17th August 2024

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

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

Name of Scrip: CIGNITITEC

Scrip code: 534758

Dear Sir / Madam,

Sub: Submission of Annual Report for the Financial year 2023-24

In compliance with Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are herewith submitting the Annual Report of the Company for the FY 2023-24.

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

Thanking you.

Yours Faithfully,
For Cigniti Technologies Limited

Tadepalli Naga Vasudha

Digitally signed by Tadepalli Naga Vasudha
Date: 2024.08.17 21:24:25 +05'30'

Naga Vasudha
Company Secretary

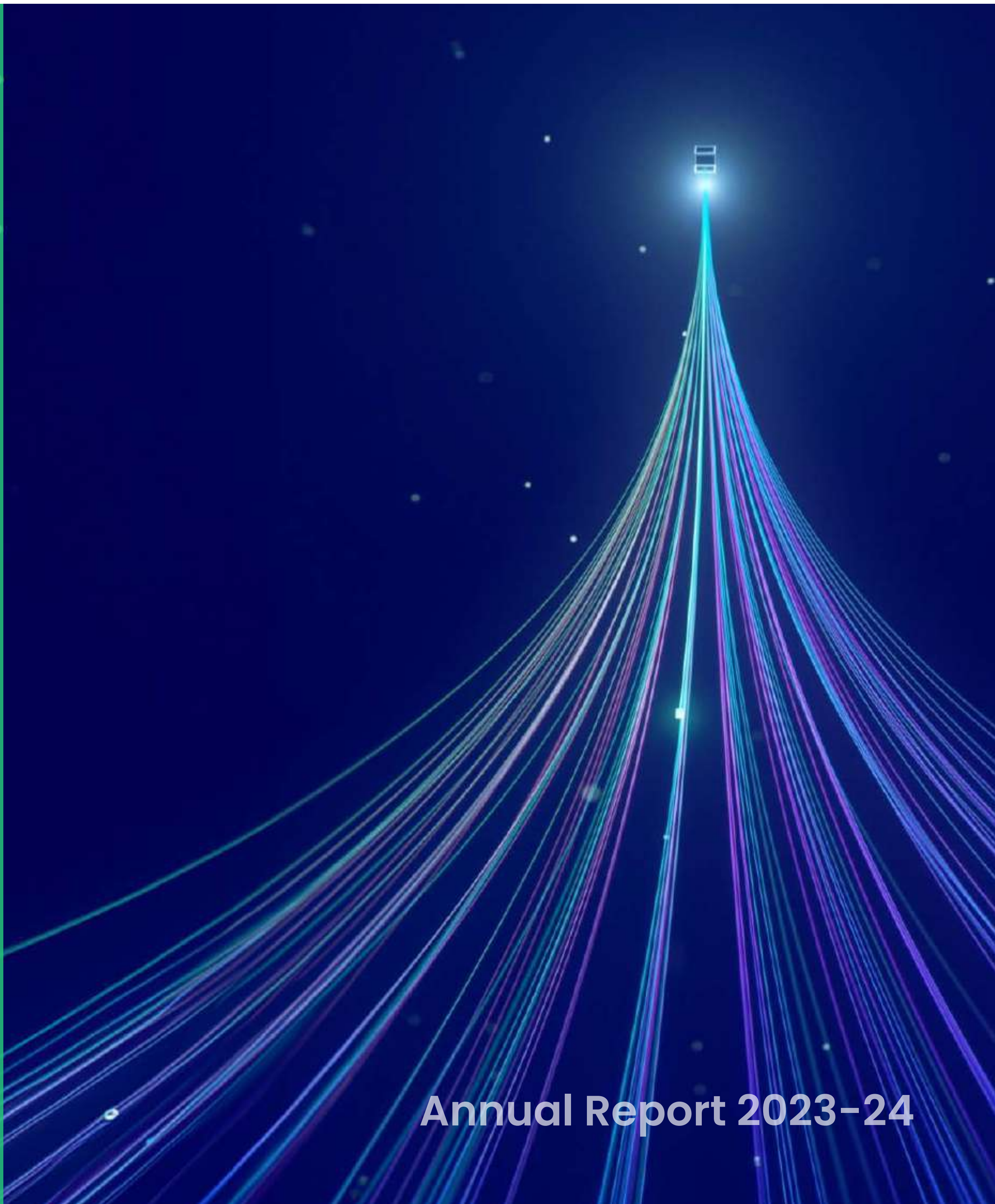
Encl: as above

Cigniti

to the power of AI

Assure^AI | Engineer^AI | Digital^AI

Accelerating Enterprise AI with a Quality-first Approach to Digital Engineering



Annual Report 2023-24

Cautionary Statement Regarding Forward-Looking Statements

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

Contents

...to the power of AI

AI's power lies in its ability to analyze vast amounts of data, automate complex tasks, and provide predictive insights. It transforms industries by enhancing efficiency, accuracy, and innovation, improving decision-making, and creating personalized experiences. AI ensures superior product standards through automated defect detection and predictive maintenance, significantly reducing downtime.

AI tools enhance design, predictive analytics, and project management in engineering, leading to innovative solutions. Personalized digital user experiences, automated customer service, and real-time threat detection in data security are key areas where AI boosts efficiency and accuracy.

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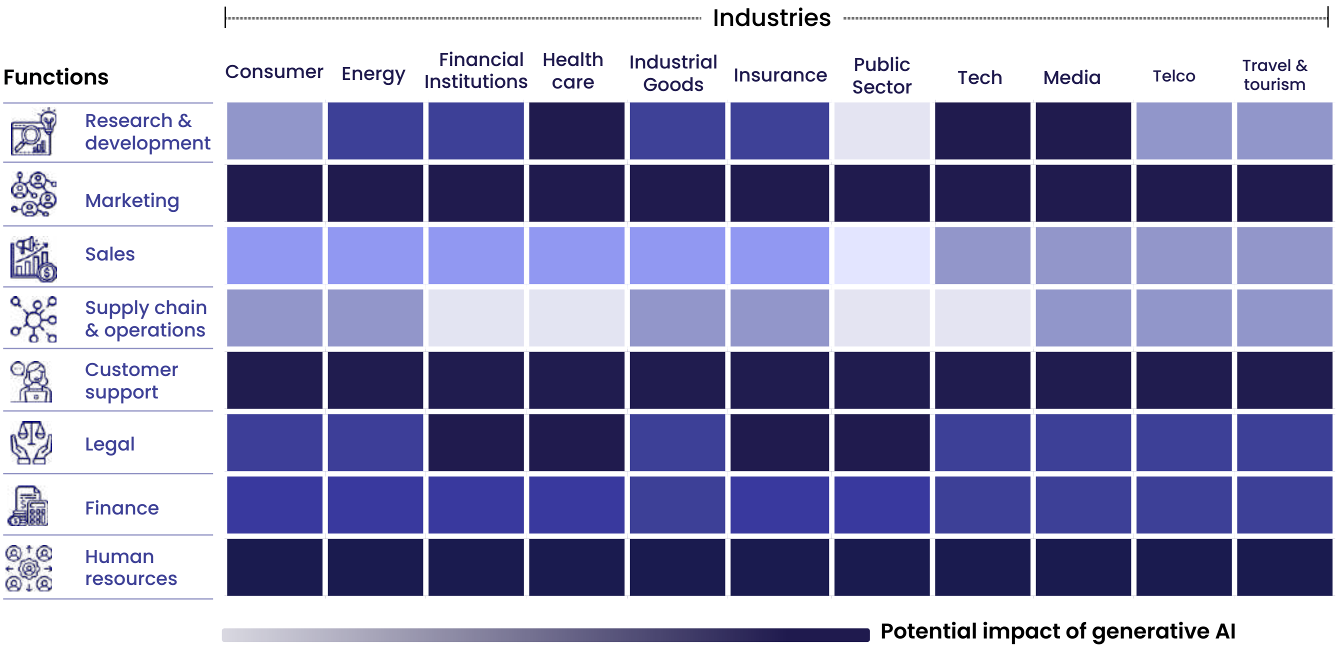
Influence of AI and GenAI Across Industries

AI revolutionizes practices and creates new opportunities across various industries, including airlines, Banking, Financial Services, and Insurance (BFSI), retail and e-commerce, travel and hospitality, energy and utilities, healthcare and life sciences, manufacturing, logistics, and media and entertainment.

As per a report by BCG,

Generative AI has the potential to transform how clients **operate across an array of industries and functions**



Architects of change: Generative AI's Role in Revolutionizing IT Services

According to the latest McKinsey report, the emerging market for services related to genAI/AI could be worth more than $200 billion by 2029. Generative AI's impact on productivity could add trillions of dollars in value to the global economy. It has the potential to change the anatomy of work, augmenting the capabilities of individual workers by automating some of their activities. Given increases in the potential for technical automation, the pace of workforce transformation is likely to accelerate.

The advent of generative AI has pulled forward the potential for technical automation.

As a result of generative AI, experts assess that techology could achieve human level performance in some technical capabilities sooner than previously thought.

Generative AI could have the biggest impact on collaboration and the application of expertise, activities that previously had a lower potential for automation.

While about 75 percent of the value that generative AI use cases could deliver falls across four areas: Customer operations, marketing and sales, software engineering, and R&D, Generative AI will have a significant impact across all industry sectors.

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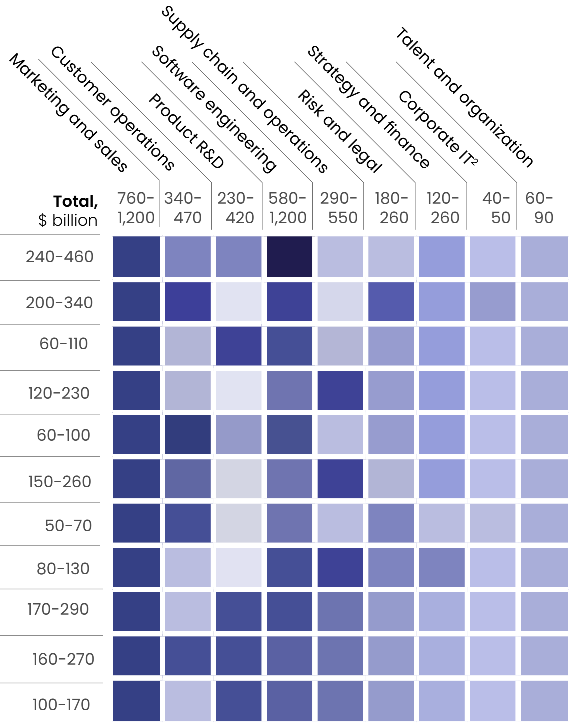
Banking, high-tech, and life sciences are among the industries that could see the most significant impact as a percentage of their revenues from generative AI. Following is an impact analysis of GenAI across industries by McKinsey:

Generative AI productivity impact by business functions[1]

Low impact — High impact

	Total, % of industry revenue	**Total,** $ billion
High tech	4.8–9.3	240–460
Banking	2.8–4.7	200–340
Pharmaceuticals and medical products	2.6–4.5	60–110
Education	2.2–4.0	120–230
Telecommuncations	2.3–3.7	60–100
Healthcare	1.8–3.2	150–260
Insurance	1.8–2.8	50–70
Media and entertainment	1.8–3.1	80–130
Advanced manufacturing[3]	1.4–2.4	170–290
Consumer packaged goods	1.4–2.3	160–270
Advanced electronics and semiconductors	1.3–2.3	100–170



