Business)**	(17,748.51)
Impairment	-
Effect of foreign currency differences	660.87
Net carrying amount as at March 31, 2022	**31,562.11**

* Refer note 46(iii) for details on Acquisition of Diversify business

** Refer note 46(ii) for details on disposal of Healthcare Services business.(HS Business)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

5 Investments

Particulars		As at March 31, 2022	As at March 31, 2021
5a	<u>**Non-Current Investments (At Amortised cost)**</u>		
(i)	**Others (Unquoted and Non-Trade):**		
	Non-convertible debentures(NCDs)(Coupon rate @2.5% p.a.)	246,676.62	-
	Aggregate Value of Unquoted Non-Current Investments	**246,676.62**	-
5b	<u>**Current Investment (At Amortised cost)**</u>		
	Others (Unquoted and Non-Trade):		
	Treasury Bills (At Philippines branch)	280.37	482.11
	[Deposited with Securities and Exchange Commission in Philippines]		
	Aggregate Value of quoted Investments and market value thereof	**280.37**	**482.11**
	Total investments	**246,956.99**	**482.11**
	Aggregate Value of quoted Investments and market value thereof	-	-
	Aggregate Value of Unquoted Investments	**246,956.99**	**482.11**

Terms of Non-convertible debentures (NCD)

Name of Scrip	Coupon Rate	Terms of redemption*	Nature	Amount o/s as at March 31, 2022 (USD in Lakhs)	Amount o/s as at March 31, 2022 (INR in Lakhs)
Investment in NCD in IndusInd Finance Limited***	2.50%	24 months from 6 January, 2022 - with the option to renew with mutual agreement.	Un-Secured	1,650.00	125,235.83
Investment in NCD in Hinduja Capital Ltd***	2.50%	24 months from 12 January, 2022 - with the option to renew with mutual agreement.	Un-Secured	1,000.00	75,900.50
Investment in NCD in Lalun Holding Ltd	2.50%	24 months from 25th Feb, 2022 - with the option to renew with mutual agreement.	Un-secured**	600.00	45,540.30
Total				**3,250.00**	**246,676.63**

* The Company has a right to demand partial redemption of the NCDs upto 25% of the Issue Size with 45 business days' notice and an additional 25% of the Issue Size post the first redemption with 90 business days' notice.

** Security against the Global Depository Receipts of IndusInd Bank Limited up to a value of US$ 630.00 lakhs (Rs. 47,817.31 lakhs) is in the process of being created.

*** Based on an external legal opinion obtained, the group has concluded that Hinduja Capital Limited and IndusInd Finance limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

(All amounts are in Rupees Lakhs)

Terms of Non-convertible debentures (NCD)

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31,2022 (PHP. in Lakhs)	Face Value in' INR as on March 31,2022 (₹ in Lakhs)
1	Union Bank	PIBL1221E191	May 11, 2022	7.60%	189.82	280.37
Total					**189.82**	**280.37**

These investments carry a fixed rate of interest and it is maturing through May 11, 2022.

6. Other financial asset

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	3,667.86	4,464.31
Deposits with bank for Margin Money*	110.44	92.78
Deposits with maturity exceeding 12 months**	-	1,126.61
Miscellaneous	41.5	-
Derivatives - Foreign Exchange Forward Contracts (Refer Note 42)	-	1,448.21
Total	**3,819.80**	**7,131.91**

* Under lien with bank towards guarantees issued by them on behalf of the company.

** Amount held by a bank as an interest reserve against amount owed under loan agreement

7a Income Tax Assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax and tax deducted at source	71,863.47	57,762.29
Less: Provision for Income tax	55,960.81	48,977.78
Total	**15,902.66**	**8,784.51**

7b Current tax Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income tax	91,124.01	12,712.93
Less: Advance Tax and Tax deducted at source	41,522.48	10,203.77
Total	**49,601.53**	**2,509.16**

8 Other non current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Advances	7.86	11.74
Receivable from related party (Refer Note 31)	1,868.99	1,868.99
Balances with Government Authorities	150.27	141.85
Prepaid Expenses	42.87	608.17
Others	36.95	35.19
Total	**2,106.94**	**2,665.94**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

9 Trade receivables & Unbilled Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured Trade Receivables	45,813.37	81,318.33
Unsecured Unbilled Receivables	15,819.75	41,735.69
Considered doubtful	266.84	213.64
Less: Allowance for bad and doubtful debts	(266.84)	(213.64)
Total	**61,633.12**	**123,054.02**
Current portion	61,633.12	123,054.02
Non-current portion	-	-

Trade Receivables ageing schedule As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	38,104.04	7,012.69	666.37	-	30.27	-	**45,813.37**
(ii) Undisputed Trade Receivables – considered Credit impaired	-	72.11	-	96.27	32.70	65.77	**266.85**
Less: Allowance for bad and doubtful debts	-	(72.11)	-	(96.27)	(32.70)	(65.77)	**(266.85)**
Unbilled Receivable							
Undisputed Unbilled Receivable – considered good	15,819.75		-	-	-	-	**5,819.75**

Trade Receivables ageing schedule As at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	61,263.74	19,529.10	454.57	59.63	-	11.28	**81,318.33**
(ii) Undisputed Trade Receivables – considered Credit impaired	-	-	10.79	144.94	15.25	42.66	**213.64**
Less: Allowance for bad and doubtful debts	-	-	(10.79)	(144.94)	(15.25)	(42.66)	**(213.64)**
Unbilled Receivable							
Undisputed Unbilled Receivable – considered good	41,735.69	-	-	-	-	-	**41,735.69**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

10a Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
in current accounts	48,865.69	31,376.06
in EEFC accounts	153.26	7,333.70
in deposit accounts	140,202.72	10,367.64
in cash credit accounts	15,472.70	3,317.37
Cheques on hand	92.84	588.39
Cash on hand	21.47	20.65
Total	**204,808.68**	**53,003.81**

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

10b Bank balances other than 10a above

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked Balances with Banks		
Unpaid dividend	911.23	41.25
Unpaid bonus	1.79	1.82
Margin money deposits #	189.73	401.81
Bank Deposits maturing more than 3 months but less than 12 months	146,185.44	-
Restricted Bank Balances	24.04	178.50
Total	**147,312.23**	**623.38**

Under Lien with Banks towards Guarantees/ Letter of credit issued by them on behalf of the Group and towards margin against forward contracts.

11 Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (Refer Note 40)*		
Loan to related parties		
Opening balance	35,950.00	34,000.00
Loans given during the year	194,000.00	106,450.00
Loans repaid	(117,500.00)	(104,500.00)
	112,450.00	**35,950.00**
Loan to other entities**		
Opening balance	16,128.87	9,232.52
Loans given during the year	86,148.23	19,641.03
Loans repaid	(53,000.00)	(12,097.24)
Effect of foreign currency differences	(499.32)	(647.44)
	48,777.78	**16,128.87**
Total	**161,227.78**	**52,078.87**

* The loans were given to respective parties as disclosed in Note 40 for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the rupee loans during the year was 5% to 7.95% (March 31, 2021 – 7.45% to 7.95%) and on foreign currency loan was 1.75% to 2.25% (March 31, 2021 – 2.00% to 3.25%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand.

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties**	112,450.00	70%	35,950.00	69%

** Based on an external legal opinion obtained, the group has concluded that IndusInd Limited and Hinduja Leyland Finance Limited are not related parties in accordance with Ind AS 24 - Related Party Disclosures.

12 Other current financial asset

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	177.52	594.96
Interest accrued on deposits/ loans	919.51	160.45
Derivatives - Foreign Exchange Forward Contracts (Refer Note 42)	42.90	2,231.32
Other receivables	996.59	1,853.32
Less : Provision for Other receivables	(104.47)	(81.62)
Total	**2,032.05**	**4,758.43**

13 Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good, unless otherwise stated		
Balances with Government Authorities	4,617.01	3,309.05
Advance to employees		
Good	305.32	499.36
Doubtful	12.98	9.43
	318.30	508.79
Less: Provision for Doubtful Advances	(12.98)	(9.43)
	305.32	499.36
Advance to Vendors	2,976.74	1,405.38
Prepaid Expenses	2,768.76	6,269.75
Others**	3,450.06	139.43
Total	**14,117.89**	**11,622.97**

* There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

** Includes interest accrued but not due on debentures ₹ 1,163.65 lakhs and sub-lease receivables ₹ 2,209.14 lakhs (March 31, 2021 – NIL).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

14 Equity Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized Share capital:		
7,98,50,000 (March 31, 2021: 27,500,000) equity shares of ₹ 10/- each	7,985.00	2,750.00
150,000 (March 31, 2021:150,000) 1% Participatory redeemable Non cumulative preference shares of ₹ 10/- each	15.00	15.00
Total	**8,000.00**	**2,765.00**
Issued, subscribed and Paid up :		
41,795,132 (March 31, 2021: 20,877,255) equity shares of ₹ 10/- each fully paid	4,179.51	2,087.73
Total	**4,179.51**	**2,087.73**

(i) Movements in equity share capital

Particulars	No.of shares	Equity share Capital (par value)
As at March 31, 2020	**20,865,933**	**2,086.59**
Shares issued to Employees under Employee Stock Option Plan	11,322	1.14
As at March 31, 2021	**20,877,255**	**2,087.73**
Shares issued to Employees under Employee Stock Option Plan	20,311	2.02
Bonus Shares issued(Refer note 14 (iv))	20,897,566	2,089.76
As at March 31, 2022	**41,795,132**	**4,179.51**

a) Terms / rights attached to equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting . In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(b) Number of shares reserved for issue under the Employee Stock Option Plan (Refer Note 31)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Hinduja Global Solutions Limited Employee Stock Option Plan 2008	15,000	34,400
ii) Hinduja Global Solutions Limited Employee Stock Option Plan 2011	5,375	9,422

Subsequent to year end The Nomination and Remuneration Committee of the Company has approved an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The amounts reported in the tables above do not factor these subsequently approved adjustments. The Vesting date of additional options and overall value of the total options would remain same as the original options.

ESOP Plan	Un-exercised Options as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15000	592.05	30000	296.03
ESOP 2011	5000	665.05	10000	332.53
ESOP 2011	375	565.05	750	282.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% held	Number of Shares	% held
Hinduja Group Limited	14,254,891	34.11%	6,858,541	32.85%
Hinduja Realty Ventures Limited	2,614,490	6.26%	-	-
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82%	2,314,490	11.09%
Amas Mauritius Limited	5,522,854	13.21%	2,761,427	13.23%

(iii) Shareholding of promoters

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	% held	Number of Shares	% held	
Hinduja Group Limited	14,254,891	34.11	6,858,541	32.85	1.26
Hinduja Realty Ventures Limited	2,614,490	6.26	-	-	6.26
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82	2,314,490	11.09	-6.27
Amas Mauritius Limited	5,522,854	13.21	2,761,427	13.23	-0.02
Aasia Corporation LLP	417,809	1.00	477,809	2.29	-1.29
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,114,996	2.67	557,498	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,064,966	2.55	532,483	2.55	-
Ambika Ashok Hinduja	354,484	0.85	177,242	0.85	-
Shom Ashok Hinduja	280,014	0.67	140,007	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	90,626	0.22	45,313	0.22	-
Vinoo S. Hinduja	122,130	0.29	61,065	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	108,654	0.26	54,327	0.26	-
Shanoo S. Mukhi	1,910	0.00	955	-	-
Harsha Ashok Hinduja	33,390	0.08	16,695	0.08	-
Ashok P. Hinduja	63,200	0.15	31,600	0.15	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the Promoters	As at March 31, 2021		As at March 31, 2020		% change during the year
	No. of Shares	% held	No. of Shares	% held	
Hinduja Group Limited	6,858,541	32.85	5,818,541	27.89	4.96
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,314,490	11.09	3,354,490	16.08	(4.99)
Amas Mauritius Limited	2,761,427	13.23	2,761,427	13.23	-
Aasia Corporation LLP	477,809	2.29	477,809	2.29	-
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	557,498	2.67	557,498	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	532,483	2.55	532,483	2.55	-
Ambika Ashok Hinduja	177,242	0.85	177,242	0.85	-
Shom Ashok Hinduja	140,007	0.67	140,007	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	45,313	0.22	45,313	0.22	-
Vinoo S. Hinduja	61,065	0.29	61,065	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	54,327	0.26	54,327	0.26	-
Shanoo S. Mukhi	955	-	955	-	-
Harsha Ashok Hinduja	16,695	0.08	16,695	0.08	-
Ashok P. Hinduja	31,600	0.15	31,600	0.15	-

(iv) The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.The earnings per share has been restated for the previous year ended March 31, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

15 Borrowings

	Maturity date	Terms of repayment	Interest rate	As at March 31, 2022	As at March 31, 2021
A. Borrowings - non-current					
Secured					
Term loans from banks Corporate loan b	Original maturity was September, 2023 but repaid during the year	Repayable equal quarterly instalments	3 months LIBOR+ 2.10% P.a.	0.68	5,218.27
Corporate loan c	Original maturity was November, 2023 but repaid during the year	Repayable equal quarterly instalments	3 months LIBOR+3.10% and 6months LIBOR+3.10%	-	12,801.48
Foreign Currency Term Loans from Banks d	Original maturity was February, 2024 but repaid during the year	Quarterly instalments w.e.f. May,2020	3 Months LIBOR+1.05%	-	11,016.98
Unsecured				-	296.34
Others					
Total borrowings				**0.68**	**29,333.07**
Less: Current maturities of long-term debt				-	10,134.68
Less: Interest accrued (included in note 20)				0.68	64.34
Non-current borrowings				**-**	**19,134.05**
B. Borrowings - current					
Secured					
Bank Overdrafts a	Payable on demand	Payable on demand	2.21% (1.5% over weighted average ROI of Fixed Deposit Receipts)	160.75	34.35
Revolver Loan b	Payable on demand	Payable on demand	3 months LIBOR+ 2.10% p.a	-	10,055.37
Others				185.39	-
Total Current borrowings				**346.14**	**10,089.72**
C. Current maturities of Long term borrowings				**-**	**10,134.68**
				-	**10,134.68**
Aggregate Secured loans				**160.75**	**39,062.11**
Aggregate Unsecured loans				185.39	296.34

Secured borrowings and assets pledged as security

a. Secured by pledge and lien on fixed deposit and margin money with the bank

b Secured by way of charge on all assets of a subsidiary company, HGS Canada Inc.

c Secured by way of charge on all assets of a subsidiary company, Hinduja Global Solutions LLC. and its subsidiaries.(except for HGS Canada Inc.)

d Secured by exclusive charge on Land & Building and also secured by first exclusive charge on entire moveable fixed assets of the Company (both present and future).

Note:

The statements of current assets filed by the Group with banks / financial institutions are in agreement with the books of accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

16 Lease Liabilities

	As at March 31, 2022	As at March 31, 2021
a. Lease Liabilities - non-current		
Total lease Liabilities	30,480.97	78,580.31
Less: Current Maturities of Lease Obligations	(7,781.66)	(12,122.27)
	22,699.31	**66,458.04**
b. Lease Liabilities - current	7,781.66	12,122.27
	7,781.66	**12,122.27**
Total	**30,480.97**	**78,580.31**

17 Other non-current financial Liabilities

	As at March 31, 2022	As at March 31, 2021
Derivatives - Foreign Exchange Forward Contracts and Interest rate swap (Refer Note 42)	-	398.28
Others	402.52	-
Total	**402.52**	**398.28**

18 Provisions

	As at March 31, 2022	As at March 31, 2021
Pension(Refer Note 38)	2,058.51	9,982.16
Gratuity (Refer Note 38)	451.19	2,414.21
Deferred compensation Payable (Refer note 38)	-	8,555.34
Others	365.63	-
Total	**2,875.33**	**20,951.71**

19 Trade Payables

	As at March 31, 2022	As at March 31, 2021
i. Total outstanding dues of micro enterprises and small enterprises (Refer Note 47	53.06	437.09
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	46,590.19	37,927.71
Total	**46,643.25**	**38,364.80**

Trade Payables ageing schedule As at March 31, 2022

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	53.06	-	-	-	-	53.06
(ii) Others	41,857.64	3,450.73	147.39	1,134.43	-	46,590.19
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Trade Payables ageing schedule As at March 31, 2021

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	437.09	-	-	-	-	437.09
(ii) Others	28,602.97	6,278.98	3,045.75	-	-	37,927.71
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-	-

20 Other financial Liabilities

	As at March 31, 2022	As at March 31, 2021
Interest Accrued	0.68	64.34
Employee benefits payable	17,772.06	20,817.58
Capital Creditors	1,830.06	853.97
Unpaid Dividend [Refer note (a) below]	911.22	41.25
Deferred consideration payable	-	1,840.81
Derivatives - Foreign Exchange Forward Contracts (Refer Note 42)	142.27	825.00
Total	**20,656.29**	**24,442.95**

a. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year-end.

21 Provisions

	As at March 31, 2022	As at March 31, 2021
Compensated Absences (Refer Note 38)	3,658.32	8,127.95
Deferred compensation Payable (Refer note 38)	21,137.77	-
Total	**24,796.09**	**8,127.95**

22 Contract Liabilities - Non Current

	As at March 31, 2022	As at March 31, 2021
Deferred revenue	-	1,023.58
Total	**-**	**1,023.58**

23 Contract Liabilities - Current

	As at March 31, 2022	As at March 31, 2021
Deferred revenue*	1,170.63	2,386.60
Total	**1,170.63**	**2,386.60**

* During the year ended March 31, 2022 and 2021, the Company recognised revenue of ₹ 2,239.55 lakhs and ₹ NIL arising from contract Liabilities as at March 31, 2021 and 2020 respectively.

24 Other Current Liabilities

	As at March 31, 2022	As at March 31, 2021
Advances from customers	4,425.46	1,209.84
Statutory dues payable	5,039.04	7,329.78
Other Payables	1,224.85	1,019.42
Total	**10,689.35**	**9,559.04**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

25 Revenue from operations

	As at March 31, 2022	As at March 31, 2021
Sale of services		
Business Process Management	326,369.45	260,175.69
Total	**326,369.45**	**260,175.69**

In response to the COVID-19 pandemic, the Group initiated business continuity program in March 2020 and facilitated it's employees to work remotely/work from home where customers have consented. Our business continuity program and the design of our processes allow for remote execution with accessibility to secure data. The Group has evaluated the impact of COVID – 19 resulting from penalties relating to breaches of service level agreements and concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Group believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

Country / region	**Year ended March 31, 2022**	**Year ended March 31, 2021**
USA and Canada	440,633.29	469,263.36
India	34,218.23	24,119.65
UK & Europe	97,698.79	51,966.55
Rest of the world	7,042.15	13,542.27
Total revenue from contracts with customers*	**579,592.46**	**558,891.83**

Major product/service lines	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Business Process Management	579,592.46	558,891.83
Total revenue from contracts with customers*	**579,592.46**	**558,891.83**

Category of customer	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Health Insurance, Pharma and Healthcare	262,378.01	311,861.64
Consumer Electronics, Products, Services and Retail	59,372.15	55,497.96
Banking and Financial services	58,391.62	45,661.46
Telecom and Technology	62,570.25	79,865.64
Media	25,306.75	12,742.73
Chemicals and Biotech	11,134.56	9,445.27
Others	1,00,439.12	43,817.13
Total revenue from contracts with customers*	**579,592.46**	**558,891.83**

* Above revenues are including both Continuing and Discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

26 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on financial assets carried at amortised cost	9,602.04	3,474.18
Unwinding of discount on security deposits	0.00	564.64
Foreign Exchange Gain (net)	3,158.74	1,633.04
Income from discontinuation of leases	417.57	755.98
Profit on Sale of property, plant and equipment	0.55	31.35
Provision for Doubtful Debts no longer required written-back	1,029.31	265.19
Miscellaneous income	768.51	393.87
Total	**14,976.72**	**7,118.25**

27 Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	237,865.83	198,518.86
Contribution to provident and other funds	12,502.81	10,051.98
Gratuity and Pension expense (Refer Note 38)	437.77	698.64
Staff welfare expenses	1,512.65	1,224.50
Total	**252,319.06**	**210,493.98**

28 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on		
Term loans from bank	1,001.34	1,711.79
Cash credit and others	36.97	0.00
Interest expense on leases	1,395.62	1,469.58
Other borrowing costs	327.29	329.21
Total	**2,761.22**	**3,510.58**

29 Depreciation and Amortization expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment(Refer Note 2)	6,015.52	5,831.72
Depreciation on Right of use assets (Refer Note 3)	5,075.15	4,600.66
Amortization of intangibles(Refer Note 4a)	998.52	1,298.79
Total	**12,089.19**	**11,731.17**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

30 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and Fuel	1,358.27	1,445.32
Rent	1,258.52	692.31
Repairs and Maintenance - Leased Premises	2,270.42	1,451.32
Repairs and Maintenance - Others	4,421.46	4,055.22
Insurance	918.35	748.63
Rates and Taxes	2,492.58	1,204.44
Directors' sitting fees and Commission	574.51	406.87
Connectivity Cost	12,162.84	7,351.79
Advertisement and Business Promotion	2,199.21	145.77
Communication	4,083.83	3,514.86
Travelling, Conveyance and Car Hire Charges	3,022.12	1,950.61
Legal and Professional	16,203.78	10,196.78
Training and Recruitment	2,874.39	2,174.38
Commission	343.25	799.15
Donations	50.90	22.58
Software Expenses	6,126.51	4,317.81
Fulfilment Cost	119.38	121.67
Corporate Social Responsibility (Refer Note no 30 a)	566.00	481.30
Bad Debts/ Advances Written off	93.95	2.68
Allowance for bad and doubtful debts/ advances	111.12	141.38
Provision for Deferred consideration	113.81	-
Loss on Sale of Assets (net)	323.75	386.70
Fixed Assets Written Off	43.53	125.00
Miscellaneous Expenses	980.36	185.48
Total	**62,712.84**	**41,922.05**

30a Corporate Social Responsibility (CSR)

Particulars	March 31, 2022	March 31, 2021
Gross amount required to be spent by the Company during the year (Refer note below)	566.00	448.00
Total	**566.00**	**448.00**

Amount spent during the year	March 31, 2022	March 31, 2021
a. Construction/ acquisition of any asset	-	-
b. On various activities (Refer note below)	566.00	481.30
Total	**566.00**	**481.30**

* There are no amounts yet to be paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Note:

Vendor Name	Nature of CSR Activity	Amount spent during the year
Hinduja Foundation	Integrated programs with intervention in areas of hygiene, health, primary education, micro-credit, mobile dispensaries and income generation for Mushar community members across Kishanganj and West Champaran and Supplementary Nutrition Program and Rehabilitation of the Chikkajala Lake in Hebbal, Bangalore	370.00
Samarpaka Seva Trust	Vocational training for rural women and Setup of 7 ICU beds at Rangadore Memorial Hospital	96.00
Magic Bus	Vocational training for youth at Hyderabad	25.00
Samarthanam Trust for the disabled	Domain-based skills training for youth with disabilities	5.00
Step-Up for India	Driving English education across govt. schools	15.00
The Akshaya Patra Foundation	Provision of Mid-day meal to government school children	25.00
NASSCOM Foundation	Distribution of medical kits to rural households for self-care at home	30.00
Total Amount spent during the year		**566.00**

31 Contingent Liabilities

a) Contingent Liabilities

A) Claims against the Company not acknowledged as debts:

Particulars	March 31, 2022	March 31, 2021
1. Income Tax demand	16,616.33	16,446.27
(i) Prior AY 2007-08 (Refer note 1 and 2 below)	11,558.96	10,377.44
(ii) From AY 2007-08 (Refer note 2 below)	-	207.25
(iii) Others	-	131.70
2. Claims against the Company not acknowledged as debts		

Notes:

1. NXTDIGITAL Limited (formerly known as Hinduja Ventures Limited) has received income tax demand pertaining to IT/ ITES business aggregating ₹7,144.66 Lakhs in respect of period prior to October 1, 2006 which is reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had paid ₹ 5,550 Lakhs to Hinduja Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of ₹ Nil including interest of ₹ Nil during the year (March 31, 2021- ₹ Nil including interest of ₹ Nil) and the net outstanding amount as at March 31, 2022 of ₹ 1,868.99 Lakhs (March 31, 2021 of ₹ 1,868.99 Lakhs) is included in “”Receivable from related party - Note 8.

   NXTDIGITAL Limited (formerly known as Hinduja Ventures Limited) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y 2007-08. These amounts are reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. The aggregate demand is ₹ 16,616.33 Lakhs including interest ₹ 7,815.61 Lakhs (March 31, 2021 - ₹ 16,446.27 Lakhs, ₹ 7,645.50 Lakhs respectively).

(All amounts are in Rupees Lakhs)

2 The Company has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is ₹ 11,558.97 Lakhs including interest ₹ 1,925.01 Lakhs (March 31, 2021 - ₹ 10,377.44 Lakhs, ₹ 1,926.87 Lakhs respectively).

Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NXTDIGITAL Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3. The Company recorded a tax expense of Rs. 7,864.27 lakhs towards tax on business re-organization and a tax expense of Rs. 80,074.87 lakhs on gain from sale of the healthcare business. The Company's estimate of tax Liabilities may differ from interpretations by the relevant tax authorities as to how regulations should be applied to actual transactions.

4. The Group is subject to legal proceedings and claims. Some of the claims involve complex legal issues and therefore it is not possible to make a reasonable estimate of the expected financial effect, if any, that could result from ultimate resolution of such proceedings. The Group makes provisions to cover the expected risk of loss to the extent that negative outcomes are likely and reliable estimates can be made, however it is possible that the final resolution of any litigation could require the Group to make additional expenditures in excess of provisions that the Group may establish. The Group's Management reasonably expects that these legal actions, when ultimately concluded and determined, may not have a material and adverse effect on the Group's results of operations or financial condition..

b) Capital and other commitments:

(i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on Capital Account ₹ 3,446.07 Lakhs (As at March 31, 2021: ₹ 1,731.23 Lakhs).

32 Share Based Payments

a) Employee Option Plan

Details of the employee stock option plan are as given below.

Particulars	ESOP 2008	ESOP 2011
Details of the plan	The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to the HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009.	The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to the Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011.
Maximum grant of options	The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009).	The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	ESOP 2008	ESOP 2011
Vesting period	Options to vest over a period of three years from the date of their grant as under: - 1/6th of the options granted will vest on the first anniversary of the grant date. - 1/3rd of the options granted will vest on the second anniversary of the grant date. - 1/2 of the options granted will vest on the third anniversary of the grant date.	Options to vest over a period of three years from the date of their grant as under: - 1/6th of the options granted will vest at the end of one year from the grant date. - 1/6th of the options granted will vest at the end of 18 months from the grant date. - 1/6th of the options granted will vest at the end of 24 months from the grant date. - 1/4th of the options granted will vest at the end of 30 months from the grant date. - 1/4th of the options granted will vest at the end of 36 months from the grant date.
Exercise period	Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.	Options vested with an employee will be exercisable prior to completion of the 24th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.
Exercise price	₹ 565.05 - ₹ 592.05 per share	₹ 565.05 per share
Grant/re-grant options	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date.