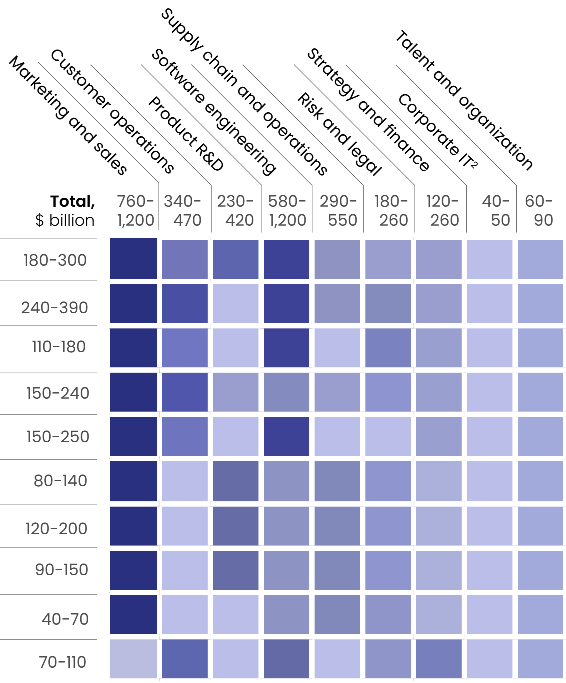
Note; Figures may not sum to 100% because of rounding. [1]Excludes implementation cost (eg, training, licenses). [2]Excluding software engineering. [3]Includes aerospace, defense, and auto manufacturing. [4]Including auto retail.
Source: Comparative Industry Service (CIS), IHS Markit; Oxford Economics; McKinsey corporate and Business Functions database; McKinsey Manufacturing and Supply Chain 360; McKinsey Sales Navigator; Ignite, a McKinsey database; McKinsey analysis

Generative AI use cases will have different impacts on business functions across industry

Generative AI productivity impact by business functions[1]

Low impact — High impact

	Total, % of industry revenue	**Total,** $ billion
Travel, transport, and logistics	1.2–2.0	180–300
Retail[4]	1.2–1.9	240–390
Real estate	1.0–1.7	110–180
Energy	1.0–1.6	150–240
Administrative and professional services	0.9–1.4	150–250
Chemical	0.8–1.3	80–140
Basic materials	0.7–1.2	120–200
Construction	0.7–1.2	90–150
Agriculture	0.6–1.0	40–70
Public and social sector	0.5–0.9	70–110
		2,600–4,400



Note: Figures may not sum to 100% because of rounding. [1]Excludes implementation costs (eg, training, licenses). [2]Excluding software engineering. [3]Includes aerospace, defense, and auto manufacturing, [4]Including auto retail.
Source: Comparative Industry Service (CIS), IHS Markit; Oxford Economics; McKinsey Corporate and Business Functions database; McKinsey Manufacturing and Supply Chain 360; McKinsey Sales Navigator; Ignite, a McKinsey database; McKinsey analysis

McKinsey & Company

Software Development

AI simplifies and enhances software development with tools for automated code review and bug detection, predicting project timelines and resource needs, and improving documentation and user interface design through natural language processing. While GenAI could impact Software engineering in corporate IT by up to ~$485B, Software engineering in Product Development may see a growth up to ~$414B.

Banking, Financial Services, and Insurance (BFSI)

In the BFSI sector, AI enhances security and innovation with real-time fraud detection, personalized banking services, and automated claims processing and risk assessment, leading to greater accuracy and speed. Across the banking industry, for example, the potential productivity lift of GenAI is expected to be around ~$200B to ~$340B annually if the use cases are fully implemented.

Retail and E-commerce

AI transforms retail and e-commerce by personalizing shopping experiences, optimizing supply chains with demand predictions, and enhancing customer service through chatbots and virtual shopping assistants. In retail and consumer packaged goods, GenAI's potential productivity lift is expected to be around ~$400B to ~$660B a year.

Healthcare & Life Sciences

AI significantly impacts healthcare and life sciences by improving diagnostics, treatment, and research. It aids in early disease detection and personalized medicine and accelerates drug discovery. In pharma and medical products, the potential productivity lift of GenAI is expected to be around ~$60B to ~$110B.

Airlines

AI optimizes airline operations and enhances customer experiences through predictive maintenance, customer service chatbots, and route optimization, resulting in improved safety, efficiency, and reduced operational costs.

Travel & Hospitality

AI improves service delivery and customer engagement in travel and hospitality with chatbots, virtual assistants, and data analysis for tailored marketing, optimizing pricing and inventory for increased revenue.

Energy and Utilities (E&U)

AI optimizes resource management and operational efficiency in the energy and utilities sector through smart grids, predictive maintenance, and better forecasting of renewable energy supply and demand.

Manufacturing

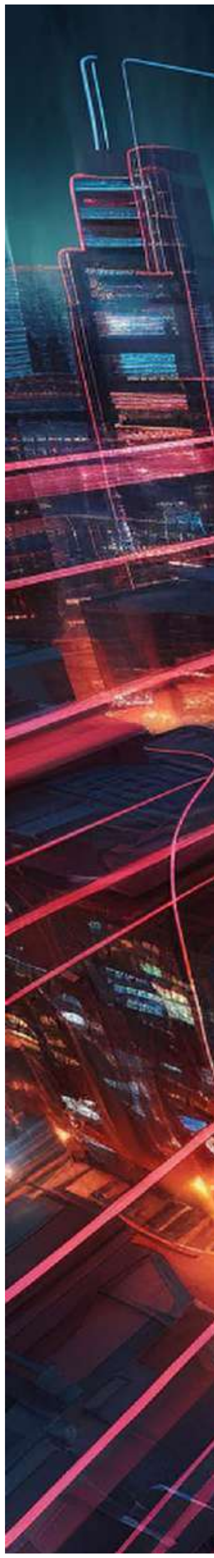
AI enhances productivity and quality control in manufacturing with predictive maintenance, robotics, automation, and machine vision for defect detection, reducing waste and rework.

Logistics

AI optimizes logistics by improving supply chain management, inventory levels, and route optimization, enhancing on-time performance and warehouse management through automation and real-time tracking.

Media & Entertainment

AI personalizes content and improves production efficiency in media and entertainment with recommendation engines, content creation tools, and analysis of audience feedback and viewing patterns.



Made with ❤ + AI

Conclusion

Smart automation is replacing hyper-automation and encourages doing more with less. Optimizing test cases, test case scenarios and their execution reduces the amount of creation and execution time and, therefore, costs.

AI has vast potential to transform diverse industries, from software development to healthcare and from retail to logistics. It enhances efficiency, innovation, and customer experiences. As AI technology evolves, its impact will grow, driving further advancements and creating new opportunities in each sector. Embracing AI is essential for organizations to remain competitive and thrive in the modern landscape.

Assure^{AI}

While leading Forrester analyst Diego says, “Infusing AI and genAI in testing makes it smarter,” NelsonHall IT Services Practice Director Dominique Raviart says, “The current global software testing services market size ... will reach $52bn in 2027.”

The days of reaching for hyper-automation are gone, and we have never achieved it. Leveraging AI and genAI, continuous automation & testing (CAT) services can enable smarter automation, reducing the time needed to repair and optimize the overall processes.

Assure^{AI} focuses on creating trustworthy, reliable, and ethical AI systems, which are critical as AI becomes integrated into various life aspects. The framework includes vital dimensions such as safety, transparency, ethics, accountability, and continuous improvement.

Assure^{AI} encapsulates the principles and practices necessary to ensure that AI systems are trustworthy, reliable, and ethically sound. **By focusing on safety, transparency, ethics, accountability, and continuous improvement, organizations can build AI systems that perform effectively and gain and maintain the trust of users and society at large**. As AI advances, the Assure^{AI} framework will be crucial in guiding responsible innovation and deployment, ensuring that AI’s benefits are realized while minimizing risks and ethical concerns.

Safety and Reliability

Ensuring AI safety and reliability involves rigorous testing under diverse conditions. Validation and verification processes, including stress tests and edge cases, help identify potential failures or vulnerabilities. Redundancy and fail-safe mechanisms are crucial for handling unexpected errors, ensuring AI systems can self-correct or alert human operators when issues arise.

Transparency

Transparency is vital for user trust, requiring AI models to be understandable and interpretable. Techniques like explainable AI (XAI) reveal how AI systems make decisions, documenting development processes, data sources, training methods, and decision logic. Clear documentation demystifies AI, allowing stakeholders to comprehend its strengths and limitations.

Ethical Considerations

AI must respect human rights, privacy, and dignity, adhering to ethical guidelines that emphasize fairness, non-discrimination, and harm avoidance. Regular audits for biases are necessary to prevent unfair treatment based on race, gender, or other attributes. Ethical AI should enhance societal well-being, avoiding the perpetuation of inequalities or harm.

Accountability

Clear responsibilities and governance structures are essential for AI accountability. Organizations must designate individuals or teams responsible for ethical and practical AI use. Implementing audit trails for AI decision-making ensures traceability. Adhering to regulatory compliance for data protection, privacy, and AI ethics is critical.

Continuous Improvement

AI systems require continuous monitoring and evaluation, incorporating feedback loops to learn from operational data and user experiences. Regular updates with new data maintain accuracy and relevance. User feedback helps identify areas for improvement, ensuring AI systems meet evolving needs and expectations.

Collaboration and Education

Building assured AI systems involves collaboration among engineers, ethicists, legal experts, and domain specialists. Educating users and stakeholders on AI capabilities and limitations is essential for responsible use. Training programs help users interact with AI systems effectively, interpret outputs, and recognize potential biases.

Quality to the Power of AI

"Quality to the Power of AI" encapsulates the transformative impact of artificial intelligence (AI) on enhancing quality across various domains. By leveraging AI, organizations can significantly improve their processes' accuracy, efficiency, and effectiveness, leading to superior products and services. This approach integrates AI into quality management practices, ensuring quality is maintained and continuously enhanced. The following points explore how AI amplifies quality, its applications, benefits, challenges, and future outlook.

Enhancing Quality with AI

Predictive Analytics:
AI predicts potential issues by analyzing historical and real-time data, allowing proactive maintenance and minimizing downtime.

Automated Quality Control:
AI-driven systems inspect products faster and more accurately than humans, detecting minute defects and ensuring consistent quality.

Process Optimization:
AI analyzes workflow data, suggesting adjustments to enhance productivity and reduce waste.

Customer Feedback Analysis:
AI analyzes customer feedback using natural language processing, extracting insights to improve product and service quality.

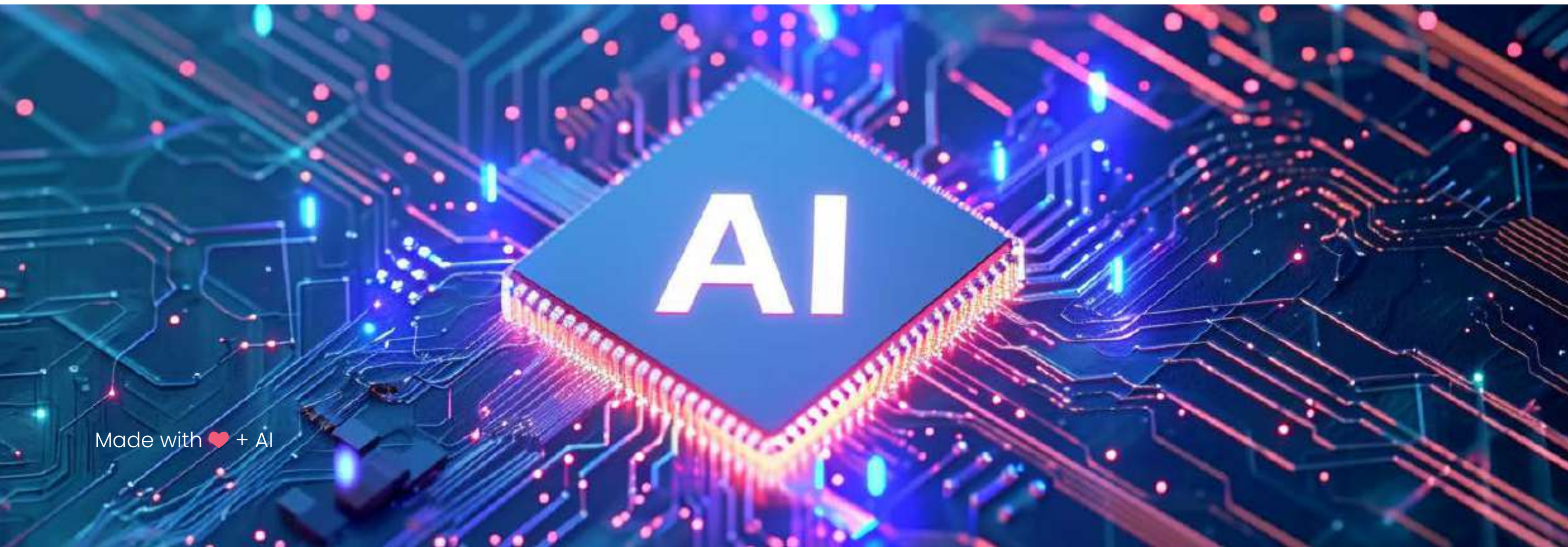
Benefits of AI-Driven Quality Enhancement

Increased Efficiency:
AI automates quality control aspects, reducing manual interventions and saving time and costs.

Higher Accuracy:
AI detects patterns with high precision, minimizing defects and errors.

Continuous Improvement:
AI's learning capability ensures continuous quality improvement.

Enhanced Customer Satisfaction:
Understanding and meeting customer expectations through AI leads to higher satisfaction and loyalty.



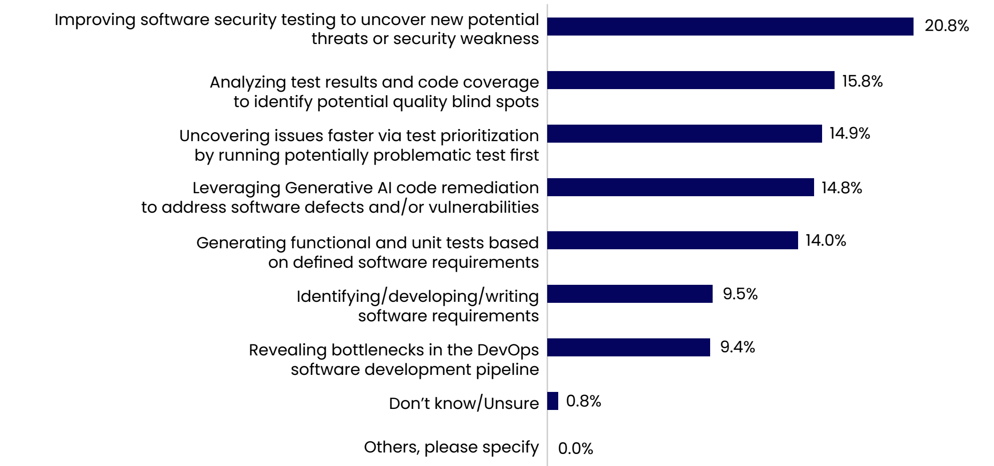
Challenges in Implementing AI for Quality

Significant challenges include data quality and integration, skilled personnel shortages, and AI transparency and explainability. Addressing these is crucial for successful AI implementation in quality management.

IDC Survey Spotlight

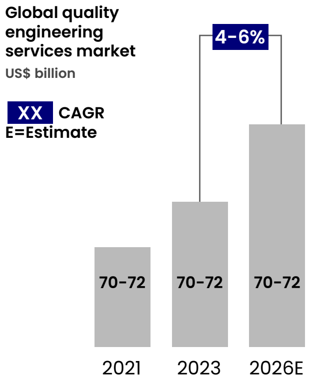
What do organizations feel is the best use of generative AI to improve the quality of their applications?

Within the next 18 months, how do you expect your organization will best use generative AI to improve the quality of your software applications?



IDC #US51960625 (March 2024)
Source: IDC Future Enterprise Resiliency & spending survey wave 1, januaruy 2024, N=881; Data weighted by IT spend (500+ employee sizie)

Adoption of generative AI will create new opportunities for the quality function and spike the demand of QE service in the near term



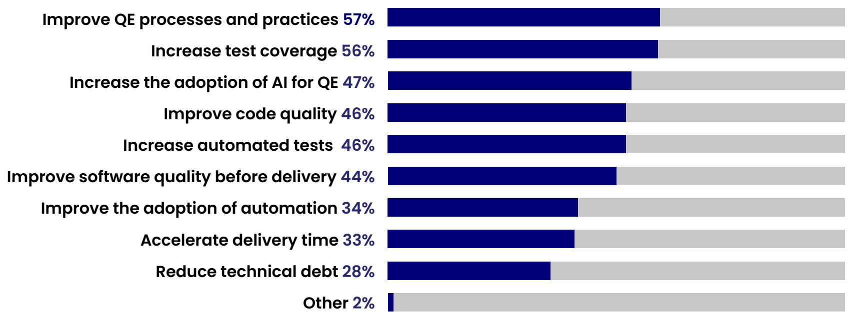
Key quality engineering services demand drivers

Generative AI applications and systems
Applications and systems being built using generative AI will bring net new opportunities such as compliance assurance and model validation for the quality function

Adoption of next generative technologies
Applications and systems built on next-generation technologies such as IoT blockchain, big data, and AR-VR have elevated the importance of the quality function as the risk profile of enterprises is changing substantially

Growing importance of business assurance
Linking the investments on quality with business outcomes such as customer satisfaction, security, and resillience will increase the focus on both functional and non-functional aspects of quality

Key Future Trends in Quality Engineering



Leveraging Quality-First Approach to AI

The "Quality-First" approach prioritizes quality at every development stage, integrating AI to enhance productivity, accuracy, and customer satisfaction.

Enhanced Data Analysis

AI analyzes vast data quickly and accurately, identifying patterns and trends. Predictive analytics in manufacturing detects potential defects, allowing preemptive measures to maintain quality standards.

Predictive Maintenance

AI-driven predictive maintenance prevents unexpected downtime, ensuring machinery operates efficiently, maintaining high production standards, and reducing costs.

Intelligent Automation

AI performs repetitive tasks with precision, which is crucial in industries like pharmaceuticals. Automation in quality control ensures that each product batch meets stringent standards.

Quality Assurance in Software Development

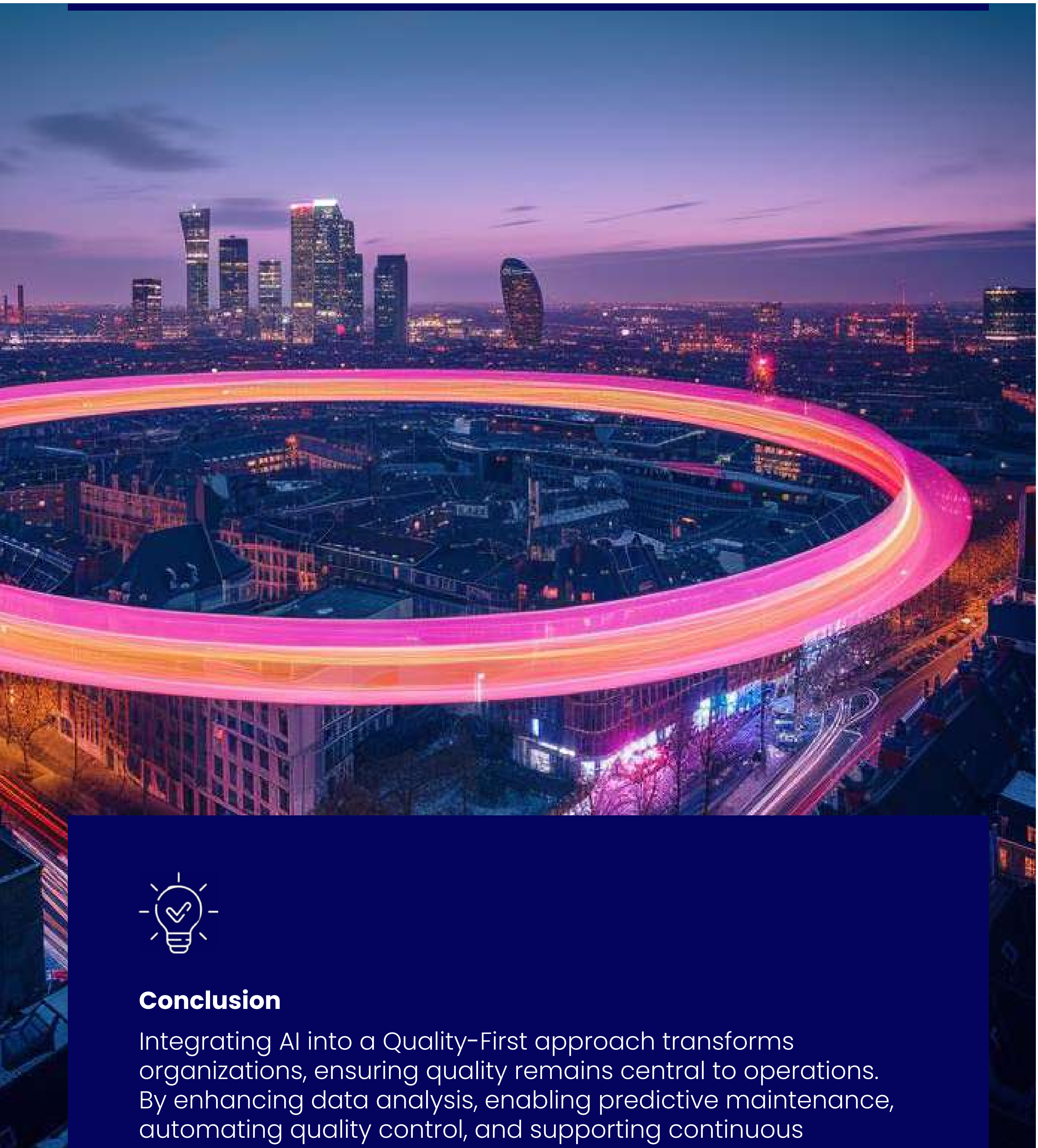
AI assists in code review, bug detection, and automated testing, predicting error-prone code areas and simulating scenarios to ensure software reliability and robustness.

Customer Feedback and Sentiment Analysis

AI analyzes customer feedback to understand product perception, helping improve quality through informed decisions. Continuous feedback loops ensure ongoing quality enhancement.

Continuous Improvement

AI facilitates continuous improvement by providing ongoing insights and recommendations and adapting to new information to maintain high-quality standards.



Conclusion

Integrating AI into a Quality-First approach transforms organizations, ensuring quality remains central to operations. By enhancing data analysis, enabling predictive maintenance, automating quality control, and supporting continuous improvement, AI leads to higher efficiency, reduced costs, and increased customer satisfaction. Embracing AI in a Quality-First strategy is essential for achieving excellence in a competitive market.

Unleashing the Power of Digital Assurance in the Age of AI and GenAI: Charting the Way Forward

Quality Assurance (QA) has seen a lot of transformation. It has undergone the transition from manual testing to functional and then smart automation, reaching today's state of intelligent and codeless automation. In fact, this transition can be compared with the classical to agile transition that many organizations have followed. The 'shift-left' approach in embedding QA practices into the overall development process and the principles of DevOps and CI/CD has actually created QAOps as a function. In-sprint automation is a good trend, which gives the opportunity for QA teams to be involved in a much earlier stage of development.

The introduction of AI and, more specifically, Generative AI (GenAI) technology is a game changer in QA automation. Emerging AI and GenAI technologies are predicted to lead the QA lifecycle, in turn driving the roles of respective testers and quality engineers toward a more specialized domain. In the rapidly digitizing landscape, perfect digital experiences translate to success, and the role of testing and assurance becomes more crucial than ever. The impact of AI on current testing practices can be seen by industry analysts such as Gartner, Forrester, Nelson Hall, and Nasscom.