The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

Set out below is a summary of options granted under the plan:

ESOP 2008

Particulars	March 31, 2022		March 31, 2021	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	588.60	34,400	555.32	37,500
Granted during the year	-	-	-	-
Lapsed during the year	565.05	(2,200)	536.95	(1,135)
Exercised during the year	588.60	(17,200)	551.93	(1,965)
Closing Balance	**-**	**15,000**	**-**	**34,400**
Vested and exercisable	-	-	-	9,400

(All amounts are in Rupees Lakhs)

ESOP 2011

Particulars	March 31, 2022		March 31, 2021	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	579.38	9,422	514.97	21,530
Granted during the year	-	-	665.05	5,000
Lapsed during the year	565.05	(936)	514.97	(7,751)
Exercised during the year	565.05	(3,111)	630.35	(9,357)
Closing Balance	**-**	**5,375**		**9,422**
Vested and exercisable	-	1,175		4,422

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2022 - ESOP 2008: ₹ 2,654.43 and ESOP 2011: ₹ 2,315.38. (Year ended March 31, 2021 - ESOP 2008: 551.93 and ESOP 2011: ₹ 612.37)

Shares options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	ESOP Plan	Expiry Date	Exercise Price (INR)	Share options (March 31, 2021)	Share options (March 31, 2020)
April 21,2017	ESOP 2008	April 21, 2021	565.05	-	4,400
August 5, 2019	ESOP 2008	August 5, 2023	592.05	15,000	30,000
April 21,2017	ESOP 2011	April 21, 2022	565.05	375	4,422
November 3, 2020	ESOP 2011	November 3, 2025	665.05	5,000	5,000

Stock options outstanding at the end of the year have the following Remaining life (In months)

Grant Date	ESOP Plan	Expiry Date	Remaining life (months)	Share options (March 31, 2022)	Remaining life (months)	Share options (March 31, 2021)
April 21, 2017	ESOP 2008	April 21, 2021	-	-	1	4,400
August 5, 2019	ESOP 2008	August 5, 2023	16	15,000	28	30,000
April 21,2017	ESOP 2011	April 21, 2022	1	375	13	4,422
November 3, 2020	ESOP 2011	November 3, 2025	42	5,000	54	5,000

Subsequent to year end The Nomination and Remuneration Committee of the Company has approved an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The amounts reported in the tables above do not factor these subsequently approved adjustments. The Vesting date of additional options and overall value of the total options would remain same as the original options.

ESOP Scheme	Un-exercised Options before adjustment as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15000	592.05	30000	296.03
ESOP 2011	5000	665.05	10000	332.53
ESOP 2011	375	565.05	750	282.53

(i) Fair value of options granted

The fair value of options granted during the year ended March 31, 2022 is ₹ Nil (March 31, 2021 ₹ 208.07). The fair value as at grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, term of option, share price at grant date, expected price volatility of underlying share, expected dividend yield and risk free interest rate for the term of option.

ESOP Scheme	Grant date	Fair value
ESOP 2011	November 3, 2020	208.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The model inputs for options granted during the year ended March 31, 2022 (PY- March 31, 2021) included:

	ESOP 2011 scheme	
	March 31, 2022	March 31, 2021
i) Exercise price	-	665.05
ii) Grant date	-	November 3, 2020
iii) Expiry date	-	November 3, 2025
iv) Share price at grant date	-	674.05
v) Expected price volatility	-	40.66%
vi) Expected dividend yield	-	0.92%
vii) Risk free interest rate	-	4.70%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) (Income)/Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in statement of profit and loss as part of employee benefit (income)/expense were as follows:

Particulars	March 31, 2022	March 31, 2021
Employee share based payment expenses	68.43	12.86
Employee share based payment Income	(3.48)	(3.38)
Total	**64.95**	**9.48**

33 Earnings per share (EPS)

	March 31, 2022	March 31, 2021
<u>Numerator for Basic and Diluted EPS</u>		
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (both continuing and discontinued operations)	610,355.22	33,605.13
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (continuing operations)	306.32	(5,858.29)
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (discontinued operations)	610,048.89	39,463.42
Weighted average number of equity shares (Nos.) for calculating basic earnings per share	41,784,039	41,770,562
Weighted average number of equity shares (Nos.) for calculating Diluted earnings per share	41,827,695	41,815,527
Basic EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	1,460.74	80.46
Diluted EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	1,459.21	80.37
Basic EPS attributable to the equity holders of the Company (₹) (continuing operations)	0.73	(14.02)
Diluted EPS attributable to the equity holders of the Company (₹) (continuing operations)	0.73	(14.02)
Basic EPS attributable to the equity holders of the Company (₹) (discontinued operations)	1,460.01	94.48
Diluted EPS attributable to the equity holders of the Company (₹) (discontinued operations)	1,458.48	94.39
Nominal value of shares (₹)	10.00	10.00

Number of shares considered for basic EPS	41,784,039	41,770,562
Add: Effect of dilutive issues of stock options	43,656	44,965
Number of shares considered for diluted EPS	41,827,695	41,815,527

(All amounts are in Rupees Lakhs)

The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.The earnings per share has been re-presented for the previous year ended March 31, 2021.

34 Assets pledged as security

The group has external borrowings from financial institutions. The carrying amounts of assets pledged as security for current and non-current borrowings are:

Notes	March 31, 2022	March 31, 2021
Current		
Financial Assets		
First Charge		
Current Assets	393,414.85	305,766.54
Total current assets pledged as security	**393,414.85**	**305,766.54**
Non-Current		
Exclusive charge		
Land	-	100.97
Building	-	2,198.06
Non-current assets	5,685.97	36,643.89
Total non-current assets pledged as security	5,685.97	38,942.92
Total assets pledged as security	**399,100.82**	**344,709.46**

35 Impairment

Goodwill movement:

	March 31, 2022	March 31, 2021
Opening Balance	33,972.04	33,918.31
Add: Acquisition of Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify') (Refer Note 46 (iii))	14,677.71	-
Less: Goodwill attributed to healthcare services business (Refer Note 46 (ii))	(17,748.51)	-
Add: Translation adjustments	660.87	53.73
Closing Balance	**31,562.11**	**33,972.04**

Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's Cash Generating Unit ("CGU") or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The carrying value of goodwill translated at year end exchange rates, is allocated to the following CGU's

	March 31, 2022	March 31, 2021
Business process management - Healthcare and CES operations, USA	1,803.81	14,167.75
Business process management - EBOS business, USA	-	4,759.05
Business process management - UK operations	10,473.24	10,502.91
Business process management - India Human resource operations	2,493.11	2,493.11
Business process management - Element Solutions LLC, USA	2,114.24	2,049.22
Business process management -Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify')	14,677.71	-
Total	**31,562.11**	**33,972.04**

The recoverable amount has been determined based on value-in-use calculations. Value-in-use is calculated using post tax cash flows. The use of post tax discount rates does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using pre-tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors.

The average range of key assumptions used for the calculations are as follows:

	March 31, 2022	March 31, 2021
Growth rate	2% to 23%	0% to 10%
Pre-tax discount rate	11.5% to 18.3%	11.5% to 17%
Terminal growth rate	0% to 3%	2%

The recoverable amount have exceeded the carrying value of CGU and no impairment was recognised in the current year. No reasonable change in the assumptions (revenue growth, operating margin, discount rate and long-term growth rate) could lead to a potential impairment charge.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to COVID 19 is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

36 Tax Expense

The parent company of the Group has elected to exercise the option permitted u/s 115BAA of the Income- tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised provision for Income tax for the year ended March 31, 2022(in the year March 31, 2021) and re-measured its Deferred Tax basis the rate prescribed in the said section. The full impact of this change has been recognised in the Statement of Profit and Loss and other comprehensive income respectively.

a) Tax Expense

	Year ended March 31, 2022			Year ended March 31, 2021		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Current tax						
Current tax on profits for the year	2,240.55	101,091.80	103,332.35	(1,589.17)	14,053.48	12,464.31
Current tax relating to prior years	(347.26)	-	(347.26)	580.77	-	580.77
Total current tax expense	1,893.29	101,091.80	102,985.09	(1,008.40)	14,053.48	13,045.08
Deferred Tax						
Decrease/ (Increase) in Deferred tax assets	1,534.64	618.43	2,153.07	(4,418.50)	2,164.59	(2,253.91)
Total Deferred Tax expense	1,534.64	618.43	2,153.07	(4,418.50)	2,164.59	(2,253.91)
Tax expense	**3,427.93**	**101,710.23**	**105,138.16**	**(5,426.91)**	**16,218.07**	**10,791.16**

(All amounts are in Rupees Lakhs)

b) Reconciliation of income tax expense and the accounting profit multiplied by the Indian statutory tax rate

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	715,493.36	44,396.29
Tax at Indian tax rate of 25.168% (2020-21 - 25.168%)	**180,075.37**	**11,173.66**
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
-Exempt Income [Refer Note (i) below]#	(408.87)	(389.32)
- Expenses Disallowed	142.45	121.71
- Impairment of Goodwill and Intangibles	-	-
Other items		
- Reversal of deferred tax of prior years	-	(289.71)
- Difference in overseas tax rate for foreign operation	(1,544.73)	1,094.94
- Tax credit on profit earned by foreign operation [Refer Note (ii) below]	(308.00)	(270.15)
- Difference in tax rate for profit on sale of Operations	2,514.57	-
- Exempt income#	(92,622.16)	-
- Tax on Restructure of Subsidiaries	7,864.27	-
- Deferred Tax Assets recognised on unabsorbed business losses		
a. Deferred tax assets on previously unrecognised tax loss	-	(1,707.70)
b. Current tax benefit on previously unrecognised tax loss	-	(1,378.80)
- Deferred tax assets not recognized on losses for the period of certain subsidiaries	8,505.50	1,127.33
- Impact on deferred tax due to tax rate change	-	1,309.12
- Tax (current and deferred) tax of prior years	688.43	91.09
- Other adjustments	231.34	(91.01)
Total Income Tax expense	**105,138.16**	**10,791.16**
Tax on Continuing Operations	3,427.93	(5,426.91)
Tax on Discontinued Operations	101,710.23	16,218.07
Effective tax rate	**15%**	**24%**

Exempt income includes capital gains on sale of healthcare business, tax holiday period income and dividend income.

Notes:

(i) the profits of the Group's operations in Philippines and Jamaica are eligible for exempt from income taxes being profits attributable to export operations.

(ii) This amount represents the benefit received by certain entities of Group in respect of taxes payable by the foreign operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

37 Deferred tax Liabilities & Deferred tax assets

The deferred tax balance comprises temporary differences attributable to:

	Deferred tax assets/ (Liabilities) as on April 01, 2021	Deferred tax on business acquisition (Refer Note 46(iii))	(Charge)/ Credit Through P&L	(Charge)/Credit Through OCI	(Charge)/ Credit Through FCTR	Deferred tax assets/ (Liabilities) as on March 31, 2022
Deferred Tax Liabilities						
Property, Plant and Equipment	(2,062.95)	-	1,429.08	-	(22.99)	(656.86)
Intangible Assets	(3,011.92)	(3,416.22)	3,066.29	-	0.73	(3,361.12)
Operating leases	(9.08)	-	-	-	9.08	-
Total Deferred Tax Liabilities	**(5,083.95)**	**(3,416.22)**	**4,495.37**	**-**	**(13.18)**	**(4,017.98)**
Less: Set off	(4,784.28)	-	-	-	-	(867.29)
Net Deferred Tax Liabilities	**(299.67)**	**-**	**-**	**-**	**-**	**(3,150.69)**
Deferred Tax Assets						
Property, Plant and Equipment	-	-	394.47	-	14.65	409.12
Defined Benefit Obligation and Compensated Absences	1,274.81	-	(1,049.46)	79.06	-	304.41
Derivatives	(626.51)	-	-	744.54	(46.03)	72.00
Leases	2,669.12	-	(1,784.90)	-	10.12	894.34
Deferred performance Incentive	1,667.62	-	616.41	-	-	2,284.03
Carry forward of unused tax losses	3,802.67	-	(1,926.46)	-	70.12	1,946.33
Allowance for doubtful debts	53.77	-	(4.76)	-	-	49.01
Accrued Expenses	2,757.78	-	(2,539.43)	-	7.40	225.75
Others	140.15	-	(354.30)	(153.59)	1,514.33	1,146.59
Total Deferred Tax Assets	**11,739.41**	**-**	**(6,648.43)**	**670.01**	**1,570.59**	**7,331.58**
Less: Set off	(4,784.28)	-				(867.29)
Net Deferred Tax Assets	**6,955.13**	**-**	**-**	**-**	**-**	**6,464.29**

	Deferred tax assets/ (Liabilities) as on April 01, 2020	Credit/ (Charge) due to change in tax rate in statement of profit and loss Credit Through Retained earnings	(Charge)/ Credit Through P&L	(Charge)/ Credit due to change in tax rate in OCI	(Charge)/ Credit Through OCI	(Charge)/ Credit Through FCTR	Deferred tax assets/ (Liabilities) as on March 31, 2021
Deferred Tax Liabilities							
Property, Plant and Equipment	(2,013.22)	(47.01)	(84.62)	-	-	81.90	(2,062.95)
Intangible Assets	(3,463.71)	226.17	265.21	-	-	(39.59)	(3,011.92)
Derivatives	-	-	-	-	-	-	-
Operating leases	-	-	(8.78)	-	-	(0.30)	(9.08)
Others	-	-		-	-		-
Total Deferred Tax Liabilities	**(5,476.93)**	**179.16**	**171.81**	**-**	**-**	**42.01**	**(5,083.95)**
Less: Set off	(2,768.60)	-	-	-	-	-	(4,784.28)
Net Deferred Tax Liabilities	**(2,708.33)**	**-**	**-**	**-**	**-**	**-**	**(299.67)**
Deferred Tax Assets							
Property, Plant and Equipment							
Defined Benefit Obligation and Compensated Absences	1,857.92	(386.39)	143.00	(362.26)	15.64	6.90	1,274.81
Derivatives	2,417.56	-	-	(662.85)	(2,372.21)	(9.01)	(626.51)
Leases	3,365.73	(763.76)	60.84	-	-	6.31	2,669.12
Deferred performance Incentive	733.02	(175.85)	1,119.99	-	-	(9.54)	1,667.62
Carry forward of unused tax losses	2,144.34	-	1,616.54	-	-	41.79	3,802.67
Accrued Interest	773.94	(56.43)	(704.53)	-	-	(12.98)	-
Allowance for doubtful debts	394.22	(41.92)	(293.11)	-	-	(5.42)	53.77
Accrued Expenses	787.32	(57.40)	2,078.46	-	-	(50.60)	2,757.78
Others	770.53	(6.53)	(629.97)	-	-	6.12	140.15
Total Deferred Tax Assets	**13,244.58**	**(1,488.28)**	**3,391.22**	**(1,025.11)**	**(2,356.57)**	**(26.43)**	**11,739.41**
Less: Set off	(2,768.60)	-					(4,784.28)
Net Deferred Tax Assets	**10,475.98**	**-**	**-**	**-**	**-**	**-**	**6,955.13**

Notes:

(i) In assessing the reliability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax Liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that the Company will realize the benefits of the recognized deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

The group has unused tax losses of ₹ 25,214.27 lakhs and ₹ 54,620.53 lakhs as at March 31, 2022 and March 31, 2021 respectively available for offset against future taxable profits. Of the ₹ 25,214.27 lakhs of unused losses, ₹ 12,250.56 lakhs will expire in the years from 2035 to 2037, while the remaining carry forward losses do not expire. No deferred tax asset has been recognised in respect of the tax losses of ₹ 17,698.03 lakhs and ₹ 31,270.43 lakhs for the period ended March 31, 2022 and March 31, 2021 respectively due to lack of probable future taxable profits.

The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits or taxable temporary differences will be available in the future. The Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize the deferred tax assets recognised.

The Group has recognized deferred tax assets of ₹ NIL and ₹ 3,802.67 lakhs in respect of unused tax losses of its various subsidiaries for the year March 31, 2022 and 2021 respectively.

In cases where the actual future taxable profits generated are less than expected a material reversal of the deferred tax asset may arise, which would be recognised as profit or loss for the period in which such a reversal takes place.

(ii) Deferred income tax Liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax Liabilities on cumulative earnings of subsidiaries amounting to ₹ 503,013.78 lakhs and ₹ 131,768.08 lakhs as of March 31, 2022 and 2021, respectively have not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax Liabilities for these undistributed earnings.

38 Employee benefit obligations

(i) Compensated Absences

The leave obligations cover the Group's liability for sick and earned leave of employees.

The amount of the provision of ₹ 3,658.32 Lakhs (March 31, 2021: ₹ 8,127.95 Lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(ii) Deferred Performance Incentive

The Board of Directors at their meeting held on March 28, 2019 approved an employee defined benefit plan called as "Deferred Payment Incentive Plan'' (DPI 2019). The Scheme is applicable to eligible employees of the Group including eligible employees transferred pursuant to the sale of healthcare business in the manner specifically provided for in the Scheme. Payments under this defined employee benefit plan is linked to the Group achieving certain profit targets by the financial year ending March 31, 2022. Pursuant to the plan, the Group has made a provision of ₹ 21,137.77 lakhs as at March 31, 2022. (March 31, 2021: ₹ 8,555.34 Lakhs)

(iii) Post-employment obligations

a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

b) **Pension benefits**

The Branch has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Company.

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 years. Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. Ten to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

(iv) Defined contribution plans

The Group has classified various benefits provided to employees as under:

a) Provident Fund

b) Superannuation Fund

c) State Defined Contribution Plans:

i Employers' Contribution to Employee's State Insurance

d) Other Statutory contribution schemes

Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows: **(Both Continuing and discontinued operations)**

	Year ended March 31, 2022	Year ended March 31, 2021
Employers' Contribution to Provident Fund	3,894.10	3,836.14
Employers' Contribution to Superannuation Fund	4.17	3.00
Employers' Contribution to Employee's State Insurance	770.16	795.12
Employer's Contribution to Other Employees' contribution Scheme	19,054.25	16,095.34
Total	**23,722.68**	**20,729.60**

(v) Defined Benefit plan

Balance sheet amounts - Pension plan

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

	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2020	**8,575.07**	**(371.32)**	**8,203.75**
Current service cost	1,093.61	-	1,093.59
Net Interest cost	435.31	(18.81)	416.50
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**1,528.92**	**(18.81)**	**1,510.11**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	2.05	2.05
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	640.14	-	640.14
- Actuarial (gain)/loss arising from experience adjustments	371.79	-	371.79
Total amount recognized in other comprehensive income	**1,011.93**	**2.05**	**1,013.98**
Exchange differences (recognised in Foreign Currency translation reserve)	147.51	(5.96)	141.55
Contributions:			
- Employers	-	(887.23)	(887.23)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(937.69)	937.69	-
Settlements	-	-	-
March 31, 2021	**10,325.74**	**(343.58)**	**9,982.14**

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	**10,325.72**	**(343.58)**	**9,982.14**
Current service cost	1,060.44	-	1,060.44
Net Interest cost	475.01	(15.81)	459.21
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**1,535.45**	**(15.81)**	**1,519.64**
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	18.27	18.27
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	(232.79)	-	(232.79)
- Actuarial (gain)/loss arising from experience adjustments	(435.02)	-	(435.02)
Total amount recognized in other comprehensive income	**(667.81)**	**18.27**	**(649.54)**
Exchange differences (recognised in Foreign Currency translation reserve)	(394.31)	11.71	(382.60)
Contributions:			
- Employers	-	(620.00)	(620.00)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(449.70)	449.70	-
Liability Transferred Out/ Divestments (Refer Note 46(ii))	(7,874.23)	-	(7,874.23)
Liability Transferred in / Acquisition (Refer Note 46(iii))	83.10	-	83.10
Settlements	-	-	-
March 31, 2022	**2,558.22**	**(499.71)**	**2,058.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Balance sheet amounts - Gratuity

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

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2020	2,746.76	422.81	3,169.57	(877.11)	2,292.46
Transfer of liability from an Unfunded to Funded plan during the year	319.44	(319.44)	-	-	-
Total as on April 1, 2020	**3,066.20**	**103.37**	**3,169.57**	**(877.11)**	**2,292.46**
Current Service Cost	430.71	19.32	450.03	-	450
Interest expense/(income)	165.87	5.39	171.26	(47.34)	123.92
Total amount recognised in statement of profit and loss (both Continuing and Discontinued operations)	**596.58**	**24.71**	**621.29**	**(47.34)**	**573.95**
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(0.86)	(0.86)
- Actuarial (gain)/loss arising from change in demographic assumptions	(64.69)	(19.37)	(84.06)	-	(84.06)
- Actuarial (gain)/loss arising from change in financial assumptions	62.40	1.07	63.47	-	63.47
- Actuarial (gain)/loss arising from Experience adjustments	51.71	25.12	76.83	-	76.83
Total amount recognized in other comprehensive income	**49.42**	**6.82**	**56.24**	**(0.86)**	**55.38**
Transfers					-
Contributions:					
Employer contributions	-	-	-	(489.69)	(489.69)
Liability Transferred Out/ Divestments	-	-	-	-	-
Benefit payments	(159.29)	(17.89)	(177.18)	159.29	(17.89)
March 31, 2021	**3,552.91**	**117.01**	**3,669.92**	**(1,255.71)**	**2,414.21**

	Funded	Unfunded	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	**3,552.91**	**117.01**	**3,669.92**	**(1,255.71)**	**2,414.21**
Transfer of liability from an Unfunded to Funded plan during the year	-	-	-	-	-
Total as on April 1, 2021	**3,552.91**	**117.01**	**3,669.92**	**(1,255.71)**	**2,414.21**
Current Service Cost	372.43	11.26	383.69	-	383.69
Interest expense/(income)	153.76	4.52	158.27	(66.20)	92.07
Total Amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**526.19**	**15.77**	**541.96**	**(66.20)**	**475.76**

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	38.43	38.43
- Actuarial (gain)/loss arising from change in demographic assumptions	0.06	(0.00)	0.06	-	0.06
- Actuarial (gain)/loss arising from change in financial assumptions	(37.95)	(0.47)	(38.43)	-	(38.43)
- Actuarial (gain)/loss arising from Experience adjustments	309.26	46.48	355.74	-	355.74
Total amount recognized in other comprehensive income	**271.37**	**46.01**	**317.38**	**38.43**	**355.81**
Employer contributions	-		-	(31.73)	(31.73)
Liability Transferred Out/ Divestments (Refer Note 46(ii))	(2,734.63)	-	(2,734.63)	-	(2,734.63)
Other adjustment	(8.59)	-	(8.59)	10.16	1.57
Benefit payments	(318.82)	(29.79)	(348.61)	318.82	(29.79)
March 31, 2021	**1,288.42**	**149.00**	**1,437.42**	**(986.23)**	**451.19**

The following table shows the breakdown of the defined benefit obligation and plan assets::

	March 31, 2022			March 31, 2021		
	Gratuity	Pension	Total	Gratuity	Pension	Total
Present Value of Obligation	1,437.42	2,558.22	3,995.64	3,669.92	10,325.72	13,995.64
Fair value of plan assets	(986.23)	(499.71)	(1,485.94)	(1,255.71)	(343.58)	(1,599.29)
Total Liability	**451.19**	**2,058.51**	**2,509.70**	**2,414.21**	**9,982.14**	**12,396.35**

(vi) Actuarial assumptions pension and gratuity

The significant actuarial assumptions were as follows:

	Year ended March 31, 2022		Year ended March 31, 2021	
	Pension	Gratuity	Pension	Gratuity
Discount Rate	5.64%	4.56%-6.09%	4.67%	3.86%-5.58%
Salary growth rate	3.40%	4% - 8%	3.40%	4% - 8%
Rate of return on Plan assets	5.64%	4.56%-6.09%	4.67%	3.86%-5.58%
Mortality rate	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate
Rate of Employee turnover	8% to 37% p.a.	20% to 70%	8% to 37% p.a.	20% to 70%

Assumptions regarding mortality experience are set based on advice from published statistics.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experience of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(vii) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate	1%	1%	(244.14)	(1,049.63)	248.88	1,102.88
Salary Growth rate	1%	1%	253.01	1,104.78	(256.07)	(1,079.14)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(viii) The major categories of plan assets are as follows

	March 31, 2022			March 31, 2021		
	Level-1	Level-3	Total	Level-1	Level-3	Total
Pension						
Debt Instruments						
- Government Bonds	451.37	-	451.37	142.74	-	142.74
- Corporate Bonds	29.38	-	29.38	138.14	-	138.14
Cash and cash equivalents	16.80	-	16.80	61.56	-	61.56
Others	-	2.16	2.16	-	1.14	1.14
Gratuity						
Investment funds						
- Insurance Funds (LIC Pension and Group Schemes fund)	-	986.23	986.23	-	1,255.71	1,255.71
Total	**497.56**	**988.39**	**1,485.95**	**342.44**	**1,256.85**	**1,599.29**

(ix) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility	The plan Liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.
Changes in bond yields	A decrease in bond yields will increase plan Liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Life expectancy	The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' Liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in FY 2021-22 (PY 2020-21) consists of government & Corporate bonds and LIC Pension ,The plan asset mix is in compliance with the requirements of the respective local regulations.

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2023 is ₹ 710.70 lakhs [Gratuity ₹ 255.49 Lakhs; Pension ₹ 455.21 Lakhs]

The weighted average duration of Gratuity plan obligation is 4 years. The average duration of Pension plan obligation is 15 years. The expected maturity analysis of undiscounted pension and gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Pension plan benefit obligation	255.49	169.29	745.01	10,481.15	**11,650.93**
Gratuity plan benefit obligation	455.21	233.39	502.61	540.93	**1,732.13**
Total	**710.70**	**402.68**	**1,247.61**	**11,022.07**	**13,383.06**
March 31, 2021					
Pension plan benefit obligation	684.39	772.10	3,276.37	48,878.08	**53,610.94**
Gratuity plan benefit obligation	879.67	637.56	1,326.71	1,599.49	**4,443.43**
Total	**1,564.06**	**1,409.66**	**4,603.08**	**50,477.57**	**58,054.37**

The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

39 Capital management

A) Capital Structure

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholder's and benefits for other stakeholder's, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)/ Total 'equity' as shown in the balance sheet, including non-controlling interests)

The gearing ratios were as follows:

	March 31, 2022	March 31, 2021
Total borrowings (Refer Note 15)	346.14	39,358.45
Cash and cash equivalents(Refer Note 10a)	(204,808.68)	(53,003.81)
Net Debt	**(204,462.54)**	**(13,645.36)**
Total Equity	**780,841.96**	**208,487.32**
Net Debt to Equity ratio*	-	-

* Lease Liabilities are not included for computing the gearing ratio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Loan covenants

The Group has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting period.