Gartner mentions that AI augmentation will change the outlook of software quality assurance in many ways. AI is streamlining software quality assurance at test planning, prioritization, and defect analysis, which earlier were manual and very time-consuming.

Forrester's Diego Lo Giudice quotes that the testing services market is witnessing significant growth as most are using GenAI. The 'promise' of a Tester TuringBot is productivity gains of between 15% and 30%, but these manual practices are still in place, and therefore, AI-led automation is in dire need.

NelsonHall talks of the exploding global software testing services market as more and more companies experiment with AI. AI is being used to intensify automation in the form of automated test case creation and intelligent defect analysis at advanced levels, so test coverage and efficiency are better today. Per a NelsonHall report, spending on Functional Testing is eroding while clients turn to specialized services.

Functional testing represents the vast majority of software testing services spending (82%). Its spending has specific dynamics resulting from the secular decline in manual testing, the rise of automation, and the fast growth of digital and COTS testing.

Specialized testing activities cover non-functional, test support services, including UX and cognitive. Clients are turning to more specialized and more technical testing activities as they expand their usage of automation (to test support services), consider the benefits of AI applied to QA, and put empasis on non-functional. Overall specialized testing has a 10% CAGR twice as fast as testing services overall.

Funtional Testing	Est. 2022 Spending ($bn)	Est. 2023 Spending ($bn)	2022-23 Growth (%)	2023-24 Growth (%)	Est. 2027 Spending ($bn)
Manual Testing	12.2	11.8	-4	-5	9.4
Test Automation	4.7	5.2	11	7	6.8
Manual & Automation sub-total	16.9	16.9	1	-1	16.2
ERP and COTS Testing	4.9	5.4	9	9	7.7
Digital Testing	11.2	12.3	10	9	17.3
Total Functional Testing	32.9	34.6	5	4	41.1

All NelsonHall estimates. Note that numbers have been rounded and may not add up.

Specialized Testing	Est. 2022 Spending ($bn)	Est. 2023 Spending ($bn)	2022-23 Growth (%)	2023-24 Growth (%)	Est. 2027 Spending ($bn)
Performance	2.8	3.1	7	7	4.2
Security	0.9	1.0	10	9	1.5
UX	1.3	1.4	7	7	1.8
Cognitive	0.6	0.8	25	25	2.0
Support	0.6	0.6	6	6	0.8
Other	0.8	0.8	5	5	1.0
Total Specialized Testing Services	5.3	8.4	9	9	11.3

All NelsonHall estimates. Note that numbers have been rounded and may not add up.

nasscom talks of AI and GenAI as the heralds of next-generation automation for quality assurance, and therefore, upskilling has to be part and parcel of QA professionals.

Cigniti proudly stands as a leading innovator of digital assurance, with careful significance given to AI-led quality engineering. In addition to traditional functional testing, our AI-based analytics have extended to other critical aspects of testing, such as user experience (UX) and application security testing.

Cigniti consistently enhances its BlueSwan™ IP suite. We recently added Model/ML Assurance Platform (MAP) to the suite, which streamlines and fortifies the machine learning model validation process, ensuring swift and reliable assessments for all AI-driven solutions and ultimately reducing time-to-market. Cigniti, with focused investments in the BlueSwan™ platform, has also enhanced its two components: iNSta™ and InCight.

With iNSta, Cigniti has designed an automation framework, which it provides at little cost compared to COTS and includes as part of its fixed bids. iNSta integrates with Selenium. Cigniti has designed it to be usable by non-automation engineers. With InCight, Cigniti monitors CX on mobile apps and websites/web applications.

Our advanced automation tool iNSTa™, a component of BlueSwan™, is embedded with a mature record-and-playback feature, and it has an object-based identification tool that drastically reduces test script maintenance while increasing the efficiency of testing. Cigniti has been deeply involved in innovative research on IP, where they have pioneered container-based parallel execution methodologies and have used computer vision technology for defect analysis.

Cigniti's Browser Extension & Script Tool (BEST) relies on the iNSta record and playback tool to record and generate performance test scripts, specifically for COTS/ platforms. A performance testing dashboard complements BEST. It created artifacts for features such as conditions, loops, transactions, and assertions, wait, and saved them into a test repository.

Cigniti has placed intelligent Turing Bots everywhere in the Dev-Test lifecycle, augmenting the testing team's intelligence and automating redundant tasks. These include triage, requirement analysis, and release readiness. Cigniti also provides specialized ML Assurance and Validation services to ensure seamless deployments of AI, ML, and GenAI models in production settings.

Cigniti's success stories illustrate the tangible benefits of their innovative approach. They have significantly reduced manual efforts and costs, improved defect closure rates, accelerated time to market, and enhanced the overall software quality of various clients across different industries.

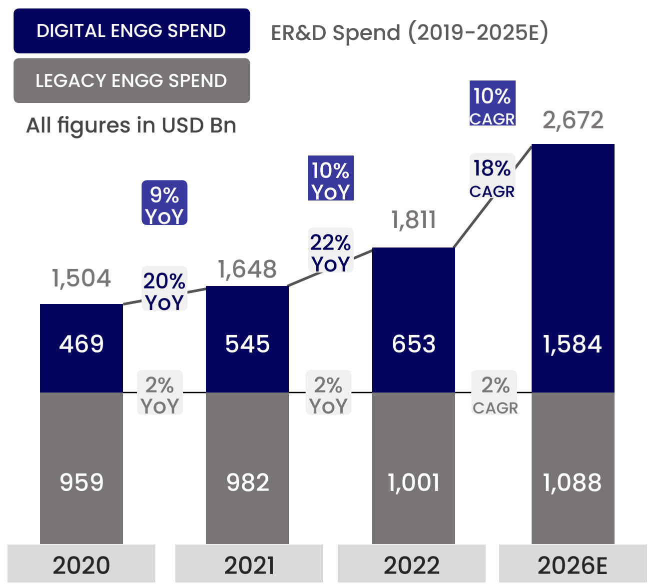
To cut a long story short, the era of AI and GenAI contains new opportunities for digital assurance. Organizations need to integrate AI-driven automation into their ecosystems, upskill their workforce, and create an environment of innovation. With Cigniti's leadership towards this cause, the future of digital assurance looks promising, as it will help organizations maneuver confidently through the complexities of digital landscapes and provide superior software solutions that exceed customer expectations.

Engineer^{AI}

Over the years, there has been a growing emphasis on enhancing both the quality of software and the processes used to build it. This shift has prompted enterprises to transition from Quality Assurance (QA) to Quality Engineering (QE), linking the outcomes of the quality function with business results. ~ Leveraging Quality Engineering to Move the Enterprise Generative AI Needle Forward, Everest

Zinnov - The Inevitable Rise and Impact of Digital Engineering 2023 report says, "The global Digital Engineering spend is pegged at USD 810 Bn and is expected to grow at a CAGR of 18% to touch a massive USD 1.6 Tn by 2026."

Zinnov - The Inevitable Rise and Impact of Digital Engineering 2023 report



- CXOs are committed to innovation despite the volatile macro-economic environment, funding with cost optimization and productivity gains.
- Enterprises' relentless focus on digital tech and engineering initiatives on technologies such as 5G, Cloud, and Generative AI continues.
- Digital transformation and pervasive consumption of Cloud, chips, and data will further accelerate Digital Engineering spending.
- Data Engineering and Analytics, Cybersecurity, and IOT are among the most sought-after capabilities.
- Service Providers have withnessed substantial growth in the last 12 months, driven by strong demand from the US and Europe. But there was deceleration in the last quarter of 2022.

Engineer^{AI} is the intricate process of designing, developing, and deploying effective, reliable, and ethical artificial intelligence systems. This involves combining engineering principles, computer science, and domain-specific knowledge to create AI solutions that solve real-world problems. Engineers develop AI solutions that help solve complex problems and drive innovations in many fields using state-of-the-art computational techniques combined with rigorous engineering practices.

The engineering of AI systems commences with identifying a problem and analyzing requirements. Engineers have to understand the domain of the problem and define the goals that the AI system is to achieve. This follows close collaboration with experts from the domain in gathering detailed requirements and constraints.

Once the problem is defined, the design of the AI system architecture is chalked out. This involves the selection of appropriate algorithms, data sources, and computing infrastructure. The architecture balances factors such as performance, scalability, and maintainability.

IDC FutureScape: Worldwide Services 2024 Predictions	
By 2026, 60% of G2000 enterprises will embark on new or expand existing IT and engineering services partnerships to deploy new digital technologies to integrate and modernize many business functions.	**By 2027, engineering services will become mainstream as 80% of G2000 will leverage their services partners to get products to market faster, increase CSAT, and modernize operations.**

As per IDCs Worldwide Product Engineering and Operational Technology Services Forecast, worldwide Product Engineering (PE) and Operational Technology (OT) services spending will increase from $162.5 billion in 2022 to $334.1 billion in 2027.

IDC's GenAI Implementation Market Outlook: Worldwide Core IT Spending for GenAI Forecast, 2023–2027 says that by 2027, GenAI ($143.1 billion) will account for 28.1% of the $509.1 billion in total AI implementation spending.

Engineering leaders need to develop the theoretical foundations and methodological frameworks for AI & ML, emphasizing multi-scale modeling encompassing energy flows, environmental quality, and human systems. They need to examine relevant practices, case studies, and computational tools that harness AI's capabilities in modeling frameworks, enhancing the efficiency, accuracy, and integration of physics-based simulation, optimization, and automation processes.

Furthermore, they need to integrate intelligent systems and digital twins throughout the lifecycle of the built environment, enhancing understanding and management of these complex environments.

Best Practices for Successfully Engineering AI Systems

To successfully engineer AI systems, several best practices should be followed: adopt an iterative and incremental development approach, continuously involve domain experts, prioritize transparency and explainability, implement robust validation and testing frameworks, define clear protocols for monitoring and maintenance, and integrate ethical considerations throughout the development process to ensure responsible use.

Data Collection and Preparation

Data is crucial for AI systems. Engineers must ensure a supply of high-quality data for training and testing AI models. Data should be collected from various sources and cleaned to remove noise and inconsistencies. Techniques such as normalization, feature extraction, and data augmentation enhance dataset quality. Addressing data privacy and security is essential to comply with legal and ethical standards.

Algorithm Selection and Model Training

Choosing the right algorithm is critical. Depending on the problem, engineers might use machine learning algorithms like decision trees, support vector machines, or neural networks. Deep learning, suited for large datasets and complex patterns, is used for tasks like image and speech recognition. Model training involves using training data to adjust parameters and minimize errors through optimization techniques such as gradient descent and backpropagation.

Evaluation and Testing

After training, the AI model must be rigorously tested to ensure performance on unseen data. Validation datasets help tune models and prevent overfitting. Metrics like accuracy, precision, recall, and F1 score evaluate effectiveness. Cross-validation and statistical tests ensure robustness, and testing includes edge cases to handle various inputs.

Deployment and Maintenance

Deploying AI systems involves integrating them into the target environment, ensuring efficient and secure operation. This includes optimizing runtime performance and implementing monitoring tools. Maintenance is ongoing, involving updates with new data, retraining for changing conditions, and correcting issues post-deployment.

Adhering to these engineering principles and practices is critical to realizing AI's full potential responsibly and sustainably as technology advances.

A Quality-First Approach To Digital Engineering with Proactive QE™

In today's ever-changing business scenario, Resilience — the ability to absorb stress, recover critical functions, and thrive amid change — is supreme. Resilient enterprises stand out by being less impacted by external shocks, recovering swiftly, and achieving comprehensive recovery. At the heart of fostering such resilience is Cigniti's Programmatic Innovation framework, which leverages the Proactive Quality Engineering (QE™) model to empower leaders to navigate uncertainty and build robust enterprises.

Proactive QE: The Digital Core of Engineering with Quality

The Proactive QE model is the digital nucleus that ensures an enterprise's resilience. It involves three essential components: Proactivity, Quality, and Engineering. With Proactive QE, digital products, and services, companies can better anchor themselves in the era of customer-centric innovation. This model is particularly relevant for software-driven enterprises, where a proactive approach to quality engineering can significantly enhance business resilience.

Key Elements of Proactive QE Transformative Vision

The journey to resilience begins with a clear and transformative vision of the future. Successful companies, whether giants like Amazon or innovative startups, possess a vision that focuses on the customer's perspective. This vision inspires employees and aligns their efforts toward achieving a shared goal, fostering a culture of resilience.

Commitment to Delivery

Commitment to delivery is crucial. This involves a proactive stance where companies anticipate challenges and adapt accordingly. A proactive approach helps prevent inertia during market fluctuations, ensuring continuous progress toward the transformative end state.

Proactivity in Execution

Proactive QE shifts the focus from mere execution to continuous experimentation and improvement. It emphasizes four fundamental principles:

- ***Empathy:*** Consistently understanding and aligning with customer needs.
- ***Consistency:*** Delivering reliable products and services that meet these needs.
- ***Predictability:*** Ensuring the ability to foresee and mitigate potential delivery failures.
- ***Integrity:*** Maintaining honesty and responsiveness to customer feedback, ensuring products align with customer expectations.

Practical Application and Value Delivery

Implementing Proactive QE involves embedding these principles into the company's operating model. It requires a top-down approach, starting with C-level executives who must prioritize quality and resilience in their strategic planning. Enterprises can navigate uncertainties more effectively by fostering a culture of empathy, consistency, predictability, and integrity.

For example, a major e-commerce company might continuously use Proactive QE to refine its customer service platforms. By empathetically understanding customer pain points, consistently updating features, predicting system load issues, and maintaining transparency with users, the company ensures a seamless and resilient service experience.

Proactively Engineering Digital Transformation

Proactive QE, as the digital core of a holistic delivery model, prioritizes speed, agility, and quality, ensuring sustainable business value. By adhering to the principles of empathy, consistency, predictability, and integrity, enterprises can survive and thrive in the face of global disruptions.

Cigniti's Programmatic Innovation framework and the Proactive QE model offer a robust pathway for companies to build resilience and drive digital transformation. Future discussions and fine-tuning of these models will further enhance their applicability and effectiveness, ensuring that quality remains the fulcrum of business transformation in the digital age.

"Programmatic innovation cultivates the ability for organizations to learn continuously from doing deliberately."

Success for any organization, whether large or small, depends on continuously exploiting current opportunities while exploring new possibilities driven by evolving stakeholder needs. This ability is increasingly critical due to the growing complexity of these needs, from climate care to networked societies and diverse communities.

Programmatic Innovation ensures organizations thrive amid disruptions by fostering continuous learning and a culture of perpetual improvement and adaptation.

Understanding Disruptive Change

Today's business disruptions involve rapid technological advancements and new competitors challenging incumbents at unprecedented speeds. **Disruptive innovation, as described by Clayton Christensen, has evolved, with disruptors leveraging technology to create new markets.** Innovation success now depends on building trust and reputation, shaped more by individual and community perceptions than traditional branding. Understanding and leveraging this new context is crucial for thriving in uncertainty.

The Role of AI/ML in Future Innovation

Artificial Intelligence and Machine Learning (AI/ML) are poised to be significant catalysts in this new era. These technologies enable organizations to predict future trends by analyzing past data, thus shaping both supply and demand. Companies that harness AI/ML effectively will lead a new wave of disruptors, creating entirely new industries.

Innovation is central to a company's ability to adapt and succeed. It involves combining a culture that values change, a process that facilitates ideation to scaling, and outcomes that differentiate value creation.

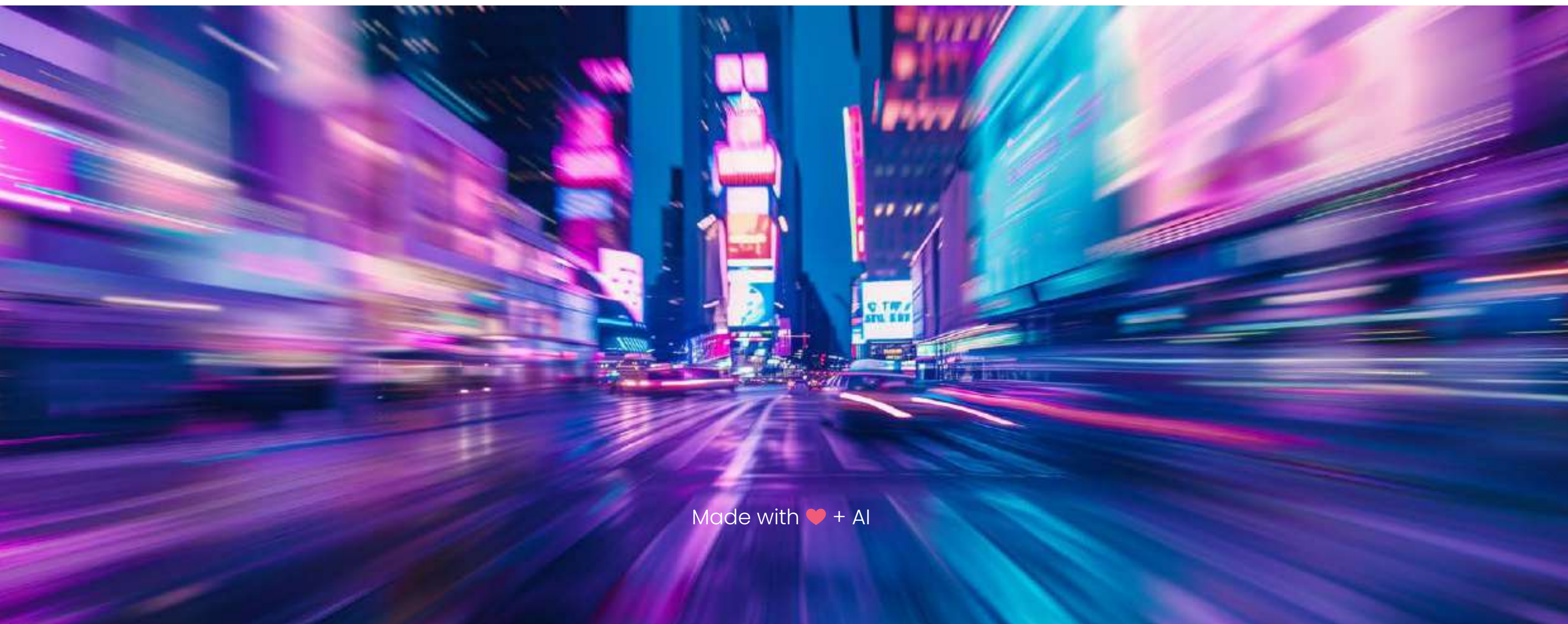
Cigniti's Approach to Programmatic Innovation

Organizations must adopt programmatic innovation to navigate complex and rapidly changing future scenarios. This business resilience approach allows them to integrate advanced technologies while balancing short—and long—term goals.

Cigniti supports organizations in achieving clarity and resilience through a comprehensive suite of digital engineering and quality assurance services. These include:

- **Data and Insights:** Providing timely descriptive and predictive insights to frame problems and challenge assumptions.
- **Experience Engineering:** Leveraging agile software engineering and human-centric design for rapid prototyping and deployment.
- **Platform and Connectivity:** Ensuring continuous information flow and resilience in product and service operations.
- **Quality & Testing:** Utilizing proactive quality engineering to build trust and assure business outcomes.

Ultimately, Programmatic Innovation cultivates a culture of curiosity and continuous learning, enabling organizations to adapt and thrive amid disruption.



DigitalAI

The Digital Mindset: What It Takes to Thrive in the Age of Data, Algorithms, and AI

The era of generative AI is just beginning.

By 2027, 95% of G2000 organizations will leverage GenAI in hardware and software lifecycle services to drive quality and efficiency across their digital business life cycle.

Organizations need to see, think, and act in new ways to succeed in a world driven by data and powered by algorithms. We need to develop a digital mindset and become technologists who master the intricacies of coding, algorithms, AI, machine learning, robotics, and who-knows-what's-next.

Collisions between AI-driven digital and traditional analog firms are reshaping competition and changing the structure of our economy. These collisions force traditional companies to change their operating models to drive scale, scope, and learning.

> **Forget waterfall and DevOps, we're right shifting into OpsDev, AIOps and digital twins in the metaverse, so things are about to get a whole lot more interesting. Excellent effort, and a much-needed treatment of this topic by true experts.**
>
> **~ Jude Umeh**
> FBCS CITP, Senior Program Architect,
> Salesforce

Collaboration, Computation, and Change for a digital mindset and the perspectives and actions within each approach will enable organizations to develop the digital skills needed. With a digital mindset, you can ask the right questions, make intelligent decisions, and appreciate new possibilities for a digital future.

Leaders who adopt these approaches will be able to develop their organization's talent to prepare their company for successful and continued digital transformation and take advantage of the digital threads woven into the fabric of our world.

The Core Aspects of DigitalAI

DigitalAI involves embedding AI algorithms and models into digital systems to perform tasks traditionally requiring human intelligence. This includes data analysis, decision-making, natural language processing, and visual recognition. Integrating AI into digital platforms allows organizations to automate routine tasks, derive deeper insights from data, and create more personalized and engaging user experiences.

Applications of Digital^{AI}

Customer Experience and Personalization

Digital^{AI} enhances customer experience and personalization through recommendation engines, chatbots, and virtual assistants. These tools analyze user behavior to make personalized recommendations, provide instant customer support, and assist with transactions, thereby increasing customer satisfaction and operational efficiency.

Marketing and Sales

AI analyzes customer data in marketing and sales to identify trends and predict future actions. This enables personalized content and offers, and predictive analytics help sales teams focus on leads with a high conversion probability, enhancing revenue impact.

Operations and Supply Chain Management

AI predicts demand, manages inventory, and optimizes logistics by analyzing historical data and external factors like weather and market trends. This improves inventory management, reduces costs, and enhances supply chain efficiency.

Financial Services

AI in financial services is used for fraud detection, risk management, and personalized banking. It flags suspicious activities in real-time, assesses creditworthiness, predicts defaults, and offers customized financial advice, improving engagement and loyalty.

Future Direction

The future of digital AI includes advancements in explainable AI for better transparency, integration with technologies like IoT and 5G for smarter ecosystems, and the development of ethical AI frameworks. Democratizing AI through accessible tools will empower more organizations to leverage its benefits.