B) Dividends

	March 31, 2022	March 31, 2021
(i) Equity shares		
Final dividend for the year ended March 31, 2021 of ₹ 22 (March 31, 2020 - ₹ Nil) per fully paid equity share	4,593.00	-
Interim dividend including Special Dividend for the year ended March 31, 2022 of ₹195 (March 31, 2021 - ₹18) per fully paid equity share	40,749.89	3,757.41
(ii) Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended payment of a final dividend of ₹ 25 per fully paid equity share (March 31, 2021 - ₹ 22). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	10,448.78	4,593.00

40 Related Party Transactions and Balances

I) Individual having control with his relatives and associates

Mr. Ashok P. Hinduja

II) Key Management Personnel

Mr. Partha DeSarkar Whole-time Director & Chief Executive Officer

Non executive directors:

Mr. Yashodhan Madhusudan Kale, Chairman and Non-executive Director

Mr. Anil Harish

Ms. Bhumika Batra

Mr. Sudhanshu Kumar Tripathi

Dr. Ganesh Natarajan

III) Enterprises where common control exists

1 Hinduja Group Limited

2 NXTDIGITAL Limited (Formerly known as Hinduja Ventures Limited)

3 Hinduja Healthcare Limited

4 Hinduja Realty Ventures Limited

5 Hinduja Energy (India) Ltd.

6 Hinduja National Power Corporation Limited

7 IndusInd Media & Communication Limited

8 Aasia Corporation LLC

9 OneOTT Intertainment Limited

10 Tabula Rasha Music LLP

11 In Entertainment (India) Limited

12 Impeccable Imagination LLP

(All amounts are in Rupees Lakhs)

IV) Enterprises where Significant Influence is exercised by Directors

1 Global Talent Track Private Limited

2 5F World Private Limited

3 Skills Alpha Learning Private Limited

4 Vihur Apps Private Limited

5 Kalzoom Advisors Private Limited

V) Relatives of key management personnel including directors whether executive or otherwise

Mr. Pabitra DeSarkar (Father)

D M Harish & Co (Firm in which Mr. Anil Harish is a Partner)

Satya A Hinduja

P.K. DeSarkar (Firm in which Mr. Partha DeSarkar is partner)

Corner Stone Ventures Partners Investment Advisers LLP (Firm in which Dr. Ganesh Natarajan is a partner)

M/s. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra is a partner)

5F World (Firm in which Dr. Ganesh Natarajan is a partner)

Enlead consultants (Mr. Partha DeSarkar-Partner)

BSR & Co. LLP (Mr. Yashodhan Madhusudan Kale's relative is a Partner)

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

	Parties referred to in II and V above		Parties referred to in III and IV above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Rendering of Services				
NXTDIGITAL Limited	-	-	63.77	29.78
IndusInd Media and Communication Limited	-	-	-	18.41
OneOTT Intertainment Limited	-	-	24.32	12.15
Others	30.45	31.03	2.03	7.94
Total	**30.45**	**31.03**	**90.12**	**68.27**
Interest income				
Hinduja Group Limited	-	-	1,794.72	870.90
Hinduja Realty Ventures Limited	-	-	1,680.33	998.57
Hinduja Energy (India) Ltd	-	-	-	602.69
Aasia Corporation LLC	-	-	201.37	-
NXTDIGITAL Limited	-	-	688.75	17.34
Total	**-**	**-**	**4,365.17**	**2,489.50**
Lease payments				
Hinduja Group Limited	-	-	67.60	62.40
Hinduja Realty Ventures Limited	-	-	317.88	201.91
Satya A Hinduja	92.72	57.65	-	-
Total	**92.72**	**57.65**	**385.48**	**264.31**
Link Connectivity Charges				
IndusInd Media & Communications Ltd	-	-	-	2.75
Total	**-**	**-**	**-**	**2.75**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in II and V above		Parties referred to in III and IV above	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Legal & Professional charges				
Hinduja Group Limited	-	-	3,564.06	500.00
Global Talent Track Private Limited	-	-	-	1.56
Kalzoom Advisors Private Limited	-	-	-	4.97
Crawford Bayley & Co.	442.50	125.00	-	-
	442.50	**125.00**	**3,564.06**	**506.54**
Training and Recruitment				
Global Talent Track Pvt Ltd	-	-	1.17	-
Total	**-**	**-**	**1.17**	**-**
Commission to Directors & sitting fees				
Commission to Directors	393.75	347.13	-	-
Sitting fees paid to Director's	180.76	60.50	-	-
Total	**574.51**	**407.63**	**-**	**-**
Executive Remuneration*				
Mr. Partha DeSarkar #	2,327.72	1,731.83	-	-
Total	**2,327.72**	**1,731.83**	**-**	**-**

Note:

* The above Executive remuneration excludes Gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

\# Maximum Variable Pay for the year 2021-22, dependent on satisfactory performance, is ₹ 435.60 lakhs. Maximum deferred pay, subject to agreed targets being met, is ₹ 1586.51 Lakhs. These amounts are payable in 2022-23 and is subject to approval by the Nomination and Remuneration Committee of the Company.

The remuneration accrued by the parent company of the Group to its whole-time director during the year exceeds the prescribed limit of 5% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2021-22 in excess of the limit laid down under this section is INR 359 lakhs.

	Parties referred to in II and V above		Parties referred to in III and IV above	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Loans Given				
Hinduja Group Limited	-	-	68,000.00	58,500.00
Hinduja Realty Ventures Limited	-	-	87,000.00	16,500.00
Hinduja Energy (India) Ltd	-	-	-	21,500.00
NXTDIGITAL Limited	-	-	9,000.00	9,950.00
Aasia Corporation LLC	-	-	30,000.00	-
Total	**-**	**-**	**194,000.00**	**106,450.00**
Loans Repaid				
Hinduja Group Limited	-	-	33,550.00	57,500.00
Hinduja Realty Ventures Limited	-	-	44,000.00	21,500.00
Hinduja Energy (India) Ltd	-	-	-	25,500.00
NXTDIGITAL Limited	-	-	9,950.00	-
Aasia Corporation LLC	-	-	30,000.00	-
Total	**-**	**-**	**117,500.00**	**104,500.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in II and V above		Parties referred to in III and IV above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Miscellaneous Expenses				
Hinduja Group Limited	-	-	260.12	-
In Entertainment (India) Limited	-	-	128.14	-
Hinduja Realty Ventures Limited	-	-	-	4.68
Total	**-**	**-**	**388.26**	**4.68**
Loans Receivable				
Hinduja Group Limited	-	-	50,450.00	16,000.00
Hinduja Realty Ventures Limited	-	-	53,000.00	10,000.00
Hinduja Energy (India) Ltd	-	-	-	-
NXTDIGITAL Limited	-	-	9,000.00	9,950.00
Total	**-**	**-**	**112,450.00**	**35,950.00**
Interest Receivable on Loans				
NXTDIGITAL Limited	-	-	3.92	17.34
Total	**-**	**-**	**3.92**	**17.34**
Security deposit				
Hinduja Realty Ventures Limited	-	-	80.00	42.00
Satya A Hinduja	24.00	12.00	-	-
Total	**24.00**	**12.00**	**80.00**	**42.00**
Receivable net of Payables as at year-end				
NXTDIGITAL Limited [Refer footnote 1&2 of Note 31(A)]	-	-	1,883.58	1,868.99
Others	6.94	5.45	18.82	31.17
Total	**6.94**	**5.45**	**1,902.40**	**1,900.16**
Payable net of Receivables as at year-end				
Global Talent Track Private Limited	-	-	-	1.56
In Entertainment India Limited	-	-	0.27	-
Total	**-**	**-**	**0.27**	**1.56**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

41 Fair value measurements

(a) Financial instruments by category

Particulars	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Treasury bills (Refer note 5)	-	-	280.37	-	-	482.11
- Non-convertible debentures(NCDs)	-	-	246,676.62	-	-	-
Security deposits (Refer note 6 & 12)	-	-	3,845.38	-	-	5,059.27
Deposits with bank for Margin Money (Refer note 6)	-	-	110.44	-	-	92.78
Bank deposits with maturity exceeding 12 month (Refer note 6)	-	-	-	-	-	1,126.61
Miscellaneous	-	-	41.50	-	-	-
Trade receivables (Refer note 9)	-	-	61,633.12	-	-	123,054.02
Cash and cash equivalents (Refer note 10a)	-	-	204,808.68	-	-	53,003.81
Other Bank balances (Refer note 10b)	-	-	147,312.23	-	-	623.38
Interest accrued on deposits/ loans (Refer note 12)	-	-	919.51	-	-	160.45
Finance lease and Other receivables (Refer note 12)	-	-	892.12	-	-	1,771.70
Derivative financial assets designated in a hedge relationship (Refer note 6 & 12)	-	-	-	-	3,679.53	
Derivative financial assets (Refer note 12)	42.90	-	-	-	-	
Loans to third parties (Refer note 11)	-	-	161,227.78	-	-	52,078.87
Total Financial assets	**42.90**	**-**	**827,747.75**	**-**	**3,679.53**	**237,453.00**
Financial Liabilities						
Borrowings (Refer note 15)	-	-	346.14	-	-	39,358.45
Lease Liability (Refer note 16)	-	-	30,480.97	-	-	78,580.31
Deferred consideration payable (Refer note 17 & 20)	-	-	-	-	-	1,840.81
Trade payables (Refer note 19)	-	-	46,643.25	-	-	38,364.80
Derivative financial Liabilities designated in a hedge relationship (Refer note 17 & 20)	-	142.27	-	-	1,223.28	
Other financial Liabilities (Refer note 21)	-	-	20,916.54	-	-	21,777.14
Total Financial Liabilities	**-**	**142.27**	**98,386.90**	**-**	**1,223.28**	**1,79,921.51**

The fair value of the financial assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair-value of the financial-instruments factor the uncertainties arising out of COVID-19, where applicable.

(i) Fair value hierarchy

Financial assets and Liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(All amounts are in Rupees Lakhs)

The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and Liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value.

Financial assets and Liabilities measured at fair value - recurring fair value measurements	Date of Valuation	Notes	Level 1	Level 2	Level 3	Total
Derivative financial assets						
Derivative financial assets						
Foreign exchange forward contracts*	March 31, 2022	12	-	42.90	-	42.90
	March 31, 2021		-	-	-	-
Derivatives designated as hedges						
Foreign exchange forward contracts*	March 31, 2022	6&12	-	-	-	-
	March 31, 2021		-	3,679.53	-	3,679.53
Derivative financial Liabilities						
Derivatives designated as hedges						
Foreign exchange forward contracts*	March 31, 2022	17&20	-	142.27	-	142.27
	March 31, 2021		-	584.37	-	584.37
Interest Rate Swap*	March 31, 2022	17	-	-	-	-
	March 31, 2021		-	638.91	-	638.91

* The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

Derivative financial instruments:

The Group has evaluated the impact of the COVID-19 event on its highly probable transactions and concluded that there was no impact on the probability of occurrence of the hedged transaction. The Group has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk in assessing hedge effectiveness and measuring hedge ineffectiveness.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

42 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, Investment in Non convertible Debentures, financial assets measured at amortized cost	Ageing analysis, Credit ratings, Letter of comfort, collateral securities	Diversification of bank deposits, credit limits for Customers, party-wise and overall limits on the inter-corporate deposits and loans.
Liquidity risk	Borrowings and other Liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and Liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk	Interest rate risk	Cash flow forecasting Sensitivity analysis	Interest rate swap

The Group's risk management is carried out by the finance department under direction of the Board of Directors. The Group's finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

A) Credit risk

Credit risk arises from trade receivables including unbilled receivables, Investment in Non convertible Debentures, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

i) Credit risk management:

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Group's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognised in the balance sheet.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Other applicable macroeconomic information such as regulatory changes

A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

a. trade receivables and unbilled receivables amounting to ₹ 61,633.12 Lakhs (March 31, 2021 ₹ 123,054.02 Lakhs). Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate. During the year, the Company made write-offs of ₹ 93.95 Lakhs (March 31, 2021 ₹ 60.12 Lakhs) of trade receivables (both continued and discontinued operations).

b. Loans receivable and Intercorporate deposits amounting to ₹ 161,227.78 Lakhs (March 31, 2021 ₹ 52,078.87 Lakhs). The loans and intercorporate deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercorporate deposits are unsecured and are repayable on demand or March 31, 2023, whichever is earlier. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.

c. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

d. Non-convertible debentures (NCD) amounting to ₹ 246,676.23 Lakhs (March 31, 2021 ₹ Nil) (Refer note 5). The Non-convertible debentures are placed with parties approved by the Board of Directors.

The Non-convertible debentures have a lock in period of 24 months with a right to demand partial redemption of the NCDs upto 25% of the Issue Size with 45 business days' notice and an additional 25% of the Issue Size post the first redemption with 90 business days' notice. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.

a) Percentage of revenues generated from top customer and top five customers. (both continued and discontinued operations)

	March 31, 2022	March 31, 2021
Revenue from top customer	16.23%	21.49%
Revenue from top five customers	44.54%	53.58%

B) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Group`s liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans.

Management monitors rolling forecasts of the Group`s net liquidity position on the basis of expected cash flows. The Group invests its surplus funds in Non-convertible debentures, loans and intercorporate deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews.

i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Ageing	March 31, 2022	March 31, 2021
Expiring within one year (bank overdraft and other facilities)	40,550.30	42,233.90
Total	**40,550.30**	**42,233.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings.

ii) Maturities of financial Liabilities

The tables below analyse the Group's financial Liabilities into relevant maturity Groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and

- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial Liabilities - March 31, 2022	Within 1 year	between 1 to 2 years	between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	346.14	-	-	-	346.14
Obligations under lease liability	7,781.66	7,813.76	11,379.29	3,506.27	30,480.97
Trade payables	46,643.25	-	-	-	46,643.25
Other financial Liabilities	20,916.54	-	402.52	-	21,319.06
Total non-derivative Liabilities	**75,687.59**	**7,813.76**	**11,781.81**	**3,506.27**	**98,789.42**
Derivatives					
Foreign exchange forward Contracts - net settled	142.27				142.27
Total derivative Liabilities	**142.27**	**-**	**-**	**-**	**142.27**

Contractual maturities of financial Liabilities - March 31, 2021	Within 1 year	between 1 to 2 years	between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	20,224.40	11,122.45	8,011.59	-	39,358.44
Obligations under lease Liabilities	12,122.27	12,201.07	30,927.97	23,329.00	78,580.31
Deferred consideration payable	1,840.81	-	-	-	1,840.81
Trade payables	38,364.80	-	-	-	38,364.80
Other financial Liabilities	21,777.14	-	-	-	21,777.14
Total non-derivative Liabilities	**94,329.42**	**23,323.52**	**38,939.56**	**23,329.00**	**179,921.50**
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	825.00	143.93	254.35	-	1,223.28
Total derivative Liabilities	**825.00**	**143.93**	**254.35**	**-**	**1,223.28**

C) Market risk

i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-company transactions) and recognized assets and Liabilities denominated in a currency that is not the functional currency . The risk is measured through a forecast of highly probable foreign currency cash flows.

The company's risk management policy is to hedge upto 75% of forecasted foreign currency sales for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

(All amounts are in Rupees Lakhs)

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The Group monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

The objective of the hedges is to minimize the volatility of the functional currency cash flows of highly probable forecast transactions.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Company matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship.

ii) Foreign currency risk exposure

The exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	Currency	March 31, 2022	March 31, 2021
Financial assets			
Trade receivables/ Inter- company balances	USD	20,006.40	83,400.56
	GBP	18.09	37.97
	SGD	2.18	2.71
	CAD	-	12.63
	AED	2.87	0.84
	EURO	3.06	59.77
Loans to Inter- company balances	USD	64,108.20	86,471.61
	GBP	6,558.65	6,372.30
	CAD	12,030.20	13,552.86
	AUD	284.24	-
Loan to other entities in Foreign currency	USD	19,734.72	16,128.87
Bank balance in EEFC accounts	USD	74,360.27	10,073.16
	CAD	105.04	5,999.07
	AUD	13.37	-
Financial Liabilities			
Borrowings	USD	-	10,974.92
Lease Liability	USD	4,424.10	5,060.12
Loans from Inter- company balances	USD	46,502.96	44,244.62
Deferred consideration Payable	USD	-	1,840.81
Trade payable/ Inter- company balances	USD	9,955.76	12,841.11
	GBP	2.88	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

iii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and Interest rate swap designated as cash flow hedges.

Particulars	Impact on profit after tax	
	March 31, 2022	March 31, 2021
USD sensitivity		
USD -Increase by 5% (March 31, 2021 - 5%)*	4,389.90	4,531.55
USD -Decrease by 5% (March 31, 2021 - 5%)*	(4,389.90)	(4,531.55)
GBP sensitivity		
GBP -Increase by 8% (March 31, 2021 - 8%)*	393.55	383.75
GBP -Decrease by 8% (March 31, 2021 - 8%)*	(393.55)	(383.75)
CAD sensitivity		
CAD -Increase by 4%(March 31, 2021 - 4%)*	363.24	585.62
CAD -Decrease by 4% (March 31, 2021 - 4%)*	(363.24)	(585.62)

Particulars	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2022	March 31, 2021
USD sensitivity		
USD - Increase by 5% (March 31, 2021 - 5%)*	(163.18)	(7,704.74)
USD - Decrease by 5% (March 31, 2021 - 5%)*	181.53	7,715.86

* Holding all other variables constant

iv) Cash flow and fair value interest rate risk

The Groups' main interest rate risk arises from floating rate borrowings, including various revolving and other lines of credit which expose the Group to cash flow interest rate risk. The Groups' manages it's net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates.

The Group's investments are primarily in fixed rate non-convertible debentures, short-term loans and deposits, which do not expose it to significant interest rate risk.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2022	March 31, 2021
Variable rate borrowings*	346.14	22,868.93
Total borrowings	**346.14**	**22,868.93**

* The borrowings hedged against a derivative instrument are not included for interest rate exposure.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit before tax	
	March 31, 2022	March 31, 2021
Interest rates — increase by 70 basis points (70 bps)*	(1.13)	(80.04)
Interest rates — decrease by 70 basis points (70 bps)*	1.13	80.04

Particulars	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2022	March 31, 2021
Interest rates — increase by 70 basis points (March 31, 2021 -70 bps)*	-	94.39
Interest rates — decrease by 70 basis points (March 31, 2021 -70 bps)*	-	(40.34)

* Holding all other variables constant

Impact of hedging activities

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

The group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Group monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

March 31, 2022

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts:							
Sell USD, buy PHP	6.10	-	(142.27)	July, 2022	1:1	(142.27)	142.27

March 31, 2021

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts:							
Sell USD, buy INR	183.01	3,542.33	(41.33)	March, 2024	1:1	3,501.00	(3,501.00)
Sell USD, buy PHP	107.50	137.21	(543.04)	March, 2022	1:1	(405.83)	405.83
Interest rate risk							
Interest Rate Swap (included in Other Current Financial Assets/ Liabilities)	22.13	-	(638.91)	February, 2024 and September, 2023		(638.91)	638.91
Hedge of net investment in foreign operations	15.00	-	330.21	-	-	330.21	(330.21)

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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

March 31, 2022

Type of hedge	Change in the value of hedging instrument recognised in Other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss*	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	3,334.01	(6,258.19)	(231.54)	Revenue & Other Income
Interest rate risk	-	-	513.29	Finance Cost

* Following the sale of Healthcare business, certain forecast transactions were no longer probable. Hence hedge accounting was discontinued and the cumulative gain of INR 6258.19 lakhs was reclassified to the Profit or Loss statement and included in Profit or Loss from discontinued operations.

March 31, 2021

Type of hedge	Change in the value of hedging instrument recognised in Other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	11,755.35	-	(3,653.34)	Revenue
Interest rate risk	638.91	-	457.53	Finance Cost
Net investment in foreign operation	330.21	-	-	Foreign currency translation reserve

43 Interests in other entities

Subsidiaries

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

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		%	%	%	%
HGS International	Mauritius	100	100	-	-
Hinduja Global Solutions LLC.(Formerly known as Hinduja Global Solutions Inc.)	United States of America	100	100	-	-
HGS CX Technologies Inc.		100	-	-	-
HGS Healthcare Operations Inc (Refer Note c)		-	-	-	-
HGS Properties LLC		100	100	-	-
HGS Canada Holdings LLC		100	100	-	-
HGS Colibrium LLC (Refer Note c)		-	100	-	-
HGS Healthcare LLC (Refer Note c)		-	100	-	-
HGS EBOS LLC (Refer Note c)		-	100	-	-
HGS (USA), LLC		100	100	-	-
HGS Digital, LLC (Formerly known as Element Solutions LLC) (Refer e below)		100	100	-	-
HGS Axis Point Health LLC (Refer Note c)		-	100	-	-

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		%	%	%	%
HGS Canada Inc.	Canada	100	100	-	-
Affina Company, Canada		100	100	-	-
C-Cubed B.V.	Netherlands	100	100	-	-
C-Cubed N.V.	Curacao	100	100	-	-
Customer Contact Centre Inc. (Refer b below)	Philippines	100	100	-	-
Hinduja Global Solutions Europe Limited (Refer f below)	United Kingdom	100	100	-	-
Hinduja Global Solutions UK Limited		100	100	-	-
HGS France, S.A.R.L(Refer a below)	France	-	100	-	-
HGS St. Lucia Limited	Saint Lucia	100	100	-	-
Team HGS Limited	Jamaica	100	100	-	-
Hinduja Global Solutions Mena FZ LLC	United Arab Emirates	100	100	-	-
Falcon Health Solutions Puerto Rico Holding LLC	Puerto Rico	100	100	-	-
Falcon Health Solutions Puerto Rico LLC	Puerto Rico	100	100	-	-
Diversify Offshore Staffing Solutions Pty Ltd (Refer d below)	Australia	100	-	-	-
Diversify Intelligent Staffing Solutions Inc. (Refer d below)	Philippines	100	-	-	-
Diversify ISS BGC Inc. (Refer d below)		100	-	-	-
Diversify Offshore Solutions Cebu Inc. (Refer d below)		100	-	-	-

Note:

a) Liquidated in FY 2021-22.

b) Liquidated effective April 3, 2018 (While these are officially liquidated, the repatriation of funds are not yet complete and hence these are still part of the consolidated financial statements).

c) These were 100% subsidiaries till January 5, 2022.

d) In February 2022 the Group acquired 100% equity interest in of Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify') through HGS International Mauritius (wholly owned subsidiary of the Company).

e) The Company acquired the remaining 28.67% stake in PY 2020-21 from the non-controlling shareholders for a total consideration of ₹ 5,220.94 Lakhs. An amount of ₹ 3,380.13 has been paid during the previous year and an amount of ₹1,840.81 lakhs is paid in June, 2021 (Refer Note 20). Accordingly, in 2020-21 the Non-Controlling Interests of ₹1,235.78 was re-classified to Equity.

f) under liquidation

44 Segment reporting

The Group's board of directors along with it's chief executive officer, examines the Group's performance and has identified single reportable segment, namely business process management. Board of directors primarily uses a measure of adjusted earnings before interest and tax (EBIT) to assess the performance of the operations.

The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Revenue from external customers	Year ended March 31, 2022	Year ended March 31, 2021*
USA and Canada	440,633.29	469,263.36
India	34,218.23	24,119.65
Europe	97,698.79	51,966.55
Rest of the world	7,042.15	13,542.27
Total	**579,592.46**	**558,891.83**

Revenue from major customers	Year ended March 31, 2022	Year ended March 31, 2021*
Revenue from five major customers (more than 10% of total revenue)	258,150.48	299,454.24
Others	321,441.98	259,437.59
Total	**579,592.46**	**558,891.83**

* Above revenues are including both Continuing and Discontinued operations.

Non current assets and Liabilities used in the Group's business across the locations are not identified to any of the segment as these are used interchangeably between segments. Accordingly management is of the view that separate disclosure of assets located in geographical location is not relevant.

45 Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows :

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance (in %)
(a) Current Ratio*	Current Assets	Current Liabilities	3.69	2.13	73%
(b) Debt-Equity Ratio*	Total Debt	Shareholder's Equity	-	0.19	-100%
(c) Debt Service Coverage Ratio*	Earnings available for debt service	Interest Cost, Debt and lease payments	20.96	0.63	3237%
(d) Return on Equity Ratio*	Net Profits after taxes	Average Shareholder's Equity	123%	18%	601%
(e) Inventory turnover ratio	Cost Of Goods Sold	Average Inventory	-	-	-
(f) Trade Receivables turnover ratio	Net Credit Sales	Average accounts receivable	6.28	5.04	25%
(g) Trade payables turnover ratio	Net Credit Purchases	Average accounts Payables	2.57	2.96	-13%
(h) Net capital turnover ratio	Net Sales	Working Capital	1.33	4.20	-68%
(i) Net profit ratio	Net Profit	Net Sales	105%	6%	1651%
(j) Return on Capital employed	Earning before interest and taxes	Capital Employed	92%	21%	329%
(k) Return on investment	Interest income earned	Average investments in Debentures, Inter corporate deposits, Loans, Fixed deposits and Treasury Bills	2%	5%	-55%

* The Board of Directors of Hinduja Global Solutions Limited (the "Company"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") and the transaction has been consummated on January 5, 2022. This has resulted in a gain from sale of ₹ 575,356.51 (net of tax). The sales proceeds has been utilized for investment purposes and repayment of borrowings. As a result previous year numbers are not comparable with current Year.

(All amounts are in Rupees Lakhs)

46 Non-current asset held for sale, Discontinued operations and Summary of acquisition

i) Assets held for sale

On November 12, 2020 the board resolved to dispose of the HGS International immovable properties and negotiations with several interested parties have subsequently taken place. These assets were leased to Hinduja Global Solutions UK Limited and the lease agreement was terminated on March 31, 2021. These assets, which are expected to be sold within 12 months, have been classified as assets held for sale and presented separately in the balance sheet. The proceeds of disposal of assets are expected to exceed the carrying amount of the assets and accordingly no impairment losses have been recognised on the classification of these assets as held for sale.

Details of assets classified as held for sale is as under:

	Carrying amount as at March 31, 2022	Carrying amount as at March 31, 2021
Land	1,000.10	964.07
Building	4,397.07	4,238.66
Total	**5,397.17**	**5,202.73**

ii) Discontinued operations

a) Disposal of healthcare services business ("HS Business")

The Board of Directors of Hinduja Global Solutions Limited (the "Company"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") to wholly owned subsidiaries of Betaine BV ("Investor"), which is owned by funds affiliated with Baring Private Equity Asia. The transaction is based on enterprise value of US$ 1,200 million and subject to closing adjustments, the shareholder and other regulatory approvals have been obtained and the transaction has been consummated on January 5, 2022. As a result, the Company has classified the HS business as Discontinued Operations in its Financial Statements and related notes.

b) Details of sale of the business

	Year ended March 31, 2022
Consideration received in Cash	776,406.64
Less: Carrying amount of net assets	(91,009.98)
Less: Transaction fee	(27,844.66)
Less: Other Expenses.	(4,405.09)
Less: Assets written-off	(91.54)
Add: Forex Impact	2,376.01
Gain on sale before Income tax	**655,431.38**
Income tax expense	80,074.87
Gain on sale after Income tax	**575,356.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

c) **Carrying amount of assets and Liabilities on the date of transfer is as follows:**

	As of January 5, 2022
Assets	
Property, Plant and equipment	28,400.44
Intangible Assets	3,782.76
Goodwill	17,748.51
Office Rental Deposits and Other Deposits	4,257.18
Derivative financial assets designated in a hedge relationship	6,258.19
Right to use asset	41,135.10
Cash and bank balances	6,469.66
Trade receivables	73,049.58
Other Assets	3,975.58
Liabilities	
Gratuity	(2,734.63)
Trade payables	(3,097.07)
Pension	(7,874.23)
Leave Encashment Liability	(4,061.92)
Lease Liability	(51,401.15)
Employee benefits payable	(6,734.92)
Other Liabilities	(18,163.09)
Net Assets disposed of	**91,009.98**

d) **Analysis of profit for the year and cash flows from discontinued operations**

	Year ended March 31, 2022	**Year ended March 31, 2021**
Revenue from operations	253,223.00	298,716.14
Other Income	12,395.59	1,039.41
Total income	**265,618.59**	**299,755.55**
Employee benefit expense	149,528.56	171,230.71
Finance cost	3,843.90	5,319.06
Depreciation and amortisation expense	14,651.33	19,020.14
Other Expenses	41,267.06	48,504.14
Total expenses	**209,290.85**	**244,074.05**
Profit before tax (I)	**56,327.74**	**55,681.50**
Income Tax expense (II)		
a) Income Tax	21,016.93	14,053.48
b) Deferred Tax	618.43	2,164.59
Total Income Tax expenses(a+b)	**21,635.36**	**16,218.08**
Gain on disposal of domestic business (III)	**655,431.38**	**-**
Income Tax expense (IV)	80,074.87	-
Profit before tax from discontinued operations (I) + (III)	**711,759.12**	**55,681.50**
Income tax expense of discontinued operations (II) + (IV)	**101,710.23**	**16,218.08**
Profit after tax from discontinued operations (attributable to the owners of the Company)	**610,048.89**	**39,463.42**

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from discontinued operations		
Net cash inflows from operating activities*	3,990.45	64,927.81
Net cash inflows/ (outflows) from investing activities	738,088.68	(7,222.60)
Net cash flows from financing activities	(9,093.21)	(13,147.77)
Net cash inflows	**732,985.92**	**44,557.44**

* Cash from operating activities is reported after reducing the advance tax paid on capital gains.

(iii) Summary of acquisition

(a) Summary of acquisition

The Board of Directors of HGS International Mauritius(wholly owned subsidiary of the Company) had at its meeting held on January 28, 2022, approved entering into a definitive agreement to acquire a 100% equity stake in Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify). Diversify is an Australian enterprise, providing value-added BPM services, with delivery centers in the Philippines. It provides differentiated consumer engagement solutions to its impressive roster of over 50 clients, 70% of whom are in the Australia & New Zealand (ANZ) region and the others in the US.

Effective February 25, 2022, the group has acquired Diversify Offshore Staffing Solutions Pty Ltd., Australia for an aggregate consideration of ₹ 21,180.21 lakhs.