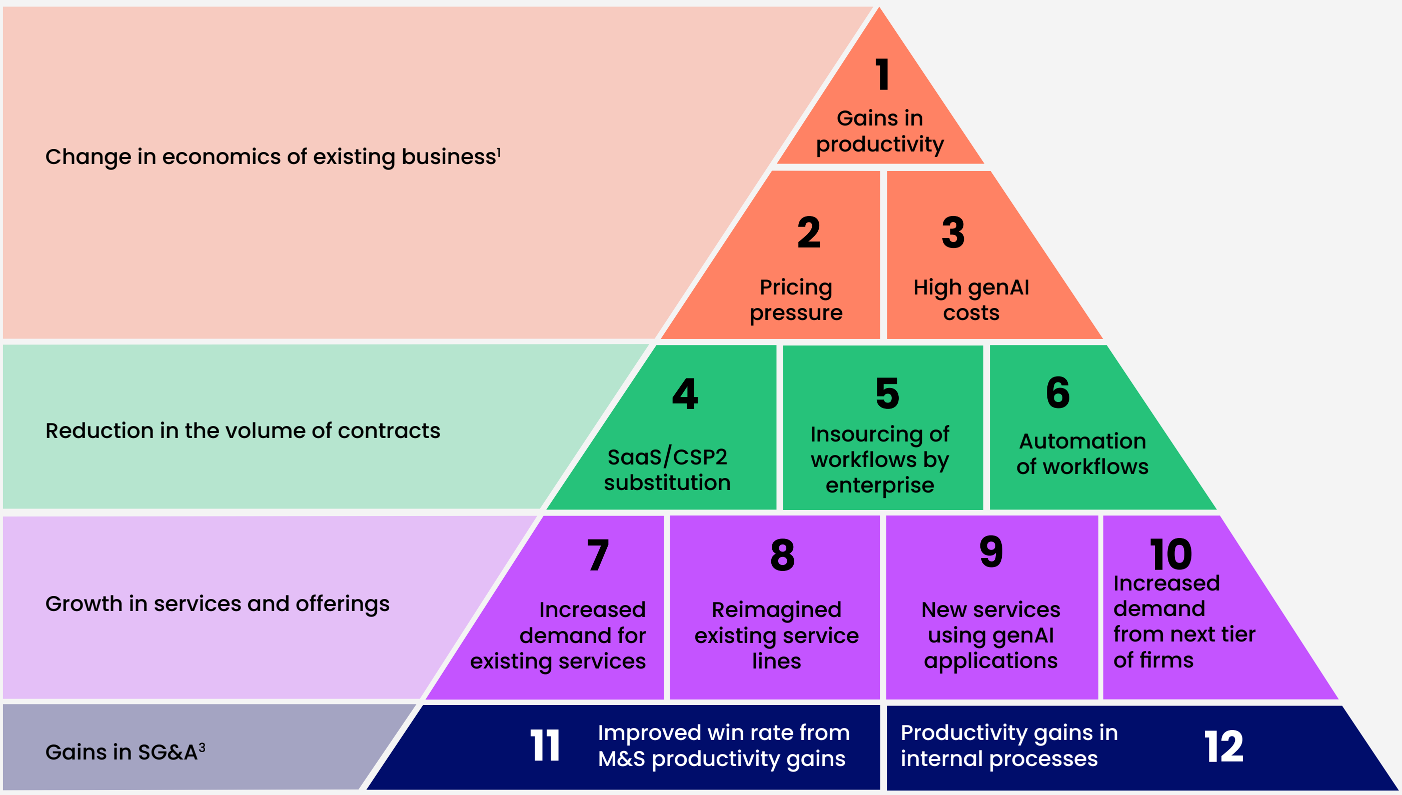
Digital^{AI} significantly advances digital technology, transforming efficiencies, decision-making, and customer experiences. While challenges exist, ongoing advancements and ethical frameworks will address these issues, shaping the future of digital transformation and driving innovation.

Enterprise AI: Integrating Assurance, Engineering, and Digital^AI

Enterprise AI corresponds to the complete infusion of artificial intelligence technologies within an organization to improve business processes, decision-making, and customer experiences. It goes far beyond simple automation and integrates AI into the very fabric of business strategy and operations to achieve innovation, efficiency, and competitive advantage.

Generative AI could affect tech services' business models in many ways, both positive and negative.

Impact of generative AI (genAI) on tech services' business models



*Share of gains created and value retained by providers in time and material and in fixed-price contracts,
*Software as a service/cloud service provider.
*Selling, general, and adminstrative expenses.
McKinsey & Company

Realization of Enterprise AI typically deals with three critical domains: Assurance^AI, Engineering^AI, and Digital^AI, and each plays a unique role in fostering a cohesive AI-driven enterprise.

Assurance AI: Ensuring Robustness & Compliance

It addresses the reliability, safety, and ethical dimensions of AI systems. The AI solutions an enterprise opts for mustn't just be effective but also worthy of trust. This covers several areas:

Ethical AI:
The responsible adoption of AI, avoiding the introduction of biases, ensuring fairness, and respecting the privacy of users. In other words, this is done by making algorithms transparent and having a robust data governance policy.

Risk Management:
The identification and mitigation of risks associated with AI deployments, including cybersecurity threats, operational disruptions, and risks related to regulatory compliance.

Quality Assurance:
Guaranteeing that the AI models are accurate, robust, and perform consistently under different conditions. This includes testing, validation, and continuous monitoring.

By infusing Assurance AI, enterprises build trust with stakeholders, mitigate risks, and ensure that their AI initiatives are aligned with regulatory requirements and ethical standards. This is a foundational layer and is crucial for the sustainable and responsible deployment of AI technologies across the enterprise.

Engineering AI: Building Scalable and Efficient Systems

Engineering AI is, by definition, the technical backbone supporting the development, deployment, and maintenance of AI solutions. It means creating scalable, efficient, and maintainable AI systems, through the following key practices:

AI Infrastructure:
Building and supporting hardware and software infrastructure, including high-throughput computing clusters, data storage solutions, and cloud platforms, to underpin and host AI workloads. Per the latest McKinsey report, "Given that cloud transformation has been a key part of services providers' growth in recent years, they should be well positioned to guide customers to the next fundamental digital overhaul with AI and genAI."

Model Development and Deployment:
Advanced machine learning, deep learning, and other AI methodologies are applied to design models that solve complex business problems. This includes training the model, tuning it, and deploying it into the production environment.

Data Engineering:
Ensuring collected data is processed and managed to provide value. High-quality data pipelines, data lakes, and real-time processing capabilities are all critical factors to feed AI models the right information.

Engineering AI is vital for transforming AI prototypes and experiments into robust, production-ready solutions that can be operated at scale. It ensures that AI systems are not only powerful but also efficient and sustainable over time.

Digital^{AI}: Lifting Customer Experiences and Business Operations to New Heights

Digital^{AI} represents AI in direct contact with business processes and customer experiences. It focuses on leveraging AI technologies to drive digital transformation within the enterprise through:

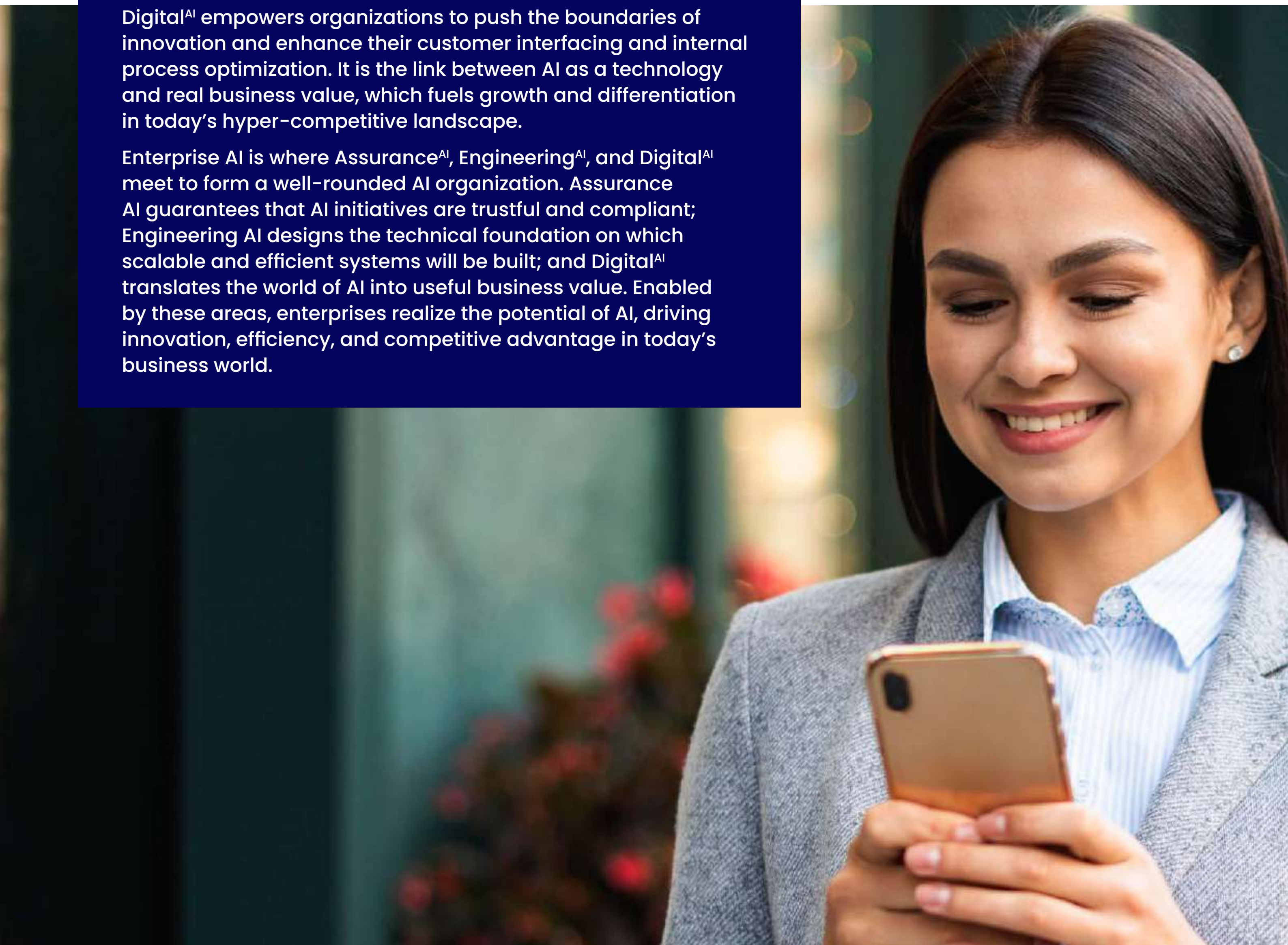
Customer Experience: Implement AI-driven solutions, e.g., chatbots, personalized recommendations, and automated service, so that you can improve the overall customer experience. AI can help understand customer preferences to deliver tailored experiences.

Business Intelligence: Use AI for advanced analytics and insights. This comprises predictive analytics, natural language processing, and data visualization, which can help drive data-driven decision-making in different business units.

Process Automation: AI-based automation of routine and complex business processes through the use of RPA and intelligent automation will elevate operational efficiency and reduce costs.

Digital^{AI} empowers organizations to push the boundaries of innovation and enhance their customer interfacing and internal process optimization. It is the link between AI as a technology and real business value, which fuels growth and differentiation in today's hyper-competitive landscape.

Enterprise AI is where Assurance^{AI}, Engineering^{AI}, and Digital^{AI} meet to form a well-rounded AI organization. Assurance AI guarantees that AI initiatives are trustful and compliant; Engineering AI designs the technical foundation on which scalable and efficient systems will be built; and Digital^{AI} translates the world of AI into useful business value. Enabled by these areas, enterprises realize the potential of AI, driving innovation, efficiency, and competitive advantage in today's business world.