Diversify provides BPM services in the nature of financial & accounting, marketing, legal, HR and IT support to 50+ clients from sectors such as BFSI, Technology, Retail, Logistics etc. and primarily based on Australia.

Diversify has three Subsidiaries in Philippines:

a. Diversify Intelligent Staffing Solutions Inc,

b. Diversify ISS BGC Inc. and

c. Diversify Offshore Solutions Cebu Inc

Consideration transferred

Particulars	Diversify
Cash	21,180.21
Total	**21,180.21**

Acquisition related costs amounting to ₹ 111.63 lakhs incurred during the period have been excluded from the consideration transferred and have been recognized as an expense in profit or loss, within the “Other expense” line item.

Assets acquired and Liabilities recognised at the date of acquisition

Particulars	Diversify
Current assets	220.50
Cash and cash equivalents	443.57
Trade receivables	1,109.21
Office Deposit	755.93
Property, Plant and Equipment	335.89
Right of use assets	5,522.29
Customer Relationship	11,111.12
Computer Software	276.27
Lease Liabilities	(5,581.23)
Borrowings	(317.58)
Other current financial Liabilities	(491.51)
Current Liabilities	(2,701.84)
Current tax Liabilities(Net)	(91.28)
Provisions	(83.10)
Trade payables	(589.52)
Total	**9,918.72**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The receivables acquired (which principally comprised trade receivables) in these transactions with a fair value of ₹ 1,109.21 lakhs had gross contractual amounts of ₹1,109.21 lakhs. The best estimate at acquisition date of the contractual cash flows not expected to be collected are Nil.

Goodwill arising on acquisition

Particulars	Diversify
Consideration transferred	21,180.21
Less: fair value of identifiable net assets acquired	9,918.72
Plus: deferred tax on intangibles	3,416.22
Goodwill arising on acquisition	14,677.71

The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Diversify. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arising on the acquisition is not expected to be deductible for tax purposes.

Goodwill arising on the acquisition is included in Diversify CGU , which are subject to impairment testing as at March 31, 2022 (Note 35).

Net cash outflow on acquisition of subsidiaries

Particulars	Diversify
Consideration paid in cash	21,180.21
Less: cash and cash equivalent balances acquired	443.57
	20,736.64

Impact of acquisitions on the results of the Group

The initial accounting for the acquisition of Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify) has only been provisionally determined at the end of the reporting period and will be finalised within one year following the date of acquisition ('the measurement period'). For tax purposes, the tax values of Diversify's assets are required to be reset based on market values of the assets.

Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify) contributed ₹ 1,492.16 lakhs revenue and ₹ 55.66 Lakhs to the Group's Loss for the period between the date of acquisition and the reporting date. If the acquisition had been consummated on April 1, 2021, management estimates that consolidated revenues for the Company would have been higher by ₹ 101,83.14 lakhs and the profit after taxes would have been lower by ₹ 497.08 lakhs for the year ended March 31, 2022. These pro-forma amounts are not necessarily indicative of the actual or future results if the acquisition had been consummated on April 1, 2021.

47 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	53.06	437.09
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0.95
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group.

(All amounts are in Rupees Lakhs)

48 Leases

i) Group as a lessee

The Group leases several assets including buildings, furnitures and equipments. The average lease term is 5.36 years. (March 31, 2021 - 6.59 years)

Right-of-use assets (both continued and discontinued operations)	Building	Computers	Furniture& Fixtures	Office Equipment	Total
Net carrying amount					
March 31, 2021	68,696.67	105.51	149.72	930.50	69,882.40
March 31, 2022	27,103.89	193.28	7.88	3.65	27,308.70
Depreciation expense for the year ended					
March 31, 2021	14,166.35	119.77	119.80	345.87	14,751.79
March 31, 2022	13,645.33	121.58	108.88	269.06	14,144.85

Amounts recognised in statement of profit and loss (both continued and discontinued operations)	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation expense on right-of-use assets	14,144.85	14,751.79
Interest expense on lease Liabilities	5,039.57	6,293.48
Expense relating to short-term leases	3,670.05	2,834.75
(Gain)/ Loss on termination of leases	(421.53)	(865.34)
Rent waiver impact on profit and loss due to lease payments	-	(278.99)

Lease Liabilities	March 31, 2022	March 31, 2021
Non Current	22,699.31	66,458.04
Current	7,781.66	12,122.27
Total	**30,480.97**	**78,580.31**

Maturity analysis of Lease payments and short term & low value leases

Particulars	March 31, 2022	March 31, 2021
Not later than 1 year	10,771.15	18,146.65
Later than 1 year and not later than 5 years	22,555.98	55,503.57
Later than 5 years	3,987.13	26,928.27

The Group does not face a significant liquidity risk with regard to its lease Liabilities. Lease Liabilities are monitored within the treasury function.

ii) Group as lessor

The Group has entered into a non cancellable operating lease arrangement with its lessee for buildings. The average lease term is 5 years. (March 31, 2021 - Nil).

Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2022 is ₹ 100.31 Lacs. (March 31 2021 - Nil).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

Particulars	March 31, 2022	March 31, 2021
Not later than 1 year	430.76	-
Later than 1 year and not later than 5 years	1,623.92	-
Later than 5 years	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

iii) Sub-lease arrangement

The Group Sub- leases several assets including buildings, furnitures and equipments. The average lease term is 2.7 years. (March 31, 2021 - Nil).

The movement on account of subleased asset during the years ended March 31, 2022 and March 31, 2021 is as follows :

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the period	-	-
Addition during the period	2,354.02	-
Interest income accrued during the period	40.72	-
Lease receipts	(216.91)	-
Effect of Foreign currency differences	31.30	-
Balance at the end of the period	**2,209.14**	**-**

The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2022 and March 31, 2021 are as follows

Particulars	March 31, 2022	March 31, 2021
Not later than 1 year	931.66	-
Later than 1 year and not later than 5 years	1,535.67	-
Later than 5 years	-	-

49 Additional Information pursuant to para 2 of general information for the preparation of consolidated financial statements

Name of the entity in the group	Net Assets (total assets minus total Liabilities)		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Hinduja Global Solutions Limited								
March 31, 2022	49%	385,622.20	40%	243,122.65	-37%	(2,724.28)	39%	240,398.37
March 31, 2021	91%	190,512.85	62%	20,736.83	98%	5,257.36	67%	25,994.19
Subsidiaries								
Foreign								
HGS International								
March 31, 2022	52%	408,939.57	47%	284,062.73	0%	-	46%	284,062.73
March 31, 2021	56%	117,789.11	1%	349.39	0%	-	1%	349.39
Hinduja Global Solutions Inc.								
March 31, 2022	-9%	(69,765.31)	-2%	(14,687.44)	0%	-	-2%	(14,687.44)
March 31, 2021	-25%	(51,444.18)	-9%	(2,859.09)	2%	113.14	-7%	(2,745.95)
C-Cubed N.V.								
March 31, 2022	0%	24.70	0%	(3.83)	0%	-	0%	(3.83)
March 31, 2021	0%	28.29	0%	(4.88)	0%	-	0%	(4.88)
HGS St.Lucia Limited								
March 31, 2022	0%	(18.05)	0%	-	0%	-	0%	-
March 31, 2021	0%	(17.39)	0%	-	0%	-	0%	-
Hinduja Global Solutions Europe Limited								
March 31, 2022	1%	4,103.28	0%	(223.13)	0%	-	0%	(223.13)
March 31, 2021	2%	4,270.86	-2%	(715.04)	0%	-	-2%	(715.04)
HGS Properties LLC								
March 31, 2022	1%	9,434.13	0%	935.73	0%	-	0%	935.73
March 31, 2021	4%	8,174.18	3%	930.75	0%	-	2%	930.75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the entity in the group	Net Assets (total assets minus total Liabilities)		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
HGS EBOS LLC								
March 31, 2022	0%	-	1%	3,096.46	0%	-	1%	3,096.46
March 31, 2021	2%	5,019.99	7%	2,353.83	0%	-	6%	2,353.83
HGS(USA)LLC								
March 31, 2022	7%	58,270.87	0%	1,371.73	0%	-	0%	1,371.73
March 31, 2021	27%	56,198.58	19%	6,246.11	0%	-	16%	6,246.11
HGS Canada Holdings LLC								
March 31, 2022	3%	25,699.90	0%	-	0%	-	0%	-
March 31, 2021	12%	24,774.03	0%	-	0%	-	0%	-
HGS Canada Inc.								
March 31, 2022	-4%	(30,162.80)	-1%	(3,668.58)	0%	-	0%	(3,668.58)
March 31, 2021	-12%	(25,255.22)	3%	851.52	0%	-	0%	851.52
HGS Healthcare LLC								
March 31, 2022	0%	-	0%	516.95	0%	-	0%	516.95
March 31, 2021	14%	29,557.65	15%	5,177.13	0%	-	13%	5,177.13
Affina Company								
March 31, 2022	0%	(2,875.72)	0%	-	0%	-	0%	-
March 31, 2021	-1%	(2,772.12)	0%	-	0%	-	0%	-
HGS CX Technologies Inc.								
March 31, 2022	0%	7.53	0%	(0.06)	0%	-	0%	(0.06)
March 31, 2021	0%	-	0%	-	0%	-	0%	-
HGS Healthcare Operations Inc.								
March 31, 2022	0%	-	0%	-	0%	-	0%	-
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Hinduja Global Solutions UK Limited								
March 31, 2022	8%	61,211.61	3%	17,165.38	0%	-	3%	17,165.38
March 31, 2021	22%	44,925.28	-1%	(333.36)	0%	-	-1%	(333.36)
HGS France S.A.R.L								
March 31, 2022	0%	-	0%	-	0%	-	0%	-
March 31, 2021	0%	(2.48)	2%	711.76	0%	-	2%	711.76
C-Cubed B.V.								
March 31, 2022	0%	(3,487.00)	0%	(160.20)	0%	-	0%	(160.20)
March 31, 2021	-2%	(3,206.07)	0%	(161.35)	0%	-	0%	(161.35)
Customer Contact Center Inc.								
March 31, 2022	0%	3,496.14	0%	247.66	0%	-	0%	247.66
March 31, 2021	2%	3,344.44	0%	(166.41)	0%	-	0%	(166.41)
Team HGS Limited								
March 31, 2022	8%	62,260.74	9%	53,663.27	0%	-	9%	53,663.27
March 31, 2021	4%	7,939.93	17%	5,678.48	0%	-	15%	5,678.48
Hinduja Global Solutions Mena FZ LLC								
March 31, 2022	-1%	(5,984.09)	0%	(101.70)	0%	-	0%	(101.70)
March 31, 2021	-3%	(5,668.50)	-1%	(225.26)	0%	-	-1%	(225.26)
HGS Colibrium LLC								
March 31, 2022	0%	-	0%	(1,105.57)	0%	-	0%	(1,105.57)
March 31, 2021	5%	10,185.53	-5%	(1,620.96)	0%	-	-4%	(1,620.96)
HGS Axis Health LLC								
March 31, 2022	0%	-	-1%	(4,103.37)	0%	-	-1%	(4,103.37)
March 31, 2021	-11%	(23,135.62)	-17%	(5,600.72)	0%	-	-14%	(5,600.72)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the entity in the group	Net Assets (total assets minus total Liabilities)		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Falcon Health Solutions Puerto Rico Holding LLC								
March 31, 2022	0%	-	0%	-	0%	-	0%	-
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Falcon Health Solutions Puerto Rico LLC								
March 31, 2022	0%	(32.48)	0%	(28.08)	0%	-	0%	(28.08)
March 31, 2021	0%	440.17	0%	(120.97)	0%	-	0%	(120.97)
HGS Digital, LLC (Formerly known as Element Solutions LLC)								
March 31, 2022	1%	8,088.31	0%	1,448.06	0%	-	0%	1,448.06
March 31, 2021	3%	6,373.09	7%	2,226.97	0%	-	6%	2,226.97
Diversify Offshore Staffing Solutions Pty Ltd								
March 31, 2022	0%	(1,039.67)	0%	(1,022.81)	0%	-	0%	(1,022.81)
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Diversify Intelligent Staffing Solutions INC								
March 31, 2022	0%	(1,110.28)	0%	267.77	0%	-	0%	267.77
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Diversify ISS BGC Inc								
March 31, 2022	0%	1,216.72	0%	765.61	0%	-	0%	765.61
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Diversify Offshore Solutions Cebu Inc								
March 31, 2022	0%	-	0%	-	0%	-	0%	-
March 31, 2021	0%	-	0%	-	0%	-	0%	-
Less: Consolidation, Elimination and GAAP Adjustments								
March 31, 2022	-17%	(133,058.35)	5%	28,795.99	137%	10,005.85	6%	38,801.84
March 31, 2021	-91%	(189,545.08)	0%	150.42	0%	21.12	0%	171.54
Less: Non-controlling interest								
March 31, 2022		-		-		-		-
March 31, 2021		-		-		-		-
Grand Total								
March 31, 2022		**780,841.96**		**610,355.22**		**7,281.57**		**617,636.79**
March 31, 2021		**208,487.33**		**33,605.15**		**5,391.62**		**38,996.77**

50 Exceptional items includes costs related to certain vendor contracts attributable to the healthcare business (HC) These contracts have not been transferred pursuant to the terms of divestment of HS Business and accordingly reported within the Continuing Operations.The impact of the same refer a below.

Further, exceptional items for year ended 31st March 2021 represents additional provision made towards the change in fair value of contingent consideration payable to the sellers of HGS Digital LLC (formerly Element Solutions LLC) for the acquisition of the remaining stake. This was settled in full subsequently. The impact of the same is included in point a below:

Particulars		FY 2021-22	FY 2020-21
a	Provisions attributable to Healthcare Business	7,729.61	9,398.63
b	Provision made towards the change in fair value of contingent consideration payable to the sellers of HGS Digital LLC	-	1,522.72
Total		**7,729.61**	**10,921.35**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

51 Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Company has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group has not been declared willful defaulter by any bank or financial institution or other lender or government or any government authority.

(v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and share premium :

(I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

52 Previous year figures have been regrouped / rearranged wherever considered necessary, to conform to current year's classification.

53 Subsequent events:

The Board of Directors of the Company, at their meeting held on February 17,2022, had, inter-alia, vide a Draft Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or HGS") and their respective shareholders accorded approval to the Demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NDL. The said Scheme/Demerger is subject to necessary approvals of statutory/regulatory authorities and approval of shareholders. The Companies have made an application to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 25, 2022 and February 26, 2022 respectively for seeking their No Objection on the Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for proposed Scheme of Arrangement. BSE and NSE both vide their letters dated May 31, 2022 had conveyed their No objection/ No adverse observation to the said Scheme. Thereafter, the Scheme has been filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on June 9, 2022. Hon'ble NCLT vide Order dated July 29, 2022 directed the Company to convene the Meeting of Equity Shareholders on September 2, 2022. Accordingly, on July 30, 2022, the Company has despatched the Notice to convene the Meeting of Equity Shareholders on September 2, 2022. Post approval of the Shareholders, the Scheme is subject to further approval/ confirmation of the Hon'ble NCLT.

The accompanying notes form as integral part of these consolidated financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To THE MEMBERS OF HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HINDUJA GLOBAL SOLUTIONS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Philippines.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on financial information of the branch referred to in the Other Matters section below the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS")and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2022, and its profit, total 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditor in terms of their reports referred to in the Other Matters section below, 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response - Principal Audit Procedures
1	**Revenue recognition and measurement in respect of unbilled receivables as at March 31, 2022** The Company, in its contracts with customers, promises to transfer distinct services ('performance obligations') which may be rendered in the form of back-office processing, claim processing, and contact centre services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services ('transaction price'). At each reporting date, revenue is accrued for work performed that may not have been invoiced. Recognition of revenue before acknowledgment of receipt of services by customer and not recognizing penalties for not meeting the service levels defined in the contract, where applicable, could result in an overstatement of revenue and correspondingly, the profit. Accordingly, we consider measurement of unbilled receivables as a key audit matter.	**Our audit procedures in relation to management's estimation of unbilled receivables included, among others:** • We gained an understanding of the Company's processes in collating the evidence supporting delivery of services, for quantifying units of services that would be invoiced and the application of appropriate prices for each of such services. • We tested the design and operating effectiveness of controls in collating the units of services delivered and in the application of accurate prices for each of such services. • We have tested samples of unbilled receivables as at March 31, 2022 with reference to the customer confirmations or reports from information systems that record the inputs relating to the services delivered to confirm the units of services delivered and contractual rates for the application of appropriate price for each of services. • We extended our audit procedures to the date of approval of financial statements by the Board of Directors of the Company to verify the subsequent invoicing of the unbilled receivables. We have also determined whether adjustments, if any, are necessary upon receipt of approvals from customers for services delivered prior to March 31, 2022 and / or collections against those. • We have verified the ageing of unbilled receivables recognised to evaluate their reasonableness.
2	**Accounting and disclosure of intercorporate deposits to the related parties** As described in note 12 and note 39, the Company has given intercorporate deposits to certain parties, including related parties. Accounting and disclosure of such transactions have been identified as a key audit matter due to significance of such transactions, and risk associated with recoverability and, risk of such transactions not getting disclosed in the financial statements.	**Audit procedures in relation to accounting and disclosure of intercorporate deposits to the related parties included among others:** • Obtained and read the Company's policies, and procedures in respect of identification of related parties, obtaining approval for intercorporate deposit related transactions, recording and disclosure of related party transactions. • Tested such related party transactions and balances with the underlying contracts, promissory note, direct confirmation letters, and other supporting documents provided by the Company.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response - Principal Audit Procedures
2		• Inspected the Board and audit committee minutes providing an unanimous approval of all directors present in the meeting approving the investment of surplus funds of the Company in the unsecured intercorporate deposits to related parties including the promoter shareholders, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and the arms' length interest rates considered. • Verified that the intercorporate deposits granted are within the permissible limits specified in the Companies Act, 2013. • Inspected the Company Secretary's assessment and conclusion that there exists no conflict of interest of the independent directors of the Company approving these intercorporate deposits. • Tested the repayment and fresh disbursement of the intercorporate deposits during the year with the bank statements • Verified the classification of the intercorporate deposits as current assets considering these being granted for meeting the short-term working capital requirements of the borrowers in the ordinary course of business and the terms of the intercorporate deposits being repayable on demand • Inspected management's evaluation of recoverability by reference to the audited or unaudited financial statements as applicable of the respective borrowers. • Reviewed the disclosures in the financial statements to assess whether the disclosure is in accordance with Ind AS 24 Related Party Disclosure and under the Companies Act, 2013.
3	**Accounting and disclosure of the sale of healthcare business** As described in note 44, the Company sold its healthcare services business ("HS Business") on January 5, 2022. As a result, the healthcare business is reported as Discontinued Operations in its Financial Statements and related notes in accordance with Indian Accounting Standards 105 – "Non-current Assets Held for Sale and Discontinued Operations. We identified the accounting and disclosure of discontinued operations as a key audit matter because of the significance of the healthcare business to overall operations and the impact on measurement of goodwill and income taxes. Refer Note 31(a)(3) in relation to income taxes.	**Our audit procedures in relation to the sale of healthcare business included, among others:** • Inspected the approval of the Board of Directors and the Shareholders to the terms of the sale. Obtained and inspected the key regulatory approvals including the approval by the Committee of Foreign Investment in the United States (CFIUS) and the Competition Commission of India (CCI) and evaluated the Company's conclusion on classification of the Healthcare business as discontinued operations. • Verified the sale transaction with the underlying contracts to identify the assets, liabilities and employees transferred. • Verified the third-party business valuation reports to the selling price. Compared the selling price for the healthcare business to the carrying value of the healthcare business (including goodwill allocated to the healthcare business based on the relative fair values) and tested the accuracy of the gain from the sale.

AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response - Principal Audit Procedures
3		• Verified the receipt of the consideration from the bank statements. • Involved our internal tax specialists to assess the applicable fiscal regulations across four countries to determine the appropriateness of the uncertain tax positions on transactions pursuant to the sale of the healthcare business. • Evaluated the appropriateness of the disclosure of the discontinued operations in the financial statements in compliance with Ind AS 105 Non-Current Assets Held for Sale and Discontinued Operations and tested the classification of amounts included in discontinued operations including assumptions used and estimates made with regard to the determination of income and expenses pertaining to the healthcare business.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Corporate Governance report and Management Discussion & Analysis Report, but does not include the consolidated financial statements, 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 consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Management's Responsibility 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 REPORT

Auditor's Responsibility 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 financial 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 system 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 the 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its branch to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the branch auditor, such branch auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

AUDITOR'S REPORT

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

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

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

Other Matters

We did not audit the financial information of a branch included in the standalone financial statements of the Company whose financial information reflect total assets of Rs. 99,297 lakhs as at March 31 2022 and total revenue of Rs. 82,445 lakhs for the year ended on that date, as considered in the standalone financial statements. The financial information of the branch has been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch is based solely on the report of such branch auditor.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditor on the separate financial information of the branch referred to in the Other Matters section above we report, to the extent applicable that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company and so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

   c) The reports on the accounts of the branch office of the Company audited under Section 143(8) of the Act by the branch auditor has been sent to us and have been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branch not visited by us.

   e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (f) 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.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an

AUDITOR'S REPORT

unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration accrued by the Company to its whole-time director during the year exceeds the prescribed limit of 5% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2021-22 in excess of the limit laid down under this section is INR 359 lakhs and has been approved by the Nomination and Remuneration Committee of the Company. The remuneration is included under the heading salaries and wages in Note 26 Employee Benefit Expenses and is also disclosed in note 39. Related Party Transactions. The Company will obtain the approval of the members, by way of a special resolution, prior to the payment of the remuneration.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, 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 it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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 it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

As stated in note 38 B) to the 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 amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
UDIN: 21060408AAAABT5843

Place : Mumbai
Date : August 12, 2022

ANNEXURE 2 ILLUSTRATIVE REPORTING UNDER RULE 11(f) IN THE AUDIT REPORT ON

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hinduja Global Solutions Limited of even date)

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

We have audited the internal financial controls over financial reporting of HINDUJA GLOBAL SOLUTIONS LIMITED (“the Company”) as of March 31 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls over financial reporting of the Company’s branch.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the branch auditor of the branch located in Philippines in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors on internal financial controls system over financial reporting of the branch referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on, "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a branch located in Philippines is based on the corresponding reports of the branch auditor.

Our opinion is not modified in respect of this matter.

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For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
UDIN: 21060408AAAABT5843

Place : Mumbai
Date : August 12, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Hinduja Global Solutions Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

i. **In respect of the Company's Property, Plant and Equipment and Intangible Assets:**

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

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

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

c. Based on the examination of the registered sale deed / transfer deed / conveyance deed/ the property tax receipts and the lease agreement for the land/building provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant equipment of land and buildings which are freehold are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as at the balance sheet date, the lease agreements are duly executed in favour of the Company.

d. The Company has not revalued any of its Property, Plant and Equipment including right of-use assets and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a. The Company is in the business of rendering services, and consequently, does not hold any physical inventory. Therefore, the provisions of Clause 3(ii) of the said Order is not applicable to the Company.

b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters

iii. The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which

a) The Company has provided loans and, stood guarantee during the year and details of which are given below amounts in Lakhs:

Particulars	**Loans**
Aggregate amount granted/ provided to subsidiaries during the year	-
Balance outstanding as at the balance sheet date in respect of amount granted/provided to subsidiaries	30,360
Aggregate amount granted/ provided to other than subsidiaries during the year	247,000
Balance outstanding as at the balance sheet date in respect of amount granted/provided to other than subsidiaries during the year	112,450

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

a. In our opinion investments made and guarantees/securities provided and the terms and conditions of the grant all the above mentioned loans, guarantees and securities during the year are, prima facie, not prejudicial to the Company's interest.

b. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

c. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

d. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

e. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013, hence reporting under clause (vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except as given below

Name of Statute	Nature of Dues	Amount Involved (₹ in Lakhs)	Period to which the Amount Relates	Amount Unpaid (₹ in Lakhs)	Remarks, if any
Employees Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	19.15	April 2019 to July 2020	19.15	Employee Aadhaar number is not available
Employees Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	0.24	March 2021 to August 2021	0.24	-

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company

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

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit./ (b) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report)

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures. under audit.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions,

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

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For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
UDIN: 21060408AAAABT5843

Place : Mumbai
Date : August 12, 2022

STANDALONE BALANCE SHEET

(All amounts are in Rupees Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	7,058.43	19,456.57
b) Right of use assets	3	15,071.62	56,486.77
c) Capital work-in-progress	2	20.40	320.99
d) Intangible assets	4a	784.88	4,061.13
e) Goodwill	4b	2,504.26	2,504.26
f) Financial assets			
(i) Investments	5a	38,880.28	38,880.28
(ii) Loans	6	30,360.20	29,266.44
(iii) Other financial assets	7	2,480.03	5,386.56
g) Deferred tax assets (net)	36	4,043.98	4,163.64
h) Income tax assets (net)	8a	6,751.47	7,782.02
i) Other non-current assets	9	2,033.84	2,093.11
Total non-current assets		**109,989.39**	**170,401.77**
Current assets			
a) Financial assets			
(i) Investments	5b	280.37	482.11
(ii) Trade receivables	10	22,804.89	82,848.58
(iii) Cash and cash equivalents	11a	85,129.07	15,789.97
(iv) Bank balances other than (iii) above	11b	147,098.46	400.43
(v) Loans	12	112,450.00	35,950.00
(vi) Other financial assets	13	3,135.58	4,447.39
b) Other current assets	14	7,150.29	7,247.79
Total current assets		**378,048.66**	**147,166.27**
Total assets		**488,038.05**	**317,568.04**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	4,179.51	2,087.73
b) Other equity		381,442.69	188,425.12
Total equity		**385,622.20**	**190,512.85**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	16a	-	7,316.61
(ii) Lease Liabilities	17a	11,945.16	54,506.32
(iii) Other non-current financial liabilities	18	402.52	191.89
b) Provisions	19	2,426.98	18,029.20
Total non-current liabilities		**14,774.66**	**80,044.02**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	16c	-	3,658.30
(ii) Lease Liabilities	17b	3,222.31	8,417.03
(iii) Trade payables	20	10,818.26	13,526.68
(iv) Other financial liabilities	21	12,790.24	12,345.61
b) Provisions	22	12,055.39	3,772.38
c) Current tax liabilities(net)	8b	45,284.49	2,135.45
d) Other current liabilities	23	3,470.50	3,155.72
Total current liabilities		**87,641.19**	**47,011.17**
Total liabilities		**102,415.85**	**127,055.19**
Total equity and liabilities		**488,038.05**	**317,568.04**

See accompanying notes to the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts in Rupees Lakhs, except per share data)

Particulars		Notes	For the year ended March 31,2022	For the year ended March 31, 2021
Continuing Operations				
I	Revenue from operations	24	61,829.41	52,819.98
II	Other income	25	12,761.00	4,372.77
III	**Total income (I+II)**		**74,590.41**	**57,192.76**
IV	**Expenses**			
	a) Employee benefit expenses	26	53,164.60	45,711.02
	b) Finance costs	27	1,417.18	1,731.13
	c) Depreciation and amortization expenses	28	4,516.93	4,258.54
	d) Other Expenses	29	15,357.09	13,132.58
	Total expenses		**74,455.80**	**64,833.27**
V	**Profit before tax**		**134.61**	**(7,640.52)**
VI	**Income tax expense**			
	a) Current tax	35	381.25	(2,565.27)
	b) Deferred tax (credit) / charge	35	158.52	(130.96)
	c) Tax relating to prior years	35	(347.26)	162.51
	Total tax expense		**192.51**	**(2,533.72)**
VII	**Profit for the year from continuing operations**		**(57.90)**	**(5,106.80)**
VIII	**Discontinued Operations**			
	(a) Profit before tax from discontinued operations	44	329,802.75	39,935.89
	(b) Tax expense of discontinued operations	44	86,622.21	14,092.27
IX	**Profit after tax from discontinued operations [(a)-(b)]**		**243,180.54**	**25,843.62**
X	**Profit for the period [VII+IX]**		**243,122.64**	**20,736.82**
XI	**Other comprehensive income**			
	A. Items that will not be reclassified to statement of profit and loss			
	a) Remeasurements of defined benefit plans		293.73	(1,069.36)
	b) Income tax on above item	36	79.06	(346.62)
	Net other comprehensive income not to be reclassified to profit and loss in subsequent periods (both continuing and discontinued operations) (A)		**372.79**	**(1,415.98)**
	B. Items that may be reclassified to statement of profit and loss			
	a) Effective Portion of designated portion of hedging instruments in a cash flow hedge		(2,793.79)	9,035.71
	b) Income tax on above item		590.95	(3,001.16)
	c) Exchange differences in translating the financial statements of foreign operation		(1,086.32)	494.92
	d) Income tax on above item		192.09	143.87
	Net other comprehensive income may be reclassified to profit or loss in subsequent periods (B)		**(3,097.07)**	**6,673.34**
XII	**Other comprehensive income for the period, net of taxes [A+B]**		**(2,724.28)**	**5,257.36**
XIII	**Total comprehensive income for the period**		**240,398.36**	**25,994.18**
XIV	**Earning per equity share (both continuing and discontinued operations) [nominal value per share ₹ 10/- each]**			
	Basic (in ₹)	32	581.86	49.64
	Diluted (in ₹)	32	581.25	49.59
	Earning per equity share (continuing operations) [nominal value per share ₹10/- each]			
	Basic (in ₹)		(0.13)	(12.23)
	Diluted (in ₹)		(0.14)	(12.21)
	Earning per equity share (discontinued operations) [nominal value per share ₹10/- each]			
	Basic (in ₹)		581.99	61.87
	Diluted (in ₹)		581.39	61.80

See accompanying notes to the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

A. Equity Share Capital

	Notes	Amount
Balance as at April 1, 2020		**2,086.59**
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the April 1, 2020		**2,086.59**
Changes in equity share capital during the year (Refer note 15(i))	15	1.14
Balance as at March 31, 2021		2,087.73
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the April 1, 2021		2,087.73
Changes in equity share capital during the year (Refer note 15(i))	15	2,091.78
Balance as at March 31, 2022		**4,179.51**

B. Other Equity

	Reserves and Surplus					Other comprehensive income				Total
	Capital reserve	Capital reserve on merger	Securities premium reserve	General reserve	Retained Earnings	Employee stock options outstanding	Foreign currency translation reserve	Cash flow hedging reserve account	Remeasurements of defined benefit plans	
As at March 31, 2020	**1,437.95**	**(1,341.15)**	**1,255.81**	**53,897.61**	**118,135.07**	**56.47**	**1,420.02**	**(4,041.44)**	**(4,695.21)**	**166,125.13**
Profit for the year	-	-	-	-	20,736.83	-	-	-	-	20,736.83
Total Other Comprehensive Income	-	-	-	-	-	-	638.79	6,034.55	(1,415.98)	5,257.36
Total	**1,437.95**	**(1,341.15)**	**1,255.81**	**53,897.61**	**138,871.90**	**56.47**	**2,058.81**	**1,993.11**	**(6,111.19)**	**192,119.32**
Transaction with owners in their capacity as owners:										
Employee stock options (Refer note 30)	-	-	53.73	-	-	9.48	-	-	-	63.21
Dividends paid (Refer note 38B)	-	-	-	-	(3,757.41)	-	-	-	-	(3,757.41)
As at March 31, 2021	**1,437.95**	**(1,341.15)**	**1,309.54**	**53,897.61**	**135,114.49**	**65.95**	**2,058.81**	**1,993.11**	**(6,111.19)**	**188,425.12**
Profit for the year	-	-	-	-	243,122.64	-	-	-	-	243,122.64
Total Other Comprehensive Income	-	-	-	-	-	-	(894.22)	(2,202.84)	372.79	(2,724.27)
Total	**1,437.95**	**(1,341.15)**	**1,309.54**	**53,897.61**	**378,237.13**	**65.95**	**1,164.59**	**(209.73)**	**(5,738.40)**	**428,823.49**
Transaction with owners in their capacity as owners:										
Bonus issue during the year (Refer note 15(iv))	-	-	-	-	(2,089.75)	-	-	-	-	(2,089.75)
Employee stock options (Refer note 30)	-	-	116.79	-	-	(64.95)	-	-	-	51.84
Dividends paid (Refer note 38B)	-	-	-	-	(45,342.89)	-	-	-	-	(45,342.89)
As at March 31, 2022	**1,437.95**	**(1,341.15)**	**1,426.33**	**53,897.61**	**330,804.49**	**1.00**	**1,164.59**	**(209.73)**	**(5,738.40)**	**381,442.69**

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges

	As at	
	March 31, 2022	**March 31, 2021**
Balance as at the beginning of the year	2,662.64	(6,373.06)
Changes in fair value of effective portion of derivatives	3,263.42	12,407.85
Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions	(6,057.21)	(3,372.13)
Balance as at the end of the year	**131.15**	**2,662.64**
Deferred tax thereon	78.58	(669.53)
Balance as at the end of the year, net of deferred tax	**(209.73)**	**1,993.11**

Nature and purpose of reserves

Capital Reserve

Capital reserve amounting to ₹ 38.83 lakhs and ₹ 1,399.12 lakhs was created upon acquisition of business of Mphasis limited & Msource India private limited and merger of HGS International Services Private Limited with HGS Business services Private Limited respectively . The reserve has restriction for use.

Capital Reserve on Merger

Capital reserve amounting to ₹ (1,341.15) lakhs was created upon merger of HGS International Services Private Limited with Hinduja Global Solutions Limited effective from 01.04.2017 . The reserve has restriction for use.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilized in accordance with the provisions of the Act.

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 38. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges.

To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to statement of profit and loss when the hedged item affects profit and loss.

Employee stock options outstanding

The Employee stock options outstanding account is used to recognize the grant date fair value of options issued to employees under Hinduja Global Solutions Employee stock option plan.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency i.e. indian rupee (INR) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

STANDALONE CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow from Operating Activities		
Profit before tax		
- Continuing operations	134.62	(7,640.51)
- Discontinued operations	329,802.75	39,935.89
Profit before tax	**329,937.37**	**32,295.39**
Adjustments for:		
Depreciation and amortization expenses	16,503.52	18,728.03
Employee share-based payment expense	(64.95)	9.48
Allowance for bad and doubtful debts/ advances	122.57	189.68
Loss on disposal of property, plant and equipment and Write-off	70.10	37.75
Liabilities/ Provision no longer required written-back	(970.01)	(256.35)
Profit on Sale of Healthcare Division	(287,209.50)	-
Unwinding of discount on security deposits	(2,275.98)	(564.64)
Interest income classified as investing cash flows	(8,278.67)	(3,518.26)
Gain on termination of leases	(421.53)	(671.44)
Finance costs	4,711.49	6,148.98
Bad debts	62.37	5.43
Net exchange differences	(3,272.73)	1,540.00
Change in operating assets and liabilities:		
Decrease/ (Increase) in trade receivables	(17,331.65)	(4,530.81)
Decrease/ (Increase) in other financial assets	(7,862.41)	153.88
Decrease/ (Increase) in other non-current assets	55.39	(45.45)
Decrease/ (Increase) in other current assets	(150,788.30)	(2,971.63)
Increase/ (Decrease) in trade payables	(2,761.68)	(1,021.66)
Increase/ (Decrease) in other financial liabilities	19,675.16	1,908.00
Increase/ (Decrease) in provisions	(7,025.48)	5,196.84
Increase/ (Decrease) in other liabilities	314.78	192.57
Cash generated from operations	**(116,810.13)**	**52,825.79**
Income taxes paid	(42,284.52)	(11,028.22)
Net cash inflow from operating activities	**(159,094.65)**	**41,797.57**
Cash flows from investing activities		
Payments for property, plant and equipment	(7,665.93)	(6,437.44)
Proceeds from sale of investments	201.74	550.01
Cash proceeds from sale of healthcare business(net)	371,048.09	-
Proceeds from sale of property, plant and equipment	-	98.35
Loans repaid	170,500.00	104,500.00
Loans given	(247,000.00)	(106,450.00)
Interest received	7,935.94	3,089.50
Net cash outflow from investing activities	**295,019.84**	**(4,649.58)**

STANDALONE CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from financing activities		
Proceeds from issues of shares	118.81	54.87
Proceeds from borrowings	-	56,993.80
Repayment of borrowings	(11,188.95)	(69,133.76)
Repayment of Lease liability	(8,019.54)	(7,995.81)
Interest paid	(4,753.56)	(6,166.34)
Dividends paid (including dividend tax)	(44,472.92)	(3,749.99)
Net cash outflow from financing activities	**(68,316.16)**	**(29,997.23)**
Net increase/ (decrease) in cash and cash equivalents	**67,609.03**	**7,150.76**
Cash and cash equivalents at the beginning of the financial year (Refer note 11(a))	15,789.97	8,502.34
Effects of exchange rate changes on cash and cash equivalents	1,730.07	136.88
Cash and cash equivalents at end of the year	**85,129.07**	**15,789.98**
Balances per statement of cash flows (Refer note 11 (a))	**85,129.07**	**15,789.97**

Reconciliation of borrowings as disclosed in financing activities and Note 16 & 17 to the financial statements:

Particulars	As at April 1, 2021	Cash Changes		Non Cash Changes				As at March 31, 2022
		Repayment	Proceeds	IND AS 116 Amendment	Net additions/ Deletion to Lease liabilities	Exchange difference/ FCTR	Others*	
External commercial borrowings	**11,016.98**	(11,188.95)	-	-	-	171.97	-	-
Lease liabilities	**62,923.35**	(8,019.54)	-	-	(40,002.40)	266.06		**15,167.47**

Particulars	As at April 1, 2020	Cash Changes		Non Cash Changes				As at March 31, 2021
		Repayment	Proceeds	IND AS 116 Adoption	Net additions to Lease liabilities	Exchange difference/ FCTR	Others*	
External commercial borrowings	**15,132.92**	(3,778.62)	-	-	-	(379.39)	42.07	**11,016.98**
Bank Overdrafts	**8,420.77**	(65,414.57)	56,993.80	-	-	-	-	-
Lease liabilities	**67,325.20**	(7,995.81)	-	(137.84)	3,197.34	534.46	-	**62,923.35**

* Other column includes the accrued but not paid interest on borrowings.

See accompanying notes to the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

1 Background

Hinduja Global Solutions Limited ("HGS" or the "Company") is a public limited Company, domiciled in India and it's incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management. HGS with its subsidiaries offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Europe, Asia and Middle East. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) . The address of its registered office is 171, Hinduja House, Dr. Annie Besant Road, Worli, Mumbai 400018.

These financial statements were authorized to be approved by the Board of Directors on August 12, 2022.

a Basis of preparation of standalone financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under sec. 133 of Companies Act 2013, as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

Accounting policies have been applied consistently to all periods presented in these standalone financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2022.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

(i) Basis of Measurement

The financial statements have been prepared on a historical cost convention and accrual basis, except for the following:

a. certain financial assets and liabilities (including derivative instruments) that are measured at fair value;

b. The defined benefit liability / (Asset) is recognised as the present value of present value of defined benefit obligation less fair value of plan assets.; and

c. Share-based payments

b Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the standalone financial statements that are subject to measurement uncertainty. An accounting policy may require items in standalone financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the standalone financial statements are included in the following areas.

i) Estimation of provisions & contingent liabilities.

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 19 and 31)

ii) Estimation of defined benefit plans

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 37 for the details of the assumptions used in estimating the defined benefit obligation.

iii) Useful lives of property, plant and equipment

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

iv) Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

v) Deferred taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

vi) Impairment testing

Investments in subsidiaries are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the group calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 34 for the details of assumptions used in estimation of impairment of goodwill.

vii) Revenue

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the Company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Group estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

viii) Leases

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

i) Identifying whether a contract (or part of a contract) includes a lease;

ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;

iii) Classification of lease agreements (when the entity is a lessor);

iv) Determination of whether variable payments are in-substance fixed;

v) Establishing whether there are multiple leases in an arrangement;

vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

i) Estimation of the lease term;

ii) Determination of the appropriate rate to discount the lease payments;

iii) Assessment of whether a right-of-use asset is impaired.

ix) Business combinations:

In accounting for business combinations, judgment is required to assess whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

x) Useful lives of intangible assets:

The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

xi) Other estimates

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Accounting of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

Estimation uncertainty relating to COVID-19 outbreak:

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. There were no changes to our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting during the period covered in this Financial statements.

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The Company basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

c Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The financial statements are presented in Indian Rupees (INR), which is Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

(iii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a. assets and liabilities are translated at the closing rate at the date of balance sheet.

b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c. All resulting exchange differences are recognized in other comprehensive income.

d Revenue from contracts with customers

The Company earns revenue primarily from business process management services.

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

Nature of the services

The Company derives its revenue from business process management (BPM) which includes services like back office processing, contact center and HRO solutions. The Company provides BPM services, which typically involve claim processing and call center services for healthcare industry, call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Company combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

A. Time and Material contracts

Revenue from time and material transactions and outcome based contracts are recognised as the services are performed.

B. Fixed price contracts

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

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

C. Contract Asset and Liabilities

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company presents such receivables as part of trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

D. Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date which are, contracts invoiced on time and material basis and volume based.

E. Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the services before it is transferred to the customer. If Company controls the services before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

F. Reconciliation of revenue recognised

The Company recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue recognised with the transaction price have not been provided as the same is not material to the Company.

e Income tax

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

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

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

f Deferred taxes

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or directly in equity, respectively.

The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12- Income Taxes.

g Leases

As a lessee:

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within ‘other expenses’ in statement of profit and loss.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

i) fixed lease payments (including in-substance fixed payments), less any lease incentives;

ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii) the amount expected to be payable by the lessee under residual value guarantees;

iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19 by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a leasease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the changeapplying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as or less than the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021(a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The Company has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures.

The Company has benefited from a 12 month waiver of lease payments on buildings in India. The waiver of lease payments of ₹ 137.84 lakhs has been accounted for as a negative variable lease payment in profit or loss.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right-of-Use Assets:

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below

The Company incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. the Company has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The Company as a lessor

Leases under which the Company is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

h Impairment

i) Impairment of non financial assets

The Company assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than it’s carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (“FVLCD”) and its value-in-use (“VIU”). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

ii) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on trade receivables including unbilled receivables measured at amortized cost, Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

iii) Impairment of Investment in subsidiaries:

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal (“FVLCD”) and its value-in-use (“VIU”). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

i Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with bank in current accounts, Exchange Earners Foreign Currency (EEFC) Accounts, other short-term, highly liquid deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

k Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and

b. those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Currently there are no debt instruments measured at Fair value.

(iii) Derecognition of financial assets

A financial asset is derecognized only when

a. The Company has transferred the rights to receive cash flows from the financial asset or

b. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Investments in equity instruments:

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Company's right to receive dividends is established.

v) Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

vi) Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, finance lease receivables, employee and other advances and other eligible current and non-current assets.

(iv) Income recognition

Interest income:

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

Dividends:

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

I Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other income.

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

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

(ii) Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

m Offsetting financial instruments

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

n Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Particulars	Useful life
Leasehold building and Leasehold improvement	Over the period of Lease
Building	Upto 60 years
Office Equipment	Upto 7 years
Computers	Upto 6 years
Furniture and Fixtures	Upto 10 years
Vehicles	8 years

Assets costing less than ₹ 5000 each are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets given to employees on contractual obligations are depreciated to the extent of 50% of the value over a period of four years, at the end of which these assets are transferred to the respective employees at the residual book value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

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

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

o Business combinations and Goodwill

a) Business combinations:

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred. The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

b) Goodwill:

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any). Goodwill associated with disposal of an operation that is part of cash-generating unit is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless some other method better reflects the goodwill associated with the operation disposed of.

p Intangible assets

Costs associated with maintaining software programs are recognized as an expense as incurred.

Costs associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow.

Amortization methods and periods

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

Particulars	Useful life
Computer software	3 to 6 years

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

q Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

r Borrowings

Borrowings are initially recognised at Fair value, net of transaction cost incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss.

s Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

t Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

b. The Company has introduced a deferred performance incentive plan during the previous year which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The benefits are discounted using the market yields at the end of the reporting period.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and Pension;

(b) defined contribution plans such as provident fund.

Defined benefit obligation

The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the third-party fund managers.

The Company also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to government bond that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the profit and loss.

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

Defined contribution plans

The Company pays contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Superannuation Fund applicable to certain employees, constitutes an insured benefit, which is classified as a defined contribution plan as the Company makes contributions to an insurance Company and has no further obligation beyond making the payment to the insurance Company.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

Employee options

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

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

u Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(All amounts are in Rupees Lakhs)

w Earnings per share

(i) Basic earning per share

Basic earnings per share is calculated by dividing:

a. the profit attributable to owners of the Company

b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earning per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

x Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the asset of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

y Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company has been identified as CODM which also consists of key managerial personnel of the Company. Refer note 46 for segment information.

z Subsequent events

The Company evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements, except as disclosed.

za Rounding off amounts

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

zb New Accounting standards adopted by the Company during year

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

Amendment to Ind AS 116 – COVID-19-Related Rent Concessions

The economic challenges presented by the COVID-19 pandemic have persisted longer than anticipated, and therefore the practical expedient relating to rent concessions arising as a consequence of COVID-19 has been modified. Accordingly, lessees are now exempted from assessing whether a COVID-19-related rent concession is a lease modification, if the reduction in lease payments affects only payments originally due on or before June 30, 2022. Earlier the practical expedient was allowed only for lease payments originally due on or before June 30, 2021. The adoption of these amendments did not have any material impact on the standalone statement of profit and loss for the year ended March 31, 2022.

Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The amendments relating to Ind AS 102, Share-based Payment; Ind AS 103, Business Combinations; Ind AS 106, Exploration for and Evaluation of Mineral Resources; Ind AS 114, Regulatory Deferral Accounts; Ind AS 1, Presentation of Financial Statements; Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors; Ind AS 34, Interim Financial Reporting; Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets; Ind AS 38, Intangible Assets, are consequential due to changes in the Conceptual Framework under Ind AS, made in August 2020. The revised Conceptual Framework introduced some new concepts and clarifications along with revision in definitions and changes in recognition criteria of assets and liabilities under Ind AS. The adoption of these amendments did not have any material impact on the standalone financial statements.

Amendment to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116 - Interest Rate Benchmark Reform – Phase 2

This amendment relates to 'Interest Rate Benchmark Reform — Phase 2 (Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116)' which addresses issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. Some of the key amendments arising from the interest rate benchmark are: Ind AS 109: New guidance has been included on changes in the basis for determining the contractual cashflows as a result of interest rate benchmark reform. Ind AS 107: Additional disclosures related to nature and extent of risks to which the entity is exposed from financial instruments subject to interest rate benchmark reform and how the entity manages these risks. The adoption of these amendments did not have any material impact on the standalone financial statements.

Amendment to Schedule III of the Companies Act, 2013

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 include, among other things, requirement for disclosure of Current maturities of long-term borrowings separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities. Other amendments in the notification applicable for full annual financial statements have been adopted by the Company by providing applicable disclosures in the financial statements for the year ending March 31, 2022.

zc New Accounting standards not yet adopted by the Company

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

New Amendments not yet adopted by the Company

Amendments to Ind AS 16, Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or oss 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 impact on its Standalone financial statements.

Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 is not expected to have any material impact on the standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

2 Property, Plant and Equipment

	Land	Buildings	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Leasehold Improvements	Total	Capital work-in-progress
Year ended March 31, 2021									
Gross carrying amount	**100.97**	**2,476.51**	**1,999.79**	**374.77**	**356.41**	**20,526.04**	**8,975.89**	**34,810.38**	**2.00**
Additions	-	-	21.05	49.33	39.43	4,061.10	121.62	4,292.54	345.84
Effect of Foreign currency differences	-	-	34.67	6.73	32.51	406.91	165.08	645.90	(3.85)
Disposals	-	-	(161.90)	(52.14)	(92.25)	(469.09)	(779.00)	(1,554.39)	(23.00)
Gross carrying amount	**100.97**	**2,476.51**	**1,893.61**	**378.69**	**336.10**	**24,524.96**	**8,483.59**	**38,194.43**	**320.99**
Accumulated depreciation	-	231.85	468.49	265.79	(631.33)	10,048.04	3,353.33	13,736.17	-
Depreciation (Refer note below)	-	46.60	337.41	63.88	718.09	4,051.81	711.33	5,929.12	-
Effect of Foreign currency differences	-	-	18.61	5.15	20.88	285.90	160.45	490.99	-
Disposals	-	-	(136.40)	(46.45)	(89.38)	(418.48)	(727.71)	(1,418.42)	-
Accumulated depreciation	-	278.45	688.11	288.37	18.26	13,967.27	3,497.40	18,737.86	-
Net carrying amount as at March 31, 2021	**100.97**	**2,198.06**	**1,205.50**	**90.32**	**317.84**	**10,557.69**	**4,986.19**	**19,456.57**	**320.99**
Year ended March 31, 2022									
Gross carrying amount	**100.97**	**2,476.51**	**1,893.61**	**378.69**	**336.10**	**24,524.96**	**8,483.59**	**38,194.43**	**320.99**
Additions		-	8.70	-	34.93	7,388.01	40.85	7,472.50	20.40
Transfer pursuant to sale of healthcare business*		-	(1,199.63)	(83.80)	(154.15)	(22,679.28)	(5,688.39)	(29,805.25)	
Effect of Foreign currency differences		-	(40.18)	(7.04)	-	(485.38)	(190.43)	(723.06)	
Disposals		-	(88.33)	(49.12)	(165.04)	(446.28)	(311.20)	(1,059.97)	(320.99)
Gross carrying amount	**100.97**	**2,476.51**	**574.17**	**238.73**	**51.84**	**8,302.04**	**2,334.41**	**14078.65**	**20.40**
Accumulated depreciation	**-**	**278.45**	**688.11**	**288.37**	**18.26**	**13,967.27**	**3,497.40**	**18,737.86**	**-**
Depreciation (Refer note below)		46.35	379.71	0.06	174.21	3,126.16	833.69	4,560.19	-
Transfer pursuant to sale of healthcare business*		-	(718.05)	(46.86)	(13.89)	(11,085.34)	(2,962.27)	(14,826.41)	
Effect of Foreign currency differences		-	(28.36)	(6.24)	1.68	(348.33)	(183.94)	(565.19)	-
Disposals		-	(65.46)	(49.12)	(148.74)	(383.09)	(239.82)	(886.23)	-
Accumulated depreciation	**-**	**324.80**	**255.95**	**186.21**	**31.53**	**5,276.68**	**945.06**	**7,020.22**	-
Net carrying amount as at March 31, 2022	**100.97**	**2,151.71**	**318.22**	**52.52**	**20.31**	**3,025.36**	**1,389.35**	**7,058.43**	**20.40**

* Refer note 44 for details on disposal of Healthcare Services business.(HS Business).

Depreciation	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations (Refer note 28)	1,434.77	1,402.93
Discontinued Operations (Refer Note 44)	3,125.42	4,526.19
Total	**4,560.19**	**5,929.12**

CWIP aging schedule- Property, Plant and Equipment - March 31, 2022

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	20.40	-	-	-	20.40
(ii) Projects temporarily suspended	-	-	-	-	-

CWIP aging schedule- Property, Plant and Equipment - March 31, 2021

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	320.99		-	-	320.99
(ii) Projects temporarily suspended	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

3. Right of use assets

	Category of Right of use assets			Total
	Building	Furniture & Fixtures	Office equipments	
Year ended March 31, 2021				
Total carrying amount as at April 1, 2020	**66,862.55**	**203.52**	**1,731.12**	**68,797.19**
Additions	7,322.10	-	53.79	7,375.89
Disposals	(10,205.07)	-	-	(10,205.07)
Effect of Foreign currency differences	497.33	-	0.22	497.55
Gross carrying amount	**64,476.91**	**203.52**	**1,785.13**	**66,465.56**
Accumulated depreciation	**5,169.73**	**61.16**	**508.75**	**5,739.64**
Depreciation (Refer note below)	10,817.48	60.99	345.87	11,224.34
Disposals	(6,995.69)	-	-	(6,995.69)
Lease modification	-	-	-	-
Effect of Foreign currency differences	10.49	-	0.01	10.50
Accumulated depreciation	**9,002.01**	**122.15**	**854.63**	**9,978.79**
Net carrying amount as at March 31, 2021	**55,474.90**	**81.37**	**930.50**	**56,486.77**
Total carrying amount as at April 1, 2021	**64,476.91**	**203.52**	**1,785.13**	**66,465.56**
Additions	9,892.95	-	-	9,892.95
Effect of Foreign currency differences	(802.99)	-	(1.25)	(804.24)
Disposals*	(45,559.97)	(203.52)	(677.34)	(46,440.83)
Gross carrying amount	**28,006.90**	**-**	**1,106.54**	**29,113.44**
Accumulated depreciation	**9,002.01**	**122.15**	**854.63**	**9,978.79**
Depreciation (Refer note below)	10,251.21	46.79	269.06	10,567.06
Effect of Foreign currency differences	(180.28)	-	(0.12)	(180.40)
Disposals*	(6,134.00)	(168.94)	(20.69)	(6,323.63)
Accumulated depreciation	**12,938.94**	**-**	**1,102.88**	**14,041.82**
Net carrying amount as at March 31, 2022	**15,067.96**	**-**	**3.66**	**15,071.62**

* Refer note 44 for details on disposal of Healthcare Services business.(HS Business)

Depreciation	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Continuing Operations (Refer note 28)	2,619.14	2,433.17
Discontinued Operations (Refer Note 44)	7,947.92	8,791.17
Total	**10,567.06**	**11,224.34**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

4a Intangible Assets

	Computer Software
Year ended March 31, 2021	
Gross carrying amount	**11,572.53**
Effect of Foreign currency differences	173.76
Additions	1,803.58
Disposals*	(119.47)
Gross Carrying amount	**13,430.40**
Opening accumulated amortisation	**7,786.50**
Amortisation	1,574.57
Effect of Foreign currency differences	127.53
Disposals*	(119.33)
Accumulated depreciation	**9,369.27**
Net carrying amount as at March 31, 2021	**4,061.13**
Year ended March 31, 2022	
Gross carrying amount	**13,430.40**
Transfer pursuant to sale of healthcare business*	(7,848.79)
Effect of Foreign currency differences	(222.03)
Additions	1,480.23
Disposals	(40.06)
Gross Carrying amount	**6,799.75**
Accumulated amortisation	**9,369.27**
Amortisation	1,376.29
Transfer pursuant to sale of healthcare business*	(4,515.40)
Effect of Foreign currency differences	(175.23)
Disposals	(40.06)
Accumulated depreciation	**6,014.87**
Net carrying amount as at March 31, 2022	**784.88**

* Refer note 44 for details on disposal of Healthcare Services business.(HS Business)

Amortisation

	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations (Refer note 28)	463.02	422.44
Discontinued Operations (Refer Note 44)	913.28	1,152.13
Total	**1,376.29**	**1,574.57**

Intangible assets under development aging schedulet

	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

(All amounts are in Rupees Lakhs)

4b Goodwill

	Good Will
Year ended March 31, 2021	
Gross carrying amount	**2,504.26**
Additions	-
Gross carrying amount	**2,504.26**
Net carrying amount as at March 31, 2021	**2,504.26**
Year ended March 31, 2022	**-**
Gross carrying amount	**2,504.26**
Additions	**-**
Gross carrying amount	**2,504.26**
Net carrying amount as at March 31, 2022	**2,504.26**

5 Investments

		Face Value Per Share /Unit	As at March 31, 2022		As at March 31, 2021	
			Quantity No's	Amount (₹ in Lakhs)	Quantity No's	Amount (₹ in Lakhs)
5a	**Non-current Investments (at Cost)**					
(i)	**Investment in equity Instruments (fully paid up):**					
	In a Wholly owned subsidiary (Unquoted and Non-Trade):					
	HGS International, Mauritius	USD 1	32,514,228	38,880.28	32,514,228	38,880.28
	Aggregate Value of Unquoted Investments			**38,880.28**		**38,880.28**
5b	**Current Investment (At amortized Cost)**					
	Others (Unquoted and Non-Trade):					
	Treasury Bills (At Philippines branch)			280.37		482.11
	[Deposited with Securities and Exchange Commission in Philippines]					
	Aggregate Value of quoted Investments and market value thereof			**280.37**		**482.11**
	Total investments					
	Aggregate value of quoted Investments and market value thereof			-		-
	Aggregate value of unquoted investments			39,160.65		39,362.39
	Aggregate amount of impairment in the value of investments			-		-

Terms of Treasury bill

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31,2022 (PHP. in Lakhs)	Face Value in' INR as on March 31,2022 (₹ in Lakhs)
1	Union Bank	IBL1221E191	May 11, 2022	7.60%	189.82	280.37
Total					**189.82**	**280.37**

These investments carry a fixed rate of interest and it is maturing through May 11, 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

6 a Loans

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Loans to related parties (Refer note 39)*	30,360.20	29,266.44
Total	**30,360.20**	**29,266.44**

* This represents non-current portion of loan to a wholly owned subsidiary to meet its business requirement and to fund organic growth of its Overseas subsidiaries and future acquisitions. Accordingly the loan is considered as net investment in foreign operations. The loan is unsecured and bearing interest rate of US$ 3 month LIBOR+115 basis points. There is no fixed repayment tenure for the loan and the borrower has an option to repay the loan at any time along with accrued interest.