Key Performance Indicators

All values in Rupees Lakhs

Revenue from Operations

2024	1,81,501
2023	1,64,758
2022	124,180
2021	89,653

Total Expenses

2024	1,59,326
2023	1,40,988
2022	1,11,252
2021	75,106

Profit Before Tax

2024	22,038
2023	22,164
2022	12,152
2021	14,106

Profit After Tax

2024	16,559
2023	16,832
2022	9,174
2021	10,535

EBITDA

2024	22,176
2023	23,770
2022	12,928
2021	14,547

EBITDA Margin

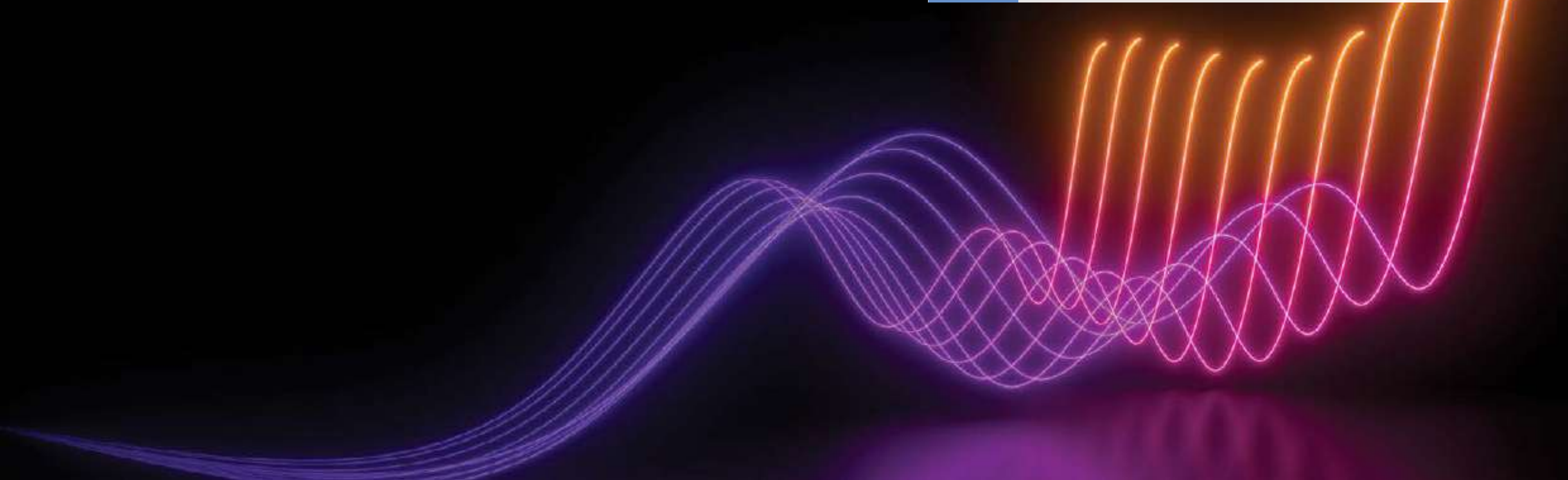
2024	12.22%
2023	14.43%
2022	10.4%
2021	16.2%

Revenue Concentration FY2024

Top Client	7.29%
Top 5	24.76%
Top 10	39.21%
Top 20	53.53%

Revenue by Verticals FY2024

Retail	22.26%
BFSI	22.13%
Travel	16.93%
Healthcare	12.37%
ISV	10.82%
Others	10.39%
Energy	5.10%



Chairman's Message

Dear Shareholders,

I trust you and your loved ones are doing well.

It is my distinct pleasure to share with you the annual report of your company, Cigniti Technologies, 2023-2024. I take this opportunity to thank all our employees sincerely for their support, the board of directors for their guidance, and all our clients and stakeholders for their continued trust in us.

Your company is at the forefront of innovation in digital assurance and digital engineering, spearheading groundbreaking initiatives to enhance testing capabilities and ensure an unparalleled quality-first digital approach with AI-led Quality Engineering and Digital Assurance capabilities.

Today your company is a niche quality-first Digital Engineering Services (DES) company leveraging deep capabilities in AI & IP-led acceleration that help us offer our customers a highly differentiated Digital Services stack, helping them win the Digital landscape. We call it "Digital Done Right™." As a Digital Assurance Services (DAS) leader, we have a substantial wallet share from our large existing enterprise customers, enabling us to offer a gamut of digital transformation services through technology-led offerings.

Your company considers industry verticals its go-to-market business segments. Retail and e-commerce and Banking, Financial Services, and insurance (BFSI) continue to be our top revenue-generating industry domains, along with Travel, Transportation and Hospitality, Healthcare and Life Sciences, Power and utilities, and others. Cigniti's deeper investments in labs across Mobile, IoT, Performance, Energy and utilities, and Computer Vision and AI have delivered significant breakthrough innovation and disruptive outcomes to our clients.

Financial Updates

In FY 2024, we won 21 new logos, including Fortune 500 organizations, across verticals that include Retail, High-Tech, Banking, FinTech, Insurance, Transportation and logistics, Education, and more.

Our financial results for 2024 are a testament to our strong performance and steadfast commitment to excellence. We registered a revenue of US$ 219 million in FY24 and have grown at a 13.2% CAGR over the last five years.

Awards

Through 2023-24, your company won multiple prestigious Awards. We have been honored with the prestigious "2023 Customer Value Leadership Award" from Frost & Sullivan for our best practices and achievements in global DES and DAS within the Healthcare industry. We also won the "Best IoT Healthcare Platform" award for our Internet of Medical Things (IoMT) Digital Quality Engineering Automation framework in the 7th annual MedTech Breakthrough Awards program, which recognizes outstanding digital health and medical technology products and companies. These recognitions are a significant milestone for our Healthcare initiatives.

We won the Bronze Stevie® Award for our groundbreaking scriptless test automation platform, iNSta™ (part of BlueSwan™) at the 21st Annual American Business Awards® in the Low Code/No Code Platform category. Katalon, the leading provider of the most modern, comprehensive quality management platform, honored us as the winner of its "Top Regional Partner Award" in the North America region.

Economic Times Edge also recognized us with a Best Tech Brand Award for setting new benchmarks in various key parameters, including overall brand value, overall market share in their line of business, workplace culture, business ethics, CSR, degree of innovation, and extent of expansion into national and international markets.

DE&I

Your company ensures a fair and gender-neutral working environment through various initiatives that foster diversity and inclusiveness, such as the DE&I Council, which nurtures an environment that is welcoming to all employees and customers; the Women in Tech roundtable; and herDIGITALstory™, all supported for the cause of gender diversity and inclusion. The Economic Times has recognized Cigniti in the list of Best Organizations for Women 2023. These efforts bring out your organizational set of values and vision and give a glimpse of seriousness towards our DE&I initiatives.

Embracing CSR & Sustainability

At Cigniti, we believe in giving back to the society that supports us. Our Corporate Social Responsibility initiatives have touched numerous lives. Through our Project Cignificance initiative in 2023, we made impactful strides in education, healthcare, and sustainability. We empowered over 3,000 students by distributing ProGame: Coding Without Computers kits and introducing SMART classes, STEM labs, and development learning centers to enhance their learning experiences.

In the healthcare sector, we provided critical support to the MNJ Institute of Oncology and Regional Cancer Institute and conducted 1,500 pediatric cardiac procedures at no cost.

Our commitment to sustainability was evident as we planted over 1,000 saplings under CigniTree™, our sapling plantation program and enhancing transparency in environmental impact through climate reporting. These efforts demonstrate our dedication to fostering positive change and supporting the communities that support us.

Looking Ahead

As we look to the future, we remain committed to accelerating our growth and innovation. During the latter half of the year, we signed a definitive agreement with Coforge, a global digital services and solutions provider, that enables its clients to transform at the intersection of domain expertise and emerging technologies.

In the coming FY 2025, as Cigniti becomes a Coforge company, our synergized capabilities will be a strategic game-changer in AI and IP-led Digital Assurance and Digital Engineering IT solutions globally. Together, the merged firm is well poised to scale up across industries and regions, especially across the US. We remain committed to delivering exceptional value to our stakeholders and strive to be the partner of choice for digital transformation initiatives. This will help us address the significant opportunities that the proliferation of AI is creating for specialized assurance services.

Celebrating Our Collective Success

These achievements would not have been possible without the dedication and hard work of our talented team, the loyalty of our customers, the support of our strategic partners, and our adherence to ethical business practices. I extend my sincere appreciation to all of them for their invaluable contributions.

I am immensely grateful for the dedication and exceptional efforts of our global team. On behalf of Cigniti's Board of Directors, I extend my deepest thanks to our clients, technology partners, shareholders, and various governmental organizations for their continued support and guidance.

Yours sincerely,
C V Subramanyam
Chairman & Non-Executive Director
Cigniti Technologies

CEO's Message

Dear Shareholders,

It is my pleasure to present the annual report of Cigniti Technologies for the fiscal year and share that your company has recorded a revenue of US$ 219 million in FY24, growing at a 13.2% CAGR over the last five years.

Our growth is built on our core values—character, competence, and relentless commitment towards delivering differentiated services and solutions to our clients—helping our customers Be Digital-First.

In FY'24, we continued to invest in key verticals and redrew our strategy to focus on growing verticals such as:

- Retail & E-commerce: Our retail solutions enable businesses to better align with their end-user needs. From Food to Fashion to e-commerce, we have worked with top industry players on Digital Quality Engineering. Cigniti's Retail TCoE places a strong emphasis on translating end users' requirements into actionable business opportunities, driving sustainable growth and innovation within the retail ecosystem.
- Healthcare and Life Sciences: Our Healthcare & Life Sciences Software Testing CoE, Hospital Clinical System Testing Expertise, HER Experience, Cerner Testing Experience, and Epic Application Experience provide a competitive advantage in line with the positive outlook on the industry.
- Banking & Financial Services: While the BFSI sector faces challenges, Cigniti remains a steadfast partner for our banking clients. We are confident that by strategically aligning our capabilities with the evolving IT needs, we can navigate this changing landscape together and ensure continued success for our global Fortune 500 clients.
- Insurance: We support global insurers in their digital transformation journey & help them deliver improved customer experience & gain competitive advantage
- Travel & Hospitality: Digital assurance specialists with deep experience who provide end-to-end assurance for travel and hospitality-based digital apps (including e-commerce, digital platforms, departure control, passenger management, operations, fleet management, etc.) that enhance customer experience.

- Power & Utilities: Evidenced by ISG's recognition of Cigniti as a Product Challenger in North America and a Contender in Europe & Australia for Next-Gen IT Services in the ISG Provider Lens™ Power & Utilities – Services & Solutions report)

We additionally expanded our Global Footprint with a Nearshore Delivery Center in Costa Rica, Central America.

We have won 21 new logos, including Fortune 500 companies across industries and geographies—such as the leading European value retailer, UAE's premier mall and retail group, 90 years leading commercial bank in North-East USA, Fortune 500 materials science & digital identification company, leading Singaporean insurance provider, leading insurance provider in the Southern USA, Global technology leader in specialty engineered materials, leading USA-based logistics service provider, Top 5 North American railway transportation firm, Top 10 home & kitchen appliances firms by market cap, Top 10 University in Australia, and more.

With Generative AI and its potential applications becoming central topics in industry discussions, we focused heavily on our IP BlueSwan™ and Zastra™ to facilitate AI adoption for our clients and deliver measurable business value.

Cigniti recognizes the need for digital technologies in this changing economic landscape. With the growing demand for digital technologies, our digital assurance and digital engineering services continue to help accelerate our clients' digital transformation journeys, enabling them to navigate and win in the digital landscape through innovative solutions to unique challenges and needs.

Your organization has contributed immensely to fulfilling the expectations we built with our clients regarding the delivery of our commitments.

We continue to adopt a quality-first mindset across all operations while growing our revenue share in Digital Engineering services. Our Digital Engineering capabilities have opened up newer opportunities for long-term client relationships. They will yield results in the next year with cross-selling and rate improvement while going up the value chain for more customer engagement.

Our objective at Cigniti continues to be building competence and investing in innovative solutions that help our clients continue staying ahead.

We are continuously working on improving our iNSta™ platform—a self-heal, AI-driven scriptless test automation solution that helps testers and business users automate test cases without writing code—and Zastra™, which empowers Computer Vision-based annotation through active learning. The platform allows an AI-driven digital outcome that has a credible and measurable impact on clients.