6 b Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment (Both current and non current)

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties				
Non Current Loans (Refer 6 a)	30,360.20	21%	29,266.44	45%
Current Loans (Refer 12)	112,450.00	79%	35,950.00	55%
Total	**142,810.20**	**100%**	**65,216.44**	**100%**

7 Other non- current financial asset

	As at March 31, 2022	As at March 31, 2021
Security Deposit	2,369.59	3,845.57
Deposits with bank for Margin Money*	110.44	92.78
Derivatives - Foreign Exchange Forward Contracts (Refer note 42)	-	1,448.21
Total	**2,480.03**	**5,386.56**

* Under lien with bank towards guarantees issued by them on behalf of the company.

8a Income Tax Assets (net)

	As at March 31, 2022	As at March 31, 2021
Advance tax and tax deducted at source	62,014.94	53,238.70
Less: Provision for Income tax	55,263.47	45,456.68
Total	**6,751.47**	**7,782.02**

8b Current tax liabilities

	As at March 31, 2022	As at March 31, 2021
Provision for Income tax	85,995.92	12,095.35
Less: Advance tax & tax deducted at source	40,711.43	9,959.90
Total	**45,284.49**	**2,135.45**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

9 Other non current assets

	As at March 31, 2022	As at March 31, 2021
Capital advances	7.86	11.74
Receivable from related party (Refer note 31)	1,868.99	1,868.99
Balances with government authorities	150.27	141.85
Prepaid expenses	3.25	69.30
Others	3.47	1.23
Total	**2,033.84**	**2,093.11**

10 Trade receivables & Unbilled Receivables

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	18,552.59	58,923.66
Unsecured, Unbilled Receivables	4,252.30	23,924.92
Considered doubtful	194.74	213.64
Less: Allowance for doubtful debts	(194.74)	(213.64)
Total	**22,804.89**	**82,848.58**
Current portion	22,804.89	82,848.58
Non-current portion	-	-

Trade Receivables ageing schedule As at March 31, 2022

	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	6,547.83	11,204.04	775.46	24.64	0.63	-	18,552.59
(ii) Undisputed Trade Receivables – considered Credit impaired	-	-	-	96.27	32.70	65.77	194.74
Less: Allowance for bad and doubtful debts	-	-	-	(96.27)	(32.70)	(65.77)	(194.74)
Unbilled Receivable							
(iii) Undisputed Unbilled Receivable – considered good	4,252.30	-	-	-	-	-	4,252.30
Total	**10,800.13**	**11,204.04**	**775.46**	**24.64**	**0.63**	**-**	**22,804.89**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Trade Receivables ageing schedule As at March 31, 2021

	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	20,549.68	37,883.20	381.39	80.25	19.38	9.74	58,923.66
(ii) Undisputed Trade Receivables – considered Credit impaired	-	-	10.78	144.94	15.25	42.66	213.63
Less: Allowance for bad and doubtful debts	-	-	(10.78)	(144.94)	(15.25)	(42.66)	(213.63)
Unbilled Receivable							
(iii) Undisputed Unbilled Receivable – considered good	23,924.92	-	-	-	-	-	23,924.92
Total	**44,474.60**	**37,883.20**	**381.39**	**80.25**	**19.38**	**9.74**	**82,848.58**

11a Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
in current accounts	4,388.61	4,748.18
in Exchange Earners Foreign Currency Account (EEFC) accounts	153.26	7,333.70
in Term deposits	79,399.81	3,000.63
in Cash credit accounts	1,185.41	694.92
Cheques on hand	1.98	-
Cash on hand	-	12.54
Total	**85,129.07**	**15,789.97**

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

11b Bank balances other than 11a above

	As at March 31, 2022	As at March 31, 2021
Earmarked Balances with Banks:		
Unpaid dividend	911.23	41.25
Unpaid bonus	1.79	1.82
Bank Deposits maturing more than 3 months but less than 12 months	146,185.44	357.36
Total	**147,098.46**	**400.43**

Term deposits are made for varying periods having a maturity period of more than three months.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

12 Loans

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (Refer note 39)		
Loan to related parties		
Opening balance	35,950.00	34,000.00
Loans given during the year	194,000.00	106,450.00
Loans repaid	(117,500.00)	(104,500.00)
Closing Balance	**112,450.00**	**35,950.00**
Loan to other entities*		
Opening balance	-	-
Loans given during the year	53,000.00	-
Loans repaid	(53,000.00)	-
Effect of foreign currency differences	-	
Closing Balance	**112,450.00**	**35,950.00**

The loans were given to respective parties as disclosed in Note 39 for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the loans during the year was 5.00% to 7.95% (March 31, 2021 – 7.45% to 7.95%)

* Based on an external legal opinion obtained, the company has concluded that Hinduja Leyland Finance Limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

13 Other current financial asset

	As at March 31, 2022	As at March 31, 2021
Security deposits	144.60	405.58
Interest accrued on deposits/ loans	831.53	477.63
Derivatives - Foreign Exchange Forward Contracts (Refer note42)	42.90	2,231.32
Finance lease receivables	616.53	-
Other receivables	1,604.49	1,414.48
Less : Provision for Other receivables	(104.47)	(81.62)
Total	**3,135.58**	**4,447.39**

14 Other current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good, unless otherwise stated		
Balances with Government Authorities	4,617.01	3,309.05
Advance to employees		
Good	284.50	367.26
Doubtful	12.98	9.43
	297.48	376.69
Less: Allowance for doubtful Advances	(12.98)	(9.43)
	284.50	367.26
Advance to Vendors	2,150.44	1,405.38
Prepaid Expenses	98.34	2,162.95
Others	-	3.15
Total	**7,150.29**	**7,247.79**

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

15 Equity Share capital

	As at March 31, 2022	As at March 31, 2021
Authorized Share capital:		
7,98,50,000 (March 31, 2021: 27,500,000) equity shares of ₹ 10/- each	7,985.00	2,750.00
150,000 (March 31, 2021:150,000) 1% Participatory redeemable Non cumulative preference shares of ₹ 10/- each	15.00	15.00
Total	**8,000.00**	**2,765.00**
Issued, subscribed and Paid up :		
41,795,132 (March 31, 2021: 20,877,255) equity shares of ₹ 10/- each fully paid	4,179.51	2,087.73
Total	**4,179.51**	**2,087.73**

(i) Movements in equity share capital

	No.of shares	Equity share Capital (par value)
As at March 31, 2020	**20,865,933**	**2,086.59**
Shares issued to Employees under Employee Stock Option Plan (Refer note 30)	11,322	1.14
As at March 31, 2021	**20,877,255**	**2,087.73**
Shares issued to Employees under Employee Stock Option Plan (Refer note 30)	20,311	2.02
Bonus Shares issued(Refer note 15 (iv))	20,897,566	2,089.76
As at March 31, 2022	**41,795,132**	**4,179.51**

Terms and rights attached to equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting . In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Number of shares reserved for issue under the Employee Stock Option Plan (Refer note 30)

	As at March 31, 2022	As at March 31, 2021
i) Hinduja Global Solutions Limited Employee Stock Option Plan 2008	15,000	34,400
ii) Hinduja Global Solutions Limited Employee Stock Option Plan 2011	5,375	9,422

Subsequent to year end The Nomination and Remuneration Committee of the Company has approved an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The amounts reported in the tables above do not factor these subsequently approved adjustments. The Vesting date of additional options and overall value of the total options would remain same as the original options.

(All amounts are in Rupees Lakhs)

ESOP Plan	Un-exercised Options as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15000	592.05	30000	296.03
ESOP 2011	5000	665.05	10000	332.53
ESOP 2011	375	565.05	750	282.53

(ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% held	Number of Shares	% held
Hinduja Group Limited	14,254,891	34.11%	6,858,541	32.85%
Hinduja Realty Ventures Limited	2,614,490	6.26%	-	0.00%
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82%	2,314,490	11.09%
Amas Mauritius Limited	5,522,854	13.21%	2,761,427	13.23%

(iii) Shareholding of promoters

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	% held	Number of Shares	% held	
Hinduja Group Limited	14,254,891	34.11	6,858,541	32.85	1.26
Hinduja Realty Ventures Limited	2,614,490	6.26	-	0	6.26
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82	2,314,490	11.09	-6.27
Amas Mauritius Limited	5,522,854	13.21	2,761,427	13.23	-0.02
Aasia Corporation LLP	417,809	1	477,809	2.29	-1.29
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,114,996	2.67	557,498	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,064,966	2.55	532,483	2.55	-
Ambika Ashok Hinduja	354,484	0.85	177,242	0.85	-
Shom Ashok Hinduja	280,014	0.67	140,007	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	90,626	0.22	45,313	0.22	-
Vinoo S. Hinduja	122,130	0.29	61,065	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	108,654	0.26	54,327	0.26	-
Shanoo S. Mukhi	1,910	0	955	0	-
Harsha Ashok Hinduja	33,390	0.08	16,695	0.08	-
Ashok P. Hinduja	63,200	0.15	31600	0.15	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the Promoters	As at March 31, 2021		As at March 31, 2020		% change during the year
	No. of Shares	% held	No. of Shares	% held	
Hinduja Group Limited	6858541	32.85	5818541	27.89	4.96
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2314490	11.09	3354490	16.08	(4.99)
Amas Mauritius Limited	2761427	13.23	2761427	13.23	-
Aasia Corporation LLP	477809	2.29	477809	2.29	-
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	557498	2.67	557498	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	532483	2.55	532483	2.55	-
Ambika Ashok Hinduja	177242	0.85	177242	0.85	-
Shom Ashok Hinduja	140007	0.67	140007	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	45313	0.22	45313	0.22	-
Vinoo S. Hinduja	61065	0.29	61065	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	54327	0.26	54327	0.26	-
Shanoo S. Mukhi	955	0	955	0	-
Harsha Ashok Hinduja	16695	0.08	16695	0.08	-
Ashok P. Hinduja	31600	0.15	31600	0.15	-

(iv) The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.The earnings per share has been restated for the previous year ended March 31, 2021.

16 Borrowings

		Maturity date	Terms of repayment	Interest rate	As at March 31, 2022	As at March 31, 2021
a.	**Borrowings - non-current**					
	Secured					
	Foreign Currency Term Loans from Banks*	Original Maturity date is February, 2024 , Total outstanding loan repaid during year.	Quarterly instalments w. e.f. May,2020	3 Months LIBOR+1.05%	-	11,016.98
	Total borrowings				**-**	**11,016.98**
	Less: Current maturities of long-term debt				-	3,658.30
	Less: Interest accrued (included in note 21)				-	42.07
	Non-current borrowings				**-**	**7,316.61**
b.	**Borrowings - current**					
	Secured					
	Bank Overdrafts **	Payable on demand	Payable on demand	1 to 6 Months Bank MCLR + Spread, as applicable	-	-
	Others				-	-
	Total Current borrowings				-	-
	Less: Interest accrued				-	-
	Current borrowings				-	-
c.	**Current maturities of Long term borrowings**				-	3,658.30
					-	**3,658.30**
Aggregate Secured loans					-	10,974.91
Aggregate Unsecured loans					-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Secured borrowings and assets pledged as security

* Secured by exclusive charge on Land & Building and also secured by first exclusive charge on entire moveable fixed assets of the Company (both present and future).

** Secured by first paripassu charge on entire current assets of the company both present and future and moveble fixed asset.

Note:

The statements of current assets filed by the Company with banks / financial institutions are in agreement with the books of accounts.

17 Lease Liabilities

	As at March 31, 2022	As at March 31, 2021
a. Lease Liabilities - non-current		
Total lease liabilities	15,167.47	62,923.35
Less: Current Maturities of Lease Obligations	(3,222.31)	(8,417.03)
	11,945.16	**54,506.32**
b. Lease Liabilities - current	3,222.31	8,417.03
	3,222.31	**8,417.03**
Total	**15,167.47**	**62,923.35**

18 Other non-current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Derivatives - foreign exchange forward contracts & interest rate swap (Refer note 42)	-	191.89
Others	402.52	-
Total	**402.52**	**191.89**

19 Non current - provisions

	As at March 31, 2022	As at March 31, 2021
Pension (Refer note 37)	1,975.79	9,982.16
Gratuity (Refer note 37)	451.19	2,414.21
Deferred compensation Payable(Refer note 37)	-	5,632.83
Total	**2,426.98**	**18,029.20**

20 Trade Payables

	As at March 31, 2022	As at March 31, 2021
i. Total outstanding dues of micro enterprises and small enterprises (Refer note 45)	53.06	437.09
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	10,765.20	13,089.59
Total	**10,818.26**	**13,526.68**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Trade Payables ageing schedule As at March 31, 2022

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	32.68	20.38	-	-	-	**53.06**
(ii) Others	9,711.67	141.81	301.68	541.96	68.08	**10,765.20**
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

Trade Payables ageing schedule As at March 31, 2021

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	401.32	35.77	-	-	-	**437.09**
(ii) Others	12,065.25	240.91	621.49	(87.55)	249.49	**13,089.59**
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

21 Other current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Interest accrued	-	42.07
Capital creditors	1,790.04	2,184.14
Unpaid dividend [Refer note (a) below]	911.22	41.25
Derivatives - foreign exchange forward contracts (Refer note 42)	142.27	825.00
Employee benefit payable	9,946.71	9,253.15
Total	**12,790.24**	**12,345.61**

a. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year-end.

22 Current - provisions

	As at March 31, 2022	As at March 31, 2021
Compensated absences (Refer note 37)	1,173.25	3,772.38
Deffered Compansation Payable (Refer note 37)	10,882.14	-
Total	**12,055.39**	**3,772.38**

23 Other Current liabilities

	As at March 31, 2022	As at March 31, 2021
Advances from customers	937.76	128.00
Statutory dues payable	1,997.10	2,671.24
Other payables	535.64	356.48
Total	**3,470.50**	**3,155.72**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

24 Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
Business Process Management	61,829.41	52,819.98
Total	**61,829.41**	**52,819.98**

In response to the COVID-19 pandemic, the Company initiated business continuity program in March 2020 and facilitated its employees to work remotely/work from home where customers have consented. Our business continuity program and the design of our processes allow for remote execution with accessibility to secure data. The Company has evaluated the impact of COVID – 19 resulting from penalties relating to breaches of service level agreements and concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

Country / region	Year ended March 31, 2022	Year ended March 31, 2021
USA and Canada	172,484.80	202,842.28
India	29,841.33	24,314.79
UK & Europe	7,373.94	6,494.60
Rest of the world	4,989.46	2,640.15
Total revenue from contracts with customers*	**214,689.53**	**236,291.82**

Contract type/ nature of contract	Year ended March 31, 2022	Year ended March 31, 2021
Business Process Management	214,689.53	236,291.82

Category of customer	Year ended March 31, 2022	Year ended March 31, 2021
Health Insurance, Pharma & Healthcare	153,605.18	184,236.73
Telecom and Technology	4,078.13	3,946.07
Consumer Electronics, Products, Services and Retail	7,107.60	9,451.67
Banking and Financial Services	37,435.23	28,756.71
Media	1,022.15	1,110.57
Others	11,441.24	8,790.07
Total revenue from contracts with customers*	**214,689.53**	**236,291.82**

* Above revenues are including both Continuing and discontinued operations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

25 Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on financial assets carried at amortised cost	8,228.46	3,518.26
Foreign exchange gain (net)	2,344.42	(646.93)
Income from discontinuation of leases	417.57	671.44
Profit on Sale of property, plant and equipment	0.77	-
Provision for Doubtful debts no longer required written-back	924.47	256.35
Miscellaneous income	845.31	9.01
Total	**12,761.00**	**4,372.77**

26 Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	49,213.84	42,374.49
Contribution to provident and other funds	3,149.89	2,261.19
Gratuity and Pension expense (Refer note 37)	437.77	698.64
Staff welfare expenses	363.10	376.70
Total	**53,164.60**	**45,711.02**

27 Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on		
Term loans from bank	517.59	513.13
Cash credit and others	4.05	236.99
Interest expense on leases	895.38	921.91
Other borrowing costs	0.16	59.10
Total	**1,417.18**	**1,731.13**

28 Depreciation and Amortization expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment (Refer Note 2)	1,434.77	1,402.93
Depreciation on Right of use assets (Refer Note 3)	2,619.14	2,433.17
Amortization of intangibles (Refer Note 4)	463.02	422.44
Total	**4,516.93**	**4,258.54**

(All amounts are in Rupees Lakhs)

29 Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	502.51	500.03
Rent	572.93	723.26
Repairs and maintenance - leased Premises	564.41	553.55
Repairs and maintenance - others	1,695.84	1,455.45
Insurance	202.20	150.54
Rates and taxes	317.88	169.78
Directors' sitting fees and Commission(Refer note 39)	574.51	407.63
Payment to the auditors:		
- As auditors [including payment to Branch Auditors ₹40 lakhs (Previous Year ₹34.54 lakhs)]	190.00	185.35
- for other services [including payment to Branch Auditors (Previous Year ₹ Nil)]	46.75	60.51
- for reimbursement of expenses	-	10.88
Connectivity cost	311.59	229.53
Advertisement and business promotion	166.41	0.83
Communication	450.09	449.50
Travelling, conveyance and car hire charges	446.73	651.37
Legal and professional	6,034.44	5,293.30
Training and recruitment	599.62	276.62
Commission	0.02	-
Donations	0.28	2.58
Software expenses	1,062.35	848.77
Membership and Subscription	324.68	313.38
Corporate social responsibility (Refer note 29a)	566.00	481.30
Bad debts/ advances written off	62.37	0.00
Allowance for bad and doubtful debts/ advances	111.13	141.38
Loss on sale of assets (net)	61.99	5.93
Fixed Assets Written Off	43.06	68.18
Miscellaneous expenses	449.31	152.91
Total	**15,357.10**	**13,132.58**

29a Corporate Social Responsibility (CSR)

	March 31, 2022	March 31, 2021
Gross amount required to be spent by the Company during the year	566.00	448.00
Total	**566.00**	**448.00**

Amount spent during the year	In Cash* March 31, 2022	In Cash* March 31, 2021
a. Construction/ acquisition of any asset	-	-
b. On various activities (Refer note below)	566.00	481.30
Total	**566.00**	**481.30**

* There are no amounts yet to be paid in cash.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Note:

Vendor Name	Nature of CSR Activity	Amount spent during the year
Hinduja Foundation	Integrated programs with intervention in areas of hygiene, health, primary education, micro-credit, mobile dispensaries and income generation for Mushar community members across Kishanganj and West Champaran and Supplementary Nutrition Program and Rehabilitation of the Chikkajala Lake in Hebbal, Bangalore.	370.00
Samarpaka Seva Trust	Vocational training for rural women and Setup of 7 ICU beds at Rangadore Memorial Hospital.	96.00
Magic Bus	Vocational training for youth at Hyderabad	25.00
Samarthanam Trust for the disabled	Domain-based skills training for youth with disabilities.	5.00
Step-Up for India	Driving English education across govt. schools.	15.00
The Akshaya Patra Foundation	Provision of Mid-day meal to government school children.	25.00
NASSCOM Foundation	Distribution of medical kits to rural households for self-care at home.	30.00
Total		**566.00**

(All amounts are in Rupees Lakhs)

30 Share Based Payments

a) Employee Option Plan

Details of the employee stock option plan are as given below.

Particulars	ESOP 2008	ESOP 2011
Details of the plan	The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to the HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009.	The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to the Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011.
Maximum grant of options	The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009).	The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011).
Vesting period	Options to vest over a period of three years from the date of their grant as under: - 1/6th of the options granted will vest on the first anniversary of the grant date.. - 1/3rd of the options granted will vest on the second anniversary of the grant date. - 1/2 of the options granted will vest on the third anniversary of the grant date.	Options to vest over a period of three years from the date of their grant as under: - 1/6th of the options granted will vest at the end of one year from the grant date. - 1/6th of the options granted will vest at the end of 18 months from the grant date. - 1/6th of the options granted will vest at the end of 24 months from the grant date. - 1/4th of the options granted will vest at the end of 30 months from the grant date. - 1/4th of the options granted will vest at the end of 36 months from the grant date.
Exercise period	Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.	Options vested with an employee will be exercisable prior to completion of the 24th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.
Exercise price	₹ 565.05 - ₹ 592.05 per share	₹ 565.05 per share
Grant/re-grant options	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date. The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Set out below is a summary of options granted under the plan:

ESOP 2008

	March 31, 2022		March 31, 2021	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	588.60	34,400	555.32	37,500
Granted during the year	-	-	-	-
Lapsed during the year	565.05	(2,200)	536.95	(1,135)
Exercised during the year	588.60	(17,200)	551.93	(1,965)
Closing Balance	**-**	**15,000**	**-**	**34,400**
Vested and exercisable	-	-	-	9,400

ESOP 2011

	March 31, 2022		March 31, 2021	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	579.38	9,422	514.97	21,530
Granted during the year	-	-	665.05	5,000
Lapsed during the year	565.05	(936)	514.97	(7,751)
Exercised during the year	565.05	(3,111)	630.35	(9,357)
Closing Balance	**-**	**5,375**		**9,422**
Vested and exercisable	-	1,175	5,375	4,422

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2022 - ESOP 2008: ₹ 2,654.43 and ESOP 2011: ₹ 2,315.38. (Year ended March 31, 2021 - ESOP 2008: ₹ 551.93 and ESOP 2011: ₹612.37)

Shares options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	ESOP Plan	Expiry Date	Exercise Price (INR)	Share options (March 31, 2022)	Share options (March 31, 2021)
April 21,2017	ESOP 2008	April 21, 2021	565.05	-	4,400
August 5, 2019	ESOP 2008	August 5, 2023	592.05	15,000	30,000
April 21,2017	ESOP 2011	April 21, 2022	565.05	375	4,422
November 3, 2020	ESOP 2011	November 3, 2025	665.05	5,000	5,000

Stock options outstanding at the end of the year have the following Remaining life (In months)

Grant Date	ESOP Plan	Expiry Date	Remaining life (months)	Share options (March 31, 2022)	Remaining life (months)	Share options (March 31, 2021)
April 21,2017	ESOP 2008	April 21, 2021	-	-	1	4,400
August 5, 2019	ESOP 2008	August 5, 2023	16	15,000	28	30,000
April 21,2017	ESOP 2011	April 21, 2022	1	375	13	4,422
November 3, 2020	ESOP 2011	November 3, 2025	42	5,000	54	5,000

'Subsequent to year end The Nomination and Remuneration Committee of the Company has approved an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The amounts reported in the tables above do not factor these subsequently approved adjustments. The Vesting date of additional options and overall value of the total options would remain same as the original options..

ESOP Scheme	Un-exercised Options before adjustment as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15000	592.05	30000	296.03
ESOP 2011	5000	665.05	10000	332.53
ESOP 2011	375	565.05	750	282.53

(All amounts are in Rupees Lakhs)

(i) Fair value of options granted

The fair value of options granted previous year ended March 31, 2021 is ₹ 208.07. The fair value as at grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, term of option, share price at grant date, expected price volatility of underlying share, expected dividend yield and risk free interest rate for the term of option.

ESOP Scheme	Grant date	Fair value
ESOP 2011	November 3, 2020	208.07

The model inputs for options granted during the year ended March 31, 2022 (PY- March 31, 2021) included:

	ESOP 2011 scheme	
	March 31, 2022	March 31, 2021
i) Exercise price	-	665.05
ii) Grant date	-	November 3, 2020
iii) Expiry date	-	November 3, 2025
iv) Share price at grant date	-	674.05
v) Expected price volatility	-	40.66%
vi) Expected dividend yield	-	0.92%
vii) Risk free interest rate	-	4.70%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) (Income)/Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognized in statement of profit and loss as part of employee benefit (Income)/expense were as follows:

	March 31, 2022	March 31, 2021
Employee share based payment expenses	68.43	12.86
Employee share based payment Income	(3.48)	(3.38)
Total	**64.95**	**9.48**

31 Contingent Liabilities

a) Contingent Liabilities

A) Claims against the Company not acknowledged as debts:

	March 31, 2022	March 31, 2021
Income Tax demand		
(i) Prior AY 2007-08 (Refer note 1 and 2 below)	16,616.33	16,446.27
(ii) From AY 2007-08 (Refer note 2 below)	11,558.96	10,377.44
(iii) Others	-	207.25

Notes:

1. NXTDIGITAL Limited (formerly known as Hinduja Ventures Limited) has received income tax demand pertaining to IT/ ITES business aggregating ₹ 7,144.66 Lakhs in respect of period prior to October 1, 2006 which is reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had paid ₹ 5,550 Lakhs to Hinduja Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of ₹ Nil including interest of ₹ Nil during the year (March 31, 2021- ₹ Nil including interest of ₹ Nil) and the net outstanding amount as at March 31, 2022 of ₹ 1,868.99 Lakhs (March 31, 2021 of ₹1,868.99 Lakhs) is included in “Receivable from related party - Note 9”.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

NXTDIGITAL Limited (formerly known as Hinduja Ventures Limited) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y 2007-08. These amounts are reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. The aggregate demand is ₹ 16,616.33 Lakhs including interest ₹ 7,815.61 Lakhs (March 31, 2021 - ₹ ₹ 16,446.27 Lakhs, ₹ 7,645.50 Lakhs respectively).

2. The Company has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is ₹ 11,558.97 Lakhs including interest ₹ 1,925.01 Lakhs (March 31, 2021 - ₹ 10,377.44 Lakhs, ₹ 1,926.87 Lakhs respectively).

   Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NXTDIGITAL Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3. During the current year, the Company recorded a tax expense of Rs. 72,360.00 lakhs towards gain from sale of the healthcare business. The Company's estimate of tax liabilities may differ from interpretations by the relevant tax authorities as to how regulations should be applied to actual transactions.

b) Capital and other commitments:

(i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on capital account ₹ 2,264.82 Lakhs. (March 31, 2021: ₹ 1,120.72 Lakhs).

(ii) The Company has issued an Undertaking to the following step-down subsidiaries to provide need based financial support and is committed, if needed, to continue such support to meet the ongoing obligations.

i. HGS Mena FZ LLC

ii. C-Cubed B.V

iii. Hinduja Global Solutions Europe Limited

iv. HGS St. Lucia

v. HGS CX Technologies Inc.(including subsidiaries)

vi. C-Cubed N.V

There has been no payments during the year against these undertakings.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

32 Earnings per share (EPS)

	March 31, 2022	March 31, 2021
Numerator for Basic and Diluted EPS		
Profit attributable to the equity holders of the company (₹ in Lakhs) (both continuing and discontinued operations)	243122.64	20,736.83
Profit attributable to the equity holders of the company (₹ in Lakhs) (continuing operations)	(57.90)	(5,106.80)
Profit attributable to the equity holders of the company (₹ in Lakhs) (discontinued operations)	243,180.54	25,843.62
Weighted average number of equity shares (Nos.) for calculating basic earnings per share	41,784,039	41,770,562
Number of equity shares (Nos.) for calculating diluted earnings per share	41,827,695	41,815,527
Basic EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	581.86	49.64
Diluted EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	581.25	49.59
Basic EPS attributable to the equity holders of the Company (₹) (continuing operations)	(0.13)	(12.23)
Diluted EPS attributable to the equity holders of the Company (₹) (continuing operations)	(0.14)	(12.23)
Basic EPS attributable to the equity holders of the Company (₹) (discontinued operations)	581.99	61.87
Diluted EPS attributable to the equity holders of the Company (₹) (discontinued operations)	581.39	61.82
Nominal value of shares (₹)	10.00	10.00

Number of shares considered for basic EPS (Nos.)	41,784,039	41,770,562
Add: Shares deemed to be issued for no consideration in respect of Employee stock options (Nos.)	43,656	44,965
Number of shares considered for diluted EPS (Nos.)	41,827,695	41,815,527

The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of Rs. 10/- each for every 1 (One) existing Equity Share of Rs. 10/- each, with a record date of February 23, 2022. The earnings per share has been re-presented for the previous year ended March 31, 2021.

33 Assets pledged as security

The Company had pledged certain assets as security for its current and non current borrowings. Following the repayment of these borrowings, the company is in the process of releasing the pledge. The carrying amounts of such assets pledged as security are:

Notes	March 31, 2022	March 31, 2021
Current		
Financial Assets		
First Charge		
Current Assets	378,048.66	147,166.28
Total current assets pledged as security	**378,048.66**	**147,166.28**
Non-Current		
Exclusive charge	-	100.97
Land	-	2,198.06
Building	3,418.35	12,171.38
Movable fixed assets (Refer note below)	12,171.38	13,106.02
Total non-current assets pledged as security	**3,418.35**	**14,470.41**
Total assets pledged as security	**381,467.01**	**161,636.69**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Net carrying amount as at March 31, 2022	Net carrying amount as at March 31, 2021
Furniture and Fixtures (Refer note 2)	318.22	1,205.49
Vehicles (Refer note 2)	36.62	90.33
Office Equipment (Refer note 2)	18.76	317.84
Computers (Refer note 2)	3,044.75	10,557.72
Total	**3,418.35**	**12,171.38**

34 Impairment

Goodwill movement:

	March 31, 2022	March 31, 2021
Opening Balance	**2,504.26**	**2,504.26**
Add: Additions	-	
Closing Balance	**2,504.26**	**2,504.26**

Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company Cash Generating Unit (“”CGU””) or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

The Company has single reportable segment and as at March 31, 2022 goodwill has been allocated to the single reportable segment:

	March 31, 2022	March 31, 2021
Business process management	2,504.26	2,504.26
Total	**2,504.26**	**2,504.26**

The recoverable amount was computed based on value-in-use calculations. Value-in-use is calculated using the pre -tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors.

The average range of key assumptions used for the calculations are as follows:

(in %)

	March 31, 2022	March 31, 2021
Growth rate	10.00%	10.00%
Pre-tax discount rate	16.13%	16.13%
Terminal growth rate	0.00%	0.00%

Based on the above no impairment was identified as of March 31, 2022 and March 31, 2021 as the recoverable value of CGU’s exceeded their carrying value. An analysis of the calculation’s sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the recoverable amount of the CGU would fall below their respective carrying amounts.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to COVID 19 is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

35 Income tax expense

The Company has elected to exercise the option permitted u/s 115BAA of the Income- tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised provision for Income tax for the year ended March 31, 2022 (in the year March 31, 2021) and re-measured its Deferred Tax basis the rate prescribed in the said section. The full impact of this change has been recognised in the Statement of Profit and Loss and other comprehensive income respectively.

a) Income tax expense

	Year ended March 31, 2022			Year ended March 31, 2021		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Current tax						
Current tax on profits for the year	381.25	86,003.78	86,385.03	(2,565.27)	13,407.77	10,842.50
Adjustments for current tax relating to prior years	(347.26)	-	(347.26)	162.51	-	162.51
Total current tax expense	**33.99**	**86,003.78**	**86,037.77**	**(2,402.76)**	**13,407.77**	**11,005.01**
Deferred Tax						
Decrease/ (Increase) in Deferred tax assets	158.52	618.43	776.95	(130.96)	684.50	553.54
Total Deferred tax expense/ (benefit)	**158.52**	**618.43**	**776.95**	**(130.96)**	**684.50**	**553.54**
Income tax expense	**192.51**	**86,622.21**	**86,814.72**	**(2,533.72)**	**14,092.27**	**11,558.55**

b) Reconciliation of income tax expense and the accounting profit multiplied by the Indian statutory tax rate

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	329,937.39	32,295.39
Tax at Indian tax rate of 25.168% (2020-21 - 25.168%%)	**83,038.64**	**8,128.10**
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
- Expenses towards corporate social responsibility disallowed	142.45	121.71
Difference in overseas tax rate for foreign operation	1,270.25	1,597.53
Tax credit on profit earned by foreign operation	(308.00)	-
Impact on deferred tax due to tax rate change	-	1,471.75
Adjustments for current tax of prior periods	(347.26)	162.51
Difference in tax rate for profit on sale of Operations	2,908.56	-
Other adjustments	110.08	76.95
Total Income Tax expense	**86,814.72**	**11,558.55**
Tax on Continuing Operations	**192.51**	**(2,533.72)**
Tax on Discontinued Operations	**86,622.21**	**14,092.27**
Effective tax rate	**26%**	**36%**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

36 Deferred tax liabilities & Deferred tax assets

The balance comprises temporary differences attributable to:

The components of deferred tax assets/ liabilities are follows

	March 31, 2022	March 31, 2021
Property, plant and equipment including Intangible assets	409.12	14.65
Provision for compensated absences	180.63	643.53
Provision for gratuity/ pension	116.88	624.38
Leases	453.94	2,083.80
Deferred performance Incentive	2,284.04	1,176.85
Derivatives	(27.14)	(669.55)
Allowances for doubtful debts	49.01	53.77
Others	577.50	236.22
Total Deferred Tax Assets	**4,043.98**	**4,163.65**
Net deferred tax assets/ (liabilities)	**4,043.98**	**4,163.65**

Movement in Deferred Tax Assets/ Liabilities

	April 1, 2021	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) in the Retained earnings	Credit/ (Charge) in the other comprehensive income	Effect of Foreign currency differences	March 31, 2022
Property, Plant & Equipment including Intangible assets	14.65	394.47	-	-	-	409.12
Provision for Gratuity / Pension	624.38	(586.56)	-	79.06	-	116.88
Provision for Compensated Absences	643.53	(462.90)	-	-	-	180.63
Derivatives	(669.55)		-	642.41		(27.14)
Allowance for Doubtful Debts	53.77	(4.76)	-	-	-	49.01
Leases	2,083.80	(1,629.86)	-	-	-	453.94
Deferred performance Incentive	1,176.85	1,107.19	-	-	-	2,284.04
Others	236.22	405.47	-	(51.46)	(12.73)	577.50
Total	**4,163.65**	**(776.95)**	**-**	**670.01**	**(12.73)**	**4,043.98**

	April 1, 2020	Credit/ (Charge) due to change in tax rate in statement of profit and loss	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) due to change in tax rate in other comprehensive income	Credit/ (Charge) in the other comprehensive income	Effect of Foreign currency differences	March 31, 2021
Property, Plant & Equipment including Intangible assets	173.83	(141.52)	(17.66)	-	-	-	14.65
Provision for Gratuity / Pension	1,160.18	(207.18)	18.00	(362.26)	15.64	-	624.38
Provision for Compensated Absences	697.74	(179.21)	125.00	-	-	-	643.53
Derivatives	2,331.62	-	-	(656.45)	(2,344.72)	-	(669.55)
Allowance for Doubtful Debts	63.77	(17.83)	7.83	-	-	-	53.77
Leases	2,786.34	(763.76)	60.06	-	-	1.16	2,083.80
Deferred performance Incentive	546.53	(162.25)	792.57	-	-	-	1,176.85
Others	298.72	-	(67.59)	-	-	5.09	236.22
Total	**8,058.73**	**(1,471.75)**	**918.21**	**(1,018.71)**	**(2,329.08)**	**6.25**	**4,163.65**

There are no unrecognised deductible temporary differences, unused tax losses and unused tax credits.

37 Employee benefit obligations

(i) Compensated Absences

The leave obligations cover the Company's liability for earned leaves of employees.

The amount of the provision of ₹ 1,173.25 Lakhs (As at March 31, 2021: ₹ ₹3,772.38 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

(ii) Deferred Performance Incentive

The Board of Directors at their meeting held on March 28, 2019 approved an employee defined benefit plan called as "Deferred Payment Incentive'' Plan (DPI 2019). The Scheme is applicable to eligible employees of the Company and its subsidiaries including eligible employees transferred pursuant to the sale of healthcare business and in the manner specifically provided for in the Scheme. Payments under this defined employee benefit plan is linked to the Company achieving certain profit targets by the financial year ending March 31, 2022. Pursuant to the plan, the Company carries a provision of ₹ 10,882.14 lakhs as at March 31, 2022. (As at March 31, 2021: ₹5,632.83 lakhs)

(iii) Post-employment obligations

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

b) Pension benefits

The Branch has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Company.

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 years. Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. 10 to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

(iv) Defined contribution plans

The Company has classified various benefits provided to employees as under:

a) Provident Fund

b) Superannuation Fund

c) State Defined Contribution Plans:

i Employers' Contribution to Employee's State Insurance

d) Other Statutory contribution schemes

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows: (Both Continuing and discontinued operations)

	Year ended March 31, 2022	Year ended March 31, 2021
Employers' Contribution to Provident Fund	3,894.10	3,836.14
Employers' Contribution to Superannuation Fund	4.17	3.00
Employers' Contribution to Employee's State Insurance	770.16	795.12
Employer's Contribution to Other Employees' contribution Scheme	5,421.75	3,606.48
Total	**10,090.18**	**8,240.74**

(v) Defined Benefit plan

Balance sheet amounts - Pension plan

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

	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2020	**8,575.07**	**(371.32)**	**8,203.75**
Current service cost	1,093.61	-	1,093.61
Net Interest cost	435.31	(18.81)	416.50
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**1,528.92**	**(18.81)**	**1,510.11**
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	2.05	2.05
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	640.14	-	640.14
- Actuarial (gain)/loss arising from experience adjustments	371.79	-	371.79
Total amount recognized in other comprehensive income	**1,011.93**	**2.05**	**1,013.98**
Exchange differences (recognised in Foreign Currency translation reserve)	147.51	(5.96)	141.55
Contributions:			
- Employers	-	(887.23)	(887.23)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(937.69)	937.69	-
Settlements	-	-	-
March 31, 2021	**10,325.74**	**(343.58)**	**9,982.16**

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	**10,325.74**	**(343.58)**	**9,982.16**
Current service cost	1,060.44	-	1,060.44
Net Interest cost	475.01	(15.81)	459.20
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**1,535.45**	**(15.81)**	**1,519.64**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	18.27	18.27
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	(232.79)	-	(232.79)
- Actuarial (gain)/loss arising from experience adjustments	(435.02)	-	(435.02)
Total amount recognized in other comprehensive income	**(667.81)**	**18.27**	**(649.54)**
Exchange differences (recognised in Foreign Currency translation reserve)	(393.95)	11.71	(382.24)
Contributions:			
- Employers	-	(620.00)	(620.00)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(449.70)	449.70	-
Liability Transferred Out/ Divestments (Refer Note 44)	(7,874.23)	-	(7,874.23)
Settlements	-	-	-
March 31, 2022	**2,475.50**	**(499.71)**	**1,975.79**

Balance sheet amounts - Gratuity

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

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2020	**2,746.76**	**422.81**	**3,169.57**	**(877.11)**	**2,292.46**
Transfer of liability from an Unfunded to Funded plan during the year	319.44	(319.44)	-	-	-
Total as on April 1, 2020	**3,066.20**	**103.37**	**3,169.57**	**(877.11)**	**2,292.46**
Current Service Cost	430.71	19.32	450.03	-	450.03
Past Service Cost	-	-	-	-	-
Interest expense/(income)	165.87	5.39	171.26	(47.34)	123.92
Total Amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**596.58**	**24.71**	**621.29**	**(47.34)**	**573.95**
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(0.86)	(0.86)
- Actuarial (gain)/loss arising from change in demographic assumptions	(64.69)	(19.37)	(84.06)	-	(84.06)
- Actuarial (gain)/loss arising from change in financial assumptions	62.40	1.07	63.47	-	63.47
- Actuarial (gain)/loss arising from Experience adjustments	51.71	25.12	76.83	-	76.83
Total amount recognized in other comprehensive income	**49.42**	**6.82**	**56.24**	**(0.86)**	**55.38**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
Employer contributions	-	-	-	(489.69)	(489.69)
Liability Transferred Out/ Divestments	-	-	-	-	-
Benefit payments	(159.29)	(17.89)	(177.18)	159.29	(17.89)
March 31, 2021	**3,552.91**	**117.01**	**3,669.92**	**(1,255.71)**	**2,414.21**

	Funded	Unfunded	Present value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	**3,552.91**	**117.01**	**3,669.92**	**(1,255.71)**	**2,414.21**
Current Service Cost	372.43	11.26	383.69	-	383.69
Interest expense/(income)	153.76	4.52	158.27	(66.20)	92.07
Total Amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	**526.19**	**15.77**	**541.96**	**(66.20)**	**475.76**
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	38.43	38.43
- Actuarial (gain)/loss arising from change in demographic assumptions	0.06	(0.00)	0.06	-	0.06
- Actuarial (gain)/loss arising from change in financial assumptions	(37.95)	(0.48)	(38.43)	-	(38.43)
- Actuarial (gain)/loss arising from Experience adjustments	309.26	46.48	355.74	-	355.74
Total amount recognized in other comprehensive income	**271.37**	**46.01**	**317.37**	**38.43**	**355.80**
Employer contributions	-		-	(31.73)	(31.73)
Liability Transferred Out/ Divestments (Refer Note 44)	(2,734.63)	-	(2,734.63)	-	(2,734.63)
Other adjustment	(8.59)	-	(8.59)	10.16	1.57
Benefit payments	(318.82)	(29.79)	(348.61)	318.82	(29.79)
March 31, 2021	**1,288.42**	**149.00**	**1,437.42**	**(986.23)**	**451.19**

The following table shows the breakdown of the defined benefit obligation and plan assets::

	March 31, 2022			March 31, 2021		
	Gratuity	Pension	Total	Gratuity	Pension	Total
Present Value of Obligation	1,437.42	2,475.50	3,912.92	3,669.92	10,325.74	13,995.66
Fair value of plan assets	(986.23)	(499.71)	(1,485.94)	(1,255.71)	(343.58)	(1,599.29)
Total Liability	**451.19**	**1,975.79**	**2,426.98**	**2,414.21**	**9,982.16**	**12,396.37**

(All amounts are in Rupees Lakhs)

(vi) Actuarial assumptions pension and gratuity

The significant actuarial assumptions were as follows:

	Year ended March 31, 2022		Year ended March 31, 2021	
	Pension	Gratuity	Pension	Gratuity
Discount Rate	5.64%	4.56%-6.09%	4.67%	3.86%-5.58%
Salary growth rate	3.40%	4% - 8%	3.40%	4% - 8%
Rate of return on Plan assets	5.64%	4.56%-6.09%	4.67%	3.86%-5.58%
Mortality rate	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate
Rate of Employee turnover	8% to 37% p.a.	20% to 70%	8% to 37% p.a.	20% to 70%

Assumptions regarding mortality experience are set based on advice from published statistics.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experiance of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

(vii) Sensivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate	1%	1%	(244.14)	(1,049.63)	248.88	1,102.88
Salary Growth rate	1%	1%	253.01	1,104.78	(256.07)	(1,079.14)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(viii) The major categories of plan assets are as follows

	March 31, 2022			March 31, 2021		
	Level-1	Level-3	Total	Level-1	Level-3	Total
Pension						
Debt Instruments						
- Government Bonds	451.37	-	451.37	142.74	-	142.74
- Corporate Bonds	29.38	-	29.38	138.14	-	138.14
Cash and cash equivalents	16.80	-	16.80	61.56	-	61.56
Others	-	2.16	2.16	-	1.14	1.14
Gratuity						
Investment funds						
Insurance Funds (LIC Pension and Group Schemes fund)	-	986.23	986.23	-	1,255.71	1,255.71
Total	**497.55**	**988.39**	**1485.94**	**342.44**	**1,256.85**	**1,599.29**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ix) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Life expectancy	The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in FY 2021-22 (PY 2020-21) consists of government & corporate bonds and LIC Pension. The plan asset mix is in compliance with the requirements of the respective local regulations.

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2023 is ₹ 710.70 lakhs [Gratuity ₹ 255.49 Lakhs; Pension ₹ 455.21 Lakhs]

The weighted average duration of Gratuity plan obligation is 4 years. The weighted average duration of Pension plan obligation is 19 years. The expected maturity analysis of undiscounted pension and gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Pension plan benefit obligation	255.49	169.29	745.01	10,481.15	**11,650.93**
Gratuity plan benefit obligation	455.21	233.39	502.61	540.93	**1,732.13**
Total	**710.70**	**402.68**	**1,247.61**	**11,022.07**	**13,383.06**
March 31, 2021					
Pension plan benefit obligation	684.39	772.10	3,276.37	48,878.08	**53,610.94**
Gratuity plan benefit obligation	879.67	637.56	1,326.71	1,599.49	**4,443.43**
Total	**1,564.06**	**1,409.66**	**4,603.08**	**50,477.57**	**58,054.37**

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

38 Capital management

A) Capital Structure

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholder's and benefits for other stakeholder's, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder's, return capital to shareholder's, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings offset by net of cash and cash equivalents)/Total 'equity' as shown in the balance sheet

The gearing ratios were as follows:

	March 31, 2022	March 31, 2021
Total borrowings (Refer Note 16)	-	10,974.91
Cash and cash equivalents(Refer Note 11a)	(85,129.07)	(15,789.97)
Net Debt	**(85,129.07)**	**(4,815.06)**
Total Equity	**385,622.20**	**190,512.85**
Net Debt to Equity ratio*	-	-

* Lease liabilities are not included for computing the gearing ratio.

Loan covenants

The Company has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting period.

B) Dividends

	March 31, 2022	March 31, 2021
(i) Equity shares		
Final dividend (including Special Dividend) for the year ended March 31, 2021 of ₹.22 (March 31, 2020 - ₹ Nil) per fully paid equity share	4,593.00	-
Interim dividend including Special Dividend for the year ended March 31, 2022 of ₹ 195 (March 31, 2021 - ₹18) per fully paid equity share	40,749.89	3,757.41
(ii) Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended payment of a final dividend of ₹ 25 per fully paid equity share (March 31, 2021 - ₹ 22). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	10,448.78	4,593.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

39 Related Party Transactions and Balances

I) Individual having control with his relatives and associates

Mr. Ashok P. Hinduja

II) Subsidiaries of Hinduja Global Solutions Limited (Includes step-down subsidiaries)

1 HGS International
2 Hinduja Global Solutions LLC.(Formerly known as Hinduja Global Solutions Inc.)
3 HGS Properties LLC
4 HGS Canada Holdings LLC
5 HGS Canada Inc.
6 HGS EBOS LLC (Upto January 5, 2022)
7 HGS (USA) LLC
8 HGS Healthcare LLC. (Upto January 5, 2022)
9 Affina Company
10 Hinduja Global Solutions Mena FZ LLC
11 Hinduja Global Solutions Europe Limited (under liquidation)
12 Hinduja Global Solutions UK Limited
13 HGS France, S.A.R.L (Liquidated in FY 2021-22)
14 C-Cubed N.V.
15 C-Cubed B.V.
16 Customer Contact Centre Inc.
17 HGS St. Lucia Limited
18 Team HGS Limited
19 HGS Axis Point Health LLC (Upto January 5, 2022)
20 Falcon Health Solutions Puerto Rico LLC
21 Falcon Health Solutions Puerto Rico Holding LLC
22 HGS Colibrium LLC (Upto January 5, 2022)
23 HGS Digital, LLC (Formerly known as Element Solutions LLC)
24 Diversify Offshore Staffing Solutions Pty Ltd (Effective from February 25, 2022)
25 Diversify Intelligent Staffing Solutions Inc (Effective from February 25, 2022)
26 Diversify ISS BGC Inc (Effective from February 25, 2022)
27 Diversify Offshore Solutions Cebu Inc (Effective from February 25, 2022)
28 HGS CX Technologies Inc. (Incorporated on December 6, 2021)
29 HGS Healthcare Operations Inc.(Incorporated on November 17, 2021 and Upto January 5, 2022)

III) Key Management Personnel

Mr. Partha DeSarkar, Whole-time Director & Chief Executive Officer

Non executive directors:

Mr. Yashodhan Madhusudan Kale, Chairman and Non-executive Director

Mr. Anil Harish

Ms. Bhumika Batra

Mr. Sudhanshu Kumar Tripathi

Dr. Ganesh Natarajan

(All amounts are in Rupees Lakhs)

IV) Enterprises where common control exists

1 Hinduja Group Limited

2 NXTDIGITAL Limited (Formerly known as Hinduja Ventures Limited)

3 Hinduja Healthcare Limited

4 Hinduja Realty Ventures Limited

5 Hinduja Energy (India) Ltd

6 Hinduja National Power Corporation Limited

7 IndusInd Media & Communication Limited

8 Aasia Corporation LLC

9 OneOTT Intertainment Limited

10 Tabula Rasha Music LLP

11 In Entertainment (India) Limited

12 Impeccable Imagination LLP

V) Enterprises where Significant Influence is excercised by Directors

1 Global Talent Track Private Limited

2 5F World Private Limited

3 Skills Alpha Learning Private Limited

4 Vihur Apps Private Limited

5 Kalzoom Advisors Private Limited

VI) Relatives of key management personnel including directors whether executive or otherwise

Mr. Pabitra DeSarkar (Father)

D M Harish & Co (Firm in which Mr. Anil Harish is a Partner)

Satya A Hinduja

P.K. DeSarkar & Co (Firm in which Mr. Partha DeSarkar is partner)

Corner Stone Ventures Partners Investment Advisers LLP (Firm in which Dr. Ganesh Natarajan is a partner)

M/s. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra is a partner)

5F World (Firm in which Dr. Ganesh Natarajan is a partner)

BSR & Co. LLP (Mr. Yashodhan Madhusudan Kale's relative is a Partner)

Related Party transactions and balances

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

	Parties referred to in II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Rendering of services						
HGS Healthcare LLC	134,314.13	161,318.20	-	-	-	-
HGS USA LLC	16,971.46	15,684.46	-	-	-	-
Hinduja Global Solutions UK Limited	7,373.94	6,491.11	-	-	-	-
Hinduja Global Solutions Europe Limited	-	3.49	-	-	-	-
HGS Canada Inc	869.44	625.46	-	-	-	-
Team HGS Limited	194.99	166.17	-	-	-	-
HGS EBOS LLC	18,293.44	19,856.89	-	-	-	-
HGS Mena FZ LLC	154.46	274.83	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
HGS Axis Point Health LLC	56.79	89.63	-	-	-	-
HGS Digital, LLC	1,940.70	1,499.03	-	-	-	-
HGS Colibrium Inc	38.86	98.65	-	-	-	-
Falcon Health Solutions Puerto Rico LLC	-	16.61	-	-	-	-
NXTDIGITAL Limited	-	-	-	-	63.77	29.78
Indus Ind Media & Communications Limited	-	-	-	-	-	18.41
OneOTT Intertainment Limited	-	-	-	-	24.32	12.15
Others	-	-	30.45	31.03	2.03	7.94
Total	**180,208.21**	**206,124.53**	**30.45**	**31.03**	**90.12**	**68.28**
Interest Income						
HGS International	403.26	449.93	-	-		-
Hinduja Group Limited		-	-	-	1,794.72	870.90
Hinduja Realty Ventures Limited		-	-	-	1,680.33	998.57
Hinduja Energy (India) Ltd		-	-	-	-	602.69
NXTDIGITAL Limited		-	-	-	688.75	17.34
Aasia Corporation LLC					201.37	-
Total	**403.26**	**449.93**	**-**	**-**	**4,365.17**	**2,489.50**
Lease payments						
Hinduja Group limited	-	-	-	-	67.60	62.40
Hinduja Realty Ventures Limited	-	-	-	-	317.88	201.91
Satya A Hinduja	-	-	92.72	57.65		-
Total	**-**	**-**	**92.72**	**57.65**	**385.48**	**264.31**
Link Connectivity Charges						
IndusInd Media & Communications Ltd	-	-	-	-	-	2.75
Total	**-**	**-**	**-**	**-**	**-**	**2.75**
Legal & Professional charges						
Hinduja Group Limited	-	-		-	3,564.06	500.00
Crawford Bayley & Co.	-	-	442.50	125.00	-	-
Global Talent Track Private Limited	-	-	-	-	-	1.56
Kalzoom Advisors Private Limited	-	-	-	-	-	4.97
HGS Digital, LLC	518.46	63.57	-	-	-	-
Total	**518.46**	**63.58**	**442.50**	**125.00**	**3,564.06**	**506.54**
Training and Recruitment						
HGS Mena FZ LLC	127.95	107.01	-	-	-	-
Global Talent Track Pvt Ltd	-	-	-	-	1.17	-
Total	**-**	**-**	**-**	**-**	**1.17**	**-**
Miscellaneous Expenses						
Hinduja Group Limited	-	-	-	-	260.12	-
HGS USA LLC	8.71	-	-	-	-	-
In Entertainment (India) Limited	-	-	-	-	128.14	-
Hinduja Realty Ventures Limited	-	-	-	-	-	4.68
Total	**8.71**	**-**	**-**	**-**	**388.26**	**4.68**
Executive Remuneration*						
Mr. Partha DeSarkar #	-	-	2,327.72	1,731.83	-	-
Total	**-**	**-**	**2,327.72**	**1,731.83**	**-**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Note:

* The above Executive remuneration excludes Gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

\# Maximum Variable Pay for the year 2021-22, dependent on satisfactory performance, is ₹435.60 lakhs. Maximum deferred pay, subject to agreed targets being met, is ₹1586.51 Lakhs. These amounts are payable in 2022-23 and is subject to approval by the Nomination and Remuneration Committee of the Company.

The remuneration accrued by the parent company of the Group to its whole-time director during the year exceeds the prescribed limit of 5% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2021-22 in excess of the limit laid down under this section is INR 359 lakhs. .

	Parties referred to in II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Expenses reimbursed by other Companies						
HGS Healthcare LLC	0.71	12.66	-	-	-	-
HGS (USA), LLC	85.27	229.08	-	-	-	-
Hinduja Global Solutions Inc.	15.16	22.57	-	-	-	-
HGS EBOS LLC	3.51	1.00	-	-	-	-
Team HGS Limited	150.54	119.87	-	-	-	-
Hinduja Global Solutions UK Limited	36.55	127.70	-	-	-	-
HGS Mena FZ LLC	-	38.78	-	-	-	-
HGS Canada Inc.	22.92	130.79	-	-	-	-
HGS Axis Point Health LLC	15.10	20.17	-	-	-	-
Total	**329.76**	**702.62**	**-**	**-**	**-**	**-**
Commission to Directors & sitting fees paid						
Commission to Directors	-	-	393.75	347.13	-	-
Sitting fees paid to Director's	-	-	180.76	60.50	-	-
Total	**-**	**-**	**574.51**	**407.63**	**-**	**-**
Loans Given						
Hinduja Group Limited	-	-	-	-	68,000.00	58,500.00
Hinduja Realty Ventures Limited	-	-	-	-	87,000.00	16,500.00
Hinduja Energy (India) Ltd	-	-	-	-	-	21,500.00
NXTDIGITAL Limited	-	-	-	-	9,000.00	9,950.00
Aasia Corporation LLC					30,000.00	-
Total	**-**	**-**	**-**	**-**	**194,000.00**	**106,450.00**
Loans Repaid						
Hinduja Group Limited	-	-	-	-	33,550.00	57,500.00
Hinduja Realty Ventures Limited	-	-	-	-	44,000.00	21,500.00
Hinduja Energy (India) Ltd	-	-	-	-	-	25,500.00
NXTDIGITAL Limited	-	-	-	-	9,950.00	-
Aasia Corporation LLC	-	-	-	-	30,000.00	-
Total	**-**	**-**	**-**	**-**	**117,500.00**	**104,500.00**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Receivable net of payable as at the year-end						
HGS Healthcare LLC	-	58,193.15	-	-	-	-
NXTDIGITAL Limited [Refer foot note 1& 2 of 31A (ii)]	-	-	-	-	1,883.59	1,868.99
HGS (USA), LLC	11,678.32	6,515.22	-	-	-	-
HGS Canada Inc.	298.04	141.30	-	-	-	-
HGS Mena FZ LLC	24.43	139.61	-	-	-	-
HGS EBOS LLC	-	8,495.25	-	-	-	-
Hinduja Global Solutions UK Limited	2,384.73	2,028.04	-	-	-	-
Team HGS Limited	195.40	40.08	-	-	-	-
HGS Colibrium Inc	-	33.10	-	-	-	-
Falcon Health Solutions Puerto Rico LLC	-	5.44	-	-	-	-
HGS Digital, LLC	802.86	792.45	-	-	-	-
HGS International	358.18	-				
Others	-	-	6.94	5.45	18.82	31.17
Total	**15,741.96**	**76,383.64**	**6.94**	**5.45**	**1,902.41**	**1,900.16**
Payable net of receivables as at year-end						
Customer Contact Centre Inc.	3,529.80	3,379.06	-	-	-	-
HGS Axis Point Health LLC	-	31.32	-	-	-	-
Global Talent Track Private Limited	-	-	-	-	1.21	1.56
In Entertainment India Limited	-				0.27	-
Total	**3,529.80**	**3,410.38**	**-**	**-**	**1.48**	**1.56**
Loans						
HGS International	30,360.20	29,266.44	-	-	-	-
Hinduja Group Limited	-	-	-	-	50,450.00	16,000.00
Hinduja Realty Ventures Limited	-	-	-	-	53,000.00	10,000.00
NXTDIGITAL Limited	-	-	-	-	9,000.00	9,950.00
Total	**30,360.20**	**29,266.44**	**-**	**-**	**112,450.00**	**35,950.00**
Interest Receivable						
HGS International	-	404.56	-	-	-	-
NXTDIGITAL Limited	-	-	-	-	3.92	17.34
Total	**-**	**404.56**	**-**	**-**	**3.92**	**17.34**
Security deposit						
Hinduja Realty Ventures Limited	-	-	-	-	80.00	42.00
Satya Hinduja	-	-	24.00	12.00	-	-
Total	**-**	**-**	**-**	**-**	**80.00**	**42.00**
Investments in equity shares at the year end						
HGS International	38,880.28	38,880.28	-	-	-	-
Total	**38,880.28**	**38,880.28**	**-**	**-**	**-**	**-**

Notes:

1. There are no transactions with parties referred in I above.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

40 Fair Value Measurements

(a) Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	**FVTOCI**	**Amortized Cost**	**FVTPL**	**FVTOCI**	**Amortized Cost**
Investments						
- Treasury bills(Refer note 5)						
Loans(Refer note 6 & 12)	-	-	280.37	-	-	482.11
Security deposits (Refer note 7 & note 13)	-	-	142,810.20	-	-	65,216.44
Bank deposits(Refer note 7)	-	-	2,514.19	-	-	4,251.15
Trade receivables(Refer note 10)	-	-	110.44	-	-	92.78
Cash and cash equivalents(Refer note 11a)	-	-	22,804.89	-	-	82,848.58
Bank balances other than Cash and cash equivalents(Refer note 11b)	-	-	85,129.07	-	-	15,789.97
Other receivables (Refer note 13)	-	-	147,098.46	-	-	400.43
Derivative financial assets designated in a hedge relationship (Refer note 7 & 13)	-	-	2,948.08	-	-	1,810.49
Derivative financial assets (Refer note 13)	-	-	-	-	3,679.53	-
Total Financial assets	**42.90**	**-**	**403,695.70**	**-**	**3,679.53**	**170,891.95**
Financial liabilities						
Borrowings(Refer note 16)	-	-	-	-	-	10,974.91
Lease liabilities(Refer note 17)	-	-	15,167.47	-	-	62,923.35
Trade payables(Refer note 20)	-	-	10,818.26	-	-	13,526.68
Derivative financial liabilities designated in a hedge relationship (Refer note 18 & 21)	-	142.27	-	-	1,016.89	-
Other financial liabilities(Refer note 21)	-	-	12,647.97	-	-	11,520.61
Total Financial liabilities	**-**	**142.27**	**38,633.70**	**-**	**1,016.89**	**98,945.55**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair-value of the financial-instruments factor the uncertainties arising out of COVID-19, where applicable.

(i) Fair Value Heirarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Date of Valuation	Notes	Level 1	Level 2	Level 3	Total
Derivative financial assets						
Derivative financial assets						
Foreign exchange forward contracts*	March 31, 2022	13	-	42.90	-	42.90
	March 31, 2021		-	-	-	-
Derivatives designated as hedges						
Foreign exchange forward contracts*	March 31, 2022	7 & 13	-	-	-	-
	March 31, 2021		-	3,679.53	-	3,679.53
Derivative financial liabilities						
Derivatives designated as hedges						
Foreign exchange forward contracts*	March 31, 2022	18 & 21	-	142.27	-	142.27
	March 31, 2021		-	584.37	-	584.37
Interest Rate Swap	March 31, 2022	18 & 21	-	-	-	-
	March 31, 2021		-	432.52	-	432.52

*The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Derivative financial instruments

The Group has evaluated the impact of the COVID-19 event on its highly probable transactions and concluded that there was no impact on the probability of occurrence of the hedged transaction. The Group has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk in assessing hedge effectiveness and measuring hedge ineffectiveness.

The fair value of loan, cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value. These financial asset & liabilities have been classified as Level 3.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

41 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits for customers, party-wise and overall limits on the intercorporate deposits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk - 'Interest rate risk	Borrowings and Investment in Non convertible Debentures, financial assets measured at amortized cost	Cash flow forecasting Sensitivity analysis	Interest rate swap

The Company's risk management is carried out by the finance department under direction of the Board of Directors. The company's finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

A) Credit risk

Credit risk arises from trade receivables including unbilled receivables, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

i) Credit risk management:

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Company's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognized in the balance sheet.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Other applicable macroeconomic information such as regulatory changes

A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

a. trade receivables and unbilled receivables amounting to ₹ 22,804.48 Lakhs (March 31, 2021 ₹ 82,848.58 Lakhs). Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate. During the year, the Company made write-offs of ₹ 62.37 Lakhs (March 31, 2021 ₹ 5.43 Lakhs) of trade receivables.

b. Loans receivable and Intercorporate deposits amounting to ₹ 142,810.20 Lakhs (March 31, 2021 ₹ 65,216.44 Lakhs). The loans and intercorporate deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercorporate deposits are unsecured and are repayable on demand or March 31, 2023, whichever is earlier. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.

c. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

a) Percentage of revenues generated from top customer and top five customers.

	March 31, 2022	March 31, 2021
Revenue from top customer	27.00%	32.34%
Revenue from top five customers	61.00%	68.05%

Movement in excepted credit loss allowance

	March 31, 2022	March 31, 2021
Balances at beginning of the year	213.64	182.50
Movement in excepted credit loss Allowance	(18.90)	31.14
Balances at closing of the year	194.74	213.64

B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Company`s liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. Management monitors rolling forecasts of the Company`s net liquidity position on the basis of expected cash flows. The company invests its surplus funds in loans and intercorporate deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews.

i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Ageing	March 31, 2022	March 31, 2021
Expiring within one year (Cash Credits and other facilities)	39,000.00	35,500.00
Total	**39,000.00**	**35,500.00**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings.

ii) Maturities of financial liabilities

The tables below analyse the Company`s financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and

- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - March 31, 2022	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Lease liabilities	3,222.31	3,191.67	5,247.22	3,506.27	15,167.47
Trade payables	10,818.26	-	-	-	10,818.26
Other financial liabilities	12,647.97	-	402.52	-	13,050.49
Total non-derivative liabilities	**26,688.54**	**3,191.67**	**5,649.74**	**3,506.27**	**39,036.22**
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	142.27				142.27
Total derivative liabilities	**142.27**	**-**	**-**	**-**	**142.27**

Contractual maturities of financial liabilities - March 31, 2021	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	3,658.30	3,658.31	3,658.31	-	10,974.92
Lease liabilities	8,417.03	8,788.62	23,424.36	22,293.34	62,923.35
Trade payables	13,526.68	-	-	-	13,526.68
Other financial liabilities	11,520.61	-	-	-	11,520.61
Total non-derivative liabilities	**37,122.62**	**12,446.93**	**27,082.67**	**22,293.34**	**98,945.96**
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	825.00	143.93	47.96	-	1,016.89
Total derivative liabilities	**825.00**	**143.93**	**47.96**	**-**	**1,016.89**

The average credit period of trade payables is 45 days.

(All amounts are in Rupees Lakhs)

C) Market risk

i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-company transactions) and recognized assets and liabilities denominated in a currency that is not the functional currency . The risk is measured through a forecast of highly probable foreign currency cash flows. The company's risk management policy is to hedge upto 75% of forecasted foreign currency sales for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The company monitors the aforesaid critical terms on a quarterly basis to assess if the heding relationship remains highly effect.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Company matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The objective of the hedges is to minimise the volatility of the functional currency cash flows of highly probable forecast transactions.

ii) Foreign currency risk exposure

The exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	Currency	March 31, 2022	March 31, 2021
Financial assets			
Loans	USD	30,360.20	29,266.44
Trade receivables	USD	15,751.37	78,840.68
	GBP	18.09	37.97
	SGD	2.18	2.71
	CAD	-	12.63
	AED	2.87	0.84
	EURO	3.06	59.77
Cash and cash equivalents	USD	73,308.35	10,073.16
	CAD	82.73	66.57
Financial liabilities			
Borrowings	USD	-	10,974.92
Lease Liability	USD	1,554.94	1,677.83
Trade payable	USD	4,484.31	8,390.61
	GBP	2.88	-

iii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and Interest rate swap designated as cash flow hedges. .

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Impact on profit after tax	
	March 31, 2022	March 31, 2021
USD sensitivity		
USD - Increase by 5% (March 31, 2021 - 5%)*	4,242.25	3,634.48
USD - Decrease by 5% (March 31, 2021 - 5%)*	(4,242.25)	(3,634.48)

	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2022	March 31, 2021
USD sensitivity		
USD - Increase by 5% (March 31, 2021 - 5%)*	(163.18)	(7,704.74)
USD - Decrease by 5% (March 31, 2021 - 5%)*	181.53	7,715.86

* Holding all other variables constant

iv) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company manages it's net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates.

The Company's investments are primarily in short-term loans and deposits and does not have any variable rate borrowings. Hence the company is not expose to significant interest rate risk.

42 Financial risk management

Impact of hedging activities

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

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Company monitors the aforesaid critical terms on a quarterly basis to assess if the heding relationship remains highly effect.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

March 31, 2022

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts: Sell USD, buy PHP	6.10	-	(142.27)	July, 2022	1:1	(142.27)	142.27

March 31, 2021

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts: Sell USD, buy INR	183.01	3,542.33	(41.33)	March, 2024	1:1	3,501.00	(3,501.00)
Sell USD, buy PHP	107.50	137.21	(543.04)	March, 2022	1:1	(405.83)	405.83
Interest Rate Swap (included in Other Current Financial Assets/ liabilities)	15.00	-	(432.52)	February, 2024		(432.52)	432.52

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

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

March 31, 2022

Type of hedge	Change in the value of hedging instrument recognized in Other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss*	(Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	3,263.42	(6,258.19)	(231.54)	Revenue & Other Income
Interest rate risk	-	-	432.52	Finance Cost

* Following the sale of Healthcare business, certain forecast transactions were no longer probable. Hence hedge accounting was discontinued and the cumulative gain of INR 6258.19 lakhs was reclassified to the Profit or Loss statement and included in Profit or Loss from discontinued operations.

March 31, 2021

Type of hedge	Change in the value of hedging instrument recognized in Other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	(Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	11,975.32	-	(3,653.34)	Revenue
Interest rate risk	432.52	-	281.21	Finance Cost

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

43 Leases

(i) Company as a lessee

The Company leases several assets including buildings, furnitures and equipments. The average lease term is 5.77 years.(March 31, 2021- 6.49 years)

Right-of-use assets (both Continuing and discontinued operations)	Building	Office Equipment	Furniture & Fixtures	Total
Net carrying amount				
March 31, 2021	55,474.90	930.50	81.37	56,486.77
March 31, 2022	15,067.95	3.67	-	15,071.62
Depreciation expense for the year ended				
March 31, 2021	10,817.48	345.87	60.99	11,224.34
March 31, 2022	10,251.22	269.06	46.79	10,567.06

Amounts recognised in statement of profit and loss (both Continuing and discontinued operations)	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation expense on right-of-use assets	10,567.06	11,224.34
Interest expense on lease liabilities	4,189.69	5,339.76
Expense relating to short-term leases	1,302.61	1,124.73
(Gain)/ Loss on termination of leases	(421.53)	(671.44)
Rent waiver impact on profit and loss due to lease payments	-	(137.84)

Lease liabilities	March 31, 2022	March 31, 2021
Non Current	11,945.16	54,506.32
Current	3,222.31	8,417.03
Total	**15,167.47**	**67,325.20**

Maturity analysis of Lease payments and short term & low value leases

	March 31, 2022	March 31, 2021
Not later than 1 year	4,395.96	12,636.85
Later than 1 year and not later than 5 years	11,013.96	43,249.35
Later than 5 years	3,987.14	25,846.99

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

ii) Company as lessor

i) Operating Lease arrangement

The Company has entered into a non cancellable operating lease arrangement with its lessee.Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2022 is ₹ 100.31 Lacs. (March 31 2021 - Nil). The average lease term is 5 years.(March 31, 2021- Nil).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

	March 31, 2022	March 31, 2021
Not later than 1 year	430.76	-
Later than 1 year and not later than 5 years	1,623.92	-
Later than 5 years	-	-

ii) Sub-lease arrangement

The Company Sub-leases several assets including buildings, furnitures and equipments. The average lease term is 1.72 years.(March 31, 2021- Nil).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The movement on account of subleased asset during the years ended March 31, 2022 and March 31, 2021 is as follows :

	March 31, 2022	March 31, 2021
Balance at the beginning of the period	-	-
Addition during the period	705.14	-
Interest income accrued during the period	16.40	-
Lease receipts	(105.01)	-
Balance at the end of the period	**616.53**	**-**

'The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2022 and March 31, 2021 are as follows :

	March 31, 2022	March 31, 2021
Not later than 1 year	443.92	-
Later than 1 year and not later than 5 years	223.89	-
Later than 5 years	-	-

44 Discontinued operations and Business combinations

I. Discontinued operations

a) Disposal of healthcare services business ("HS Business")

The Board of Directors of Hinduja Global Solutions Limited (the "Company"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") to wholly owned subsidiaries of Betaine BV ("Investor"), which is owned by funds affiliated with Baring Private Equity Asia. The transaction is based on enterprise value of US$ 1,200 million and subject to closing adjustments,The shareholder and other regulatory approvals have been obtained and the transaction has been consummated on January 5, 2022. As a result, the Company has classified the HS business as Discontinued Operations in its Financial Statements and related notes.

b) Details of sale of the business

	Year ended March 31, 2022
Consideration received	398,667.60
Less: Carrying amount of net assets	(80,202.67)
Less: Transaction fee	(27,619.51)
Less: Other Expenses	(4,074.05)
Add: Forex impact	529.67
Less: Assets written-off	(91.54)
Gain on sale before Income tax	**287,209.50**
Income tax expense	72,360.00
Gain on sale after Income tax	**214,849.50**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

c) **Carrying amount of assets and liabilities on the date of transfer is as follows:**

	As of January 5, 2022
Assets	
Property, Plant and equipment	14,978.85
Intangible Assets	3,333.38
Office Rental Deposits and Other Deposits	4,091.60
Right to use asset	37,460.30
Derivative financial assets designated in a hedge relationship	6,258.19
Trade Receivables	76,045.08
Employee advances	121.12
Prepaid Expenses	1,890.55
Liabilities	
Gratuity	(2,734.63)
Pension	(7,874.23)
Leave Encashment Liability	(3,700.03)
Lease Liability	(46,964.78)
Employee liabilities	(2,342.00)
Other Liabilities	(360.74)
Net Assets disposed of	**80,202.66**

d) **Analysis of profit for the year and cash flows from discontinued operations**

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	152,860.12	183,471.84
Other Income	11,243.00	1,116.16
Total income	**164,103.12**	**184,588.00**
Employee benefit expense	88,542.78	103,537.25
Finance cost	3,294.31	4,417.85
Depreciation and amortisation expense	10,520.91	14,469.49
Other Expenses	19,151.85	22,227.52
Total expenses	**121,509.85**	**144,652.11**
Profit before tax (I)	42,593.27	39,935.89
Income Tax expense (II)	14,262.21	14,092.27
Gain on disposal of domestic business (III)	287,209.50	-
Income Tax expense (IV)	72,360.00	-
Profit before tax from discontinued operations (I) + (III)	**329,802.77**	**39,935.89**
Income tax expense of discontinued operations (II) + (IV)	**86,622.21**	**14,092.27**
Profit after tax from discontinued operations (attributable to the owners of the Company)	**243,180.56**	**25,843.62**

Cash flows from discontinued operations	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from discontinued operations	7,745.49	44,299.30
Net cash inflows from operating activities*	364,033.51	(5,624.64)
Net cash inflows/ (outflows) from investing activities	(7,457.90)	(10,668.81)
Net cash outflows from financing activities	364,321.10	28,005.85
Net cash inflows	**388,097.31**	**28,005.85**

* Cash from operating activities is reported after reducing the advance tax paid on capital gains.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

45 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	53.06	437.09
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year		0.95
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company.

46. Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows

	Numerator	Denominator	Measure	March 31, 2022	March 31, 2021	Variance (in %)
(a) Current Ratio,*	Current Assets	Current Liabilities	Times	4.31	3.13	38%
(b) Debt-Equity Ratio,**	Total Debt	Shareholder's Equity	Times	-	0.06	-100%
(c) Debt Service Coverage Ratio,**	Earnings available for debt service	Interest cost, Debt and Lease payments	Times	17.48	0.62	2729%
(d) Return on Equity Ratio,*	Net Profits after taxes	Average Shareholder's Equity	percentage	84%	12%	630%
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	percentage	-	-	-
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average accounts recievable	Times	4.06	2.90	40%
(g) Trade payables turnover ratio,*	Net Credit Purchases	Average accounts Payables	Times	2.71	2.41	12%
(h) Net capital turnover ratio,*	Net Sales	Working Capital	Times	0.74	2.36	-69%
(i) Net profit ratio,*	Net Profit	Net Sales	percentage	113%	9%	1190%
(j) Return on Capital employed,*	Earning before interest and taxes	Capital Employed	percentage	87%	19%	355%
(k) Return on investment*	Interest income earned	Average investment in Debentures, Loans, ICD and Treasury bills	percentage	4%	5%	-23%

* The Board of Directors of Hinduja Global Solutions Limited (the "Company"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") and the transaction has been consummated on January 5, 2022. This has resulted in a gain from sale of INR 214,849.50 (net of tax). The sales proceeds has been utilized for investment purposes and repayment of borrowings. As a result previous year numbers are not comparable with current Year.

** All loans including interest are repaid during year.

47 Segment reporting

In accordance with paragraph 4 of Ind AS 108 "Operating segments", the Company has presented segmental information only on the basis of the Consolidated financial statements (Refer Note 44 of the Consolidated financial statements).

48 Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Company has not come across any transaction ocurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

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

(v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and share premium :

(I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

48 Previous year figures have been regrouped / rearranged wherever considered necessary , to conform to current year's classification.

49 Subsequent events:

The Board of Directors of the Company, at their meeting held on February 17,2022, had, inter-alia, vide a Draft Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or HGS") and their respective shareholders accorded approval to the Demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NDL. The said Scheme/Demerger is subject to necessary approvals of statutory/regulatory authorities and approval of shareholders. The Companies have made an application to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 25, 2022 and February 26, 2022 respectively for seeking their No Objection on the Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for proposed Scheme of Arrangement. BSE and NSE both vide their letters dated May 31, 2022 had conveyed their No objection/ No adverse observation to the said Scheme. Thereafter, the Scheme has been filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on June 9, 2022. Hon'ble NCLT vide Order dated July 29, 2022 directed the Company to convene the Meeting of Equity Shareholders on September 2, 2022. Accordingly, on July 30, 2022, the Company has despatched the Notice to convene the Meeting of Equity Shareholders on September 2, 2022. Post approval of the Shareholders, the Scheme is subject to further approval/ confirmation of the Hon'ble NCLT.

See accompanying notes to the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Firm registration no. 117366W/W-100018
Chartered Accountants

Vikas Bagaria
Partner
Membership No.060408

Place : Mumbai
Date : August 12, 2022

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Executive Director
DIN: 00761144
Place : Bangalore

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 12, 2022

Statement pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 [AOC-1].

(₹ in Lacs, unless otherwise stated)

Sr. No.	Name of the Subsidiary	Reporting period	Reporting Currency	Exchange Rate		Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of share-hold-ing
1	HGS International	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	24,678.46	327,229.55	385,000.66	33,092.06	Nil	285,621.65	283,646.06	55.30	283,590.77	Nil	100
2	Hinduja Global Solutions LLC (erstwhile Hinduja Global Solutions Inc)	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	0.01	(15,516.57)	57,398.23	72,914.79	Nil	(3,544.29)	(19,503.19)	1,658.01	(21,161.20)	Nil	100
3	HGS Properties LLC	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	9,434.13	9,546.49	112.36	Nil	1,184.87	935.73	-	935.73	Nil	100
4	HGS Canada Holdings LLC	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	25,699.91	(0.01)	25,699.90	-	Nil	-	-	-	-	Nil	100
5	HGS Canada Inc.	31.03.2022	CAD	B/S 60.8044 P/L 59.4410	60.8044 59.4410	16,034.13	(21,291.75)	28,181.20	33,438.83	Nil	59,123.36	(5,168.98)	(1,487.38)	(3,681.59)	Nil	100
6	HGS EBOS LLC*	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	-	-	-	Nil	24,502.69	3,096.46	-	3,096.46	Nil	100
7	HGS (USA), LLC	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	4,022.73	56,645.30	84,381.76	23,713.74	Nil	100,193.68	1,371.73	-	1,371.73	Nil	100
8	HGS Healthcare LLC*	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	-	-	-	Nil	218,655.37	1,298.85	781.90	516.95	Nil	100
9	Affina Company	31.03.2022	CAD	B/S 60.8044 P/L 59.4410	60.8044 59.4410	0.12	(2,586.44)	-	2,586.31	Nil	-	-	-	-	Nil	100
10	Hinduja Global Solutions Europe Limited	31.03.2022	GBP	B/S 99.8273 P/L 101.3351	99.8273 101.3351	10,297.28	(2,666.37)	14,192.03	6,561.12	Nil	-	(223.13)	-	(223.13)	Nil	100
11	Hinduja Global Solutions UK Limited	31.03.2022	GBP	B/S 99.8273 P/L 101.3351	99.8273 101.3351	54.91	61,603.30	128,698.42	67,040.22	Nil	118,688.01	21,255.38	4,088.48	17,166.89	Nil	100
12	HGS France S.A.R.L **	31.03.2022	EUR	B/S 84.2164 P/L 86.2375	84.2164 86.2375	-	-	-	-	Nil	-	-	-	-	Nil	100
13	C-Cubed N.V	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	4.55	33.06	4,611.43	4,573.82	Nil	147.88	(3.83)	-	(3.83)	Nil	100
14	C-Cubed B.V	31.03.2022	EUR	B/S 84.2164 P/L 86.2375	84.2164 86.2375	19.12	(2,951.37)	1,826.23	4,758.48	Nil	-	(160.20)	-	(160.20)	Nil	100
15	Customer Contact Centre Inc. **	31.03.2022	PHP	B/S 1.4655 P/L 1.4848	1.4655 1.4848	1,465.50	2,030.64	3,536.14	40.00	Nil	247.66	247.66	-	247.66	Nil	100
16	HGS St. Lucia Limited	31.03.2022	XCD	B/S 28.0899 P/L 27.5388	28.0899 27.5388	0.00	(18.05)	2,322.80	2,340.85	Nil	-	-	-	-	Nil	100
17	Team HGS Limited	31.03.2022	JMD	B/S 0.4951 P/L 0.4871	0.4951 0.4871	0.00	63,050.66	77,315.27	14,264.61	Nil	91,279.42	54,338.07	678.23	53,659.84	Nil	100
18	HGS Mena FZ LLC	31.03.2022	AED	B/S 20.6673 P/L 20.2617	20.6673 20.2617	227.61	(6,211.70)	224.25	6,208.34	Nil	448.11	(101.70)	-	(101.70)	Nil	100
19	HGS Colibrium LLC *	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	-	-	-	Nil	3,696.16	(1,105.57)	-	(1,105.57)	Nil	100
20	HGS Digital LLC (Formerly known as Element Solutions LLC)	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	5.46	8,082.85	17,417.74	9,329.43	Nil	27,114.18	1,684.87	236.81	1,448.06	Nil	100
21	HGS Axis Point Helath LLC *	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	-	-	-	Nil	5,311.72	(3,509.55)	(7.08)	(3,502.47)	Nil	100
22	Falcon Health Solutions Puerto Rico Holding LLC	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	0.08	-	0.08	-	Nil	-	-	-	-	Nil	100
23	Falcon Health Solutions Puerto Rico LLC	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.4110	-	3.84	726.06	722.22	Nil	10.85	(24.87)	3.21	(28.08)	Nil	100
24	Diversify Offshore Staffing Solutions Pty Ltd ***	31.03.2022	AUD	B/S 56.9064 P/L 54.8906	56.9064 54.8906	612.58	(1,652.26)	2,100.87	3,140.55	Nil	1,398.99	(1,031.46)	(8.65)	(1,022.81)	Nil	100
25	Diversify Intelligent Staffing Solutions Inc ***	31.03.2022	PHP	B/S 1.4655 P/L 1.4848	1.4655 1.4848	0.73	(1,110.94)	1,420.44	2,530.65	Nil	682.98	267.77	-	267.77	Nil	100
26	Diversify ISS BGC Inc ***	31.03.2022	PHP	B/S 1.4655 P/L 1.4848	1.4655 1.4848	181.36	1,036.14	6,173.52	4,956.03	Nil	1,855.71	765.61	-	765.61	Nil	100
27	Diversify Offshore Solutions Cebu Inc ***	31.03.2022	PHP	B/S 1.4655 P/L 1.4848	1.4655 1.4848	-	-	-	-	Nil	-	-	-	-	Nil	100
28	HGS Healthcare Operations Inc *	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.411	(183.28)	(14,689.28)	(14,872.55)	-	Nil	6,660.13	6,660.13	14,587.39	(7,927.25)	Nil	100
29	HGS CX Technologies Inc.	31.03.2022	USD	B/S 75.9005 P/L 74.4110	75.9005 74.411	7.59	(0.06)	7.53	-	Nil	-	(0.06)	-	(0.06)	Nil	100

* Refer Note 46(ii) and 46(iii) - "Non-current asset held for sale, Discontinued operations and Summary of acquisition" to the Notes to the Consolidated financial statements of the Group relating to sale of Healthcare businesses and acquisitions during the year.

** Represents subsidiaries liquidated during the year.

*** Represents subsidiaries acquired during the year.

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Glimpse of the New hgs

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