Our analyst relations strategy, which focuses on digital assurance, digital engineering services, IP, and industry verticals, continued to garner great recognition. Multiple leading analysts recognized us as a:

- Leader in the Everest Group's Quality Engineering (QE) Specialist Service Providers PEAK Matrix® Assessment 2023.
- Leader in the US region for Continuous Testing Services & as a CONTENDER in Europe for Application Quality Assurance in ISG Provider Lens for Next-Gen ADM Services, 2023. ISG has also positioned Cigniti as a Product Challenger in Design and Development, Integrated Customer/User Engagement, and Platform & Application Services, as a Contender in Intelligent Operations in the US region, and Contender in Design and Development, Integrated Customer/User Engagement, Platform & Application Services, and Intelligent Operations in the Europe region.
- Leader in Overall Quality Engineering, AI-Based Analytics and Automation, Application Security Testing, Cloud Migration, and RPA, as Innovators in UX testing, and Major Players in ERP and COTS Testing in the NelsonHall's latest NEAT assessment report titled "Quality Engineering, 2023".
- Disruptor in the HFS Horizons for Assuring the Generative Enterprise, 2024.
- Major Contender in the IDC report on IDC MarketScape: Worldwide Software Engineering Services 2023 Vendor Assessment. The assessment recognizes our capabilities to help customers achieve multiple benefits in their software engineering services engagements

Additionally, Zinnov recognized us in multiple quadrants in Zinnov Zones report titled "Zinnov Zones: ER&D and Digital Engineering Services, 2023".

We're also very excited to announce that we won other prominent awards, including the American Business Award at the Bronze level in "Low Code / No Code" and "Best IoT Healthcare Platform" in the 2023 MedTech Breakthrough Awards program. These awards further prove our dedication to delivering innovative solutions that generate actual customer value. Your company is also gearing up to face the disruption that Generative AI's entry will create.

Your company believes that people are the lifeline of any organization; our Human Resources department takes center stage in continuing efforts to upskill them. Our HR team's work on continuous process improvement, automation, and innovative employee engagement strategies has been the key focus area in strengthening our employee experience in the last year.

We know that building a DEI culture helps attract and retain the best talent. That's why we have taken considerable steps to promote DEI within the organization and established policies celebrating and supporting diversity in every form. Our commitment to women's empowerment has remained strong, and we are further empowering and developing women in the workplace with initiatives such as herDIGITALstory™ and the Women in Tech roundtable.

We take pride in our progress and will continue to invest in the professional development of our workforce as they grow with the company.

Your company is committed to attaining multi-fold growth. It will invest continuously in our people, processes, and technology to remain at the forefront of digital assurance and digital engineering services.

During the latter half of the year, we became a part of Coforge, a global digital services and solutions provider that enables its clients to transform at the intersection of domain expertise and emerging technologies. This will help us stay aligned with our focus in Retail, Hi-tech, and Healthcare and address the significant opportunities that the proliferation of AI is creating for specialized assurance services. We also realized our ambition of being part of a billion-dollar elite list of Digital and specialist IT services companies by joining forces with Coforge.

I want to express my deep gratitude to our colleagues, clients, partners, and shareholders, who have been supportive throughout and have consistently placed their trust in us. We are confident that with your continued support, we will attain much greater success in the years to come.

Yours Truly,
Srikanth Chakkilam,
Chief Executive Officer

World of Cigniti

Celebrating 25 Years of Innovation & Excellence

Cigniti is the world's leading AI and IP-led Digital Assurance and Digital Engineering services company. We help global businesses, Fortune 500 companies, and Global 2000 enterprises in 25 countries overcome digital adoption challenges and accelerate their digital transformation journeys.

The Cigniverse™: Touching Our Lives & Beyond at Cigniti

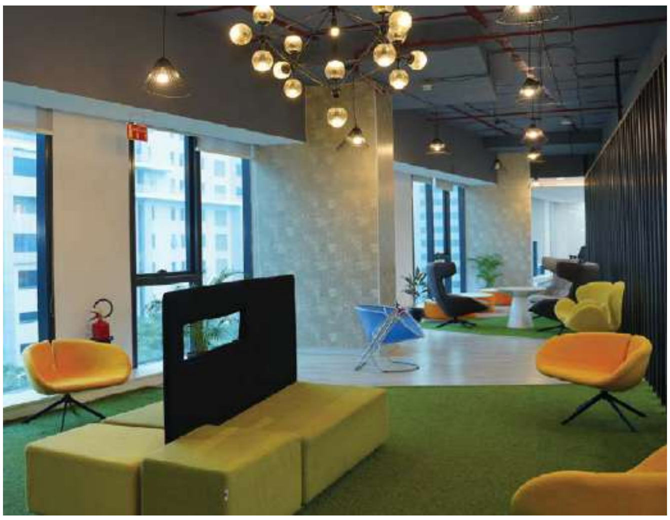
The Cigniverse encompasses all components of Cigniti's brand, delivering a holistic impact to both our external stakeholders as well as internal stakeholders through our strategic efforts and initiatives.

Expanded our Offshore Delivery Centre by Inaugurating New Facility in Hyderabad, India

Your company has inaugurated a new Offshore Delivery Centre (ODC) in the International Tech Park, Hyderabad. The newly inaugurated office space of around 40,000 sq. ft accommodates 400 professionals adding to the current 2 lakh sq. ft. The ODC is equipped with two state-of-the-art training centers that foster continuous learning and innovation. This milestone signifies our commitment to enhancing operational capabilities and solidifying our presence in key markets.

In conjunction with the inauguration, we have implemented a comprehensive branding initiative within the new facility. This initiative underscores our dedication to fostering a culture of innovation and diversity. Through curated artwork and thematic room designs, we celebrate pioneers in STEM fields, particularly women who have defied the odds to make significant contributions. Additionally, our branding reflects the global scope of our operations, highlighting key sports from diverse geographies and paying homage to successful space missions worldwide.

This expansion and strategic branding initiative highlight our dedication to fostering a workplace culture that prioritizes innovation, diversity, and long-term growth opportunities for our employees.



Key Clients Won in FY2024

Cigniti won 21 new logos, including Fortune 500 companies across industries and regions, owing to its proven capabilities in enabling digital outcomes.

Leading USA-based logistics service provider

UAE's premier mall and retail group

Leading European value retailer

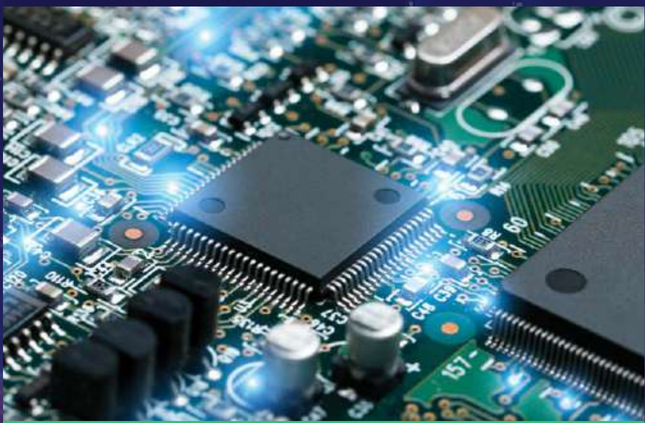
Fortune 500 materials science & digital identification company

Leading Singaporean insurance provider

Top 5 North American railway transportation firm

Top 10 home and kitchen appliances firms by market cap

90 years leading commercial bank in North-East USA



Global technology leader in specialty engineered materials

Leading insurance provider in the Southern USA

AI-led fintech company in USA

Top 10 University in Australia

Global Analyst and Advisory Recognitions

Cigniti's Digital Assurance and Digital Engineering services have garnered a total of 66 recognitions from esteemed analyst firms such as Everest, NelsonHall, ISG, IDC, Gartner, Forrester, Zinnov, and HFS.

Our Digital Engineering Services, which were integrated into our portfolio following the acquisition of RoundSqr last year, have received 35 mentions and recognitions, highlighting our swift rise in this domain. While our AI and IP-driven platform Zastra™ has been acknowledged by Forrester for the first time, BlueSwan™ continues to receive recognition from Gartner, enhancing our reputation in AI-driven capabilities. Additionally, Cigniti is recognized for its industry expertise in multiple sectors such as Retail, CPG, BFS, Travel & Hospitality, Power & Utilities, Manufacturing, Supply Chain, and Energy and Utilities across the US, UK, and Europe.

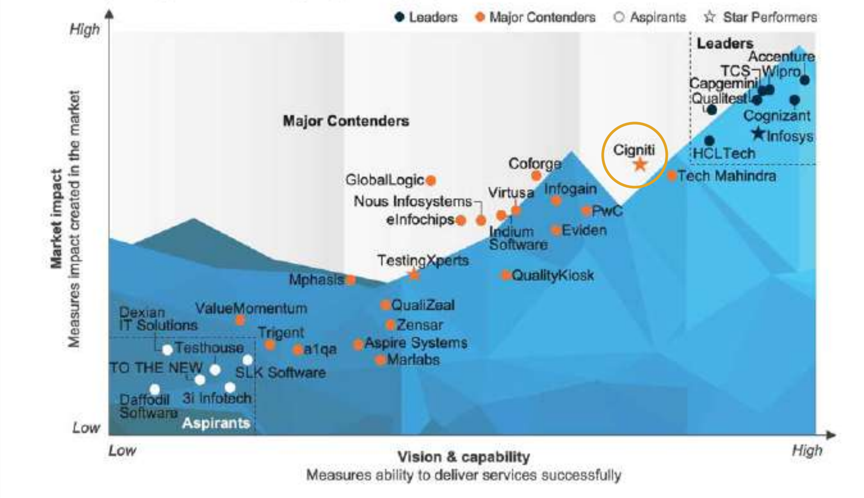
Digital Assurance Services

Everest

Cigniti has been recognized as a LEADER in the Everest Group's Quality Engineering (QE) Specialist Service Providers PEAK Matrix® Assessment 2023. This recognition marks a significant shift for Cigniti, which was previously positioned as a "Major Contender" for the past two years.

An analyst from Everest quoted "Cigniti emerges as a Leader in Everest Group's Quality Engineering (QE) Specialist Services PEAK Matrix® Assessment 2023, owing to its comprehensive solution portfolio in the QE services space, which is further fortified by their ongoing investments in in-house solutions such as BlueSwan™ and their robust partnership network."

Everest Group Next-generation Quality Engineering (QE) Services PEAK Matrix® Assessment 2023[1]



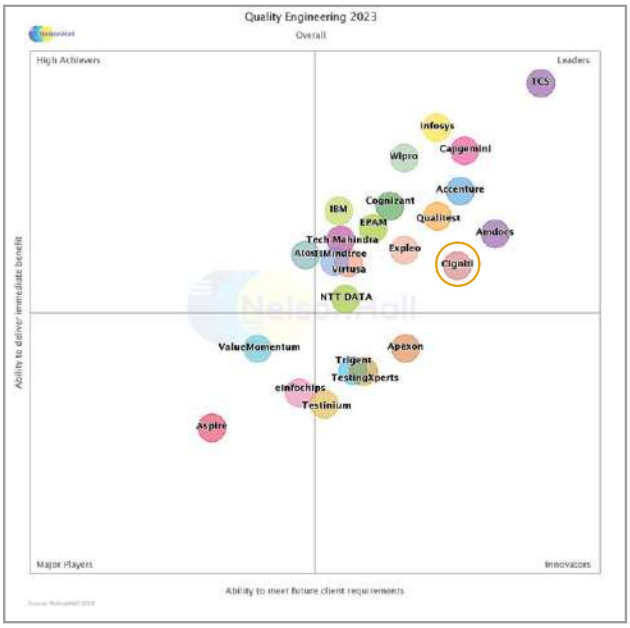
1 Assessment for Eviden and Virtusa includes partial inputs from the service provider, and is based on Everest Group's estimates that leverage its proprietary data assets, service provider public disclosures, and interactions with buyers
Source: Everest Group (2023)

ISG

Cigniti is recognized as a Leader in the US region for Continuous Testing Services & as a CONTENDER in Europe for Application Quality Assurance in ISG Provider Lens for Next-Gen ADM Services, 2023.

NelsonHall

Cigniti has been recognized in the NelsonHall's latest NEAT assessment report titled "Quality Engineering, 2023" as a Leader in Overall Quality Engineering, AI-Based Analytics and Automation, Application Security Testing, Cloud Migration, and RPA, as Innovators in UX testing, and Major Players in ERP and COTS Testing.



HFS

Cigniti is recognized as a Disruptor in the HFS Horizons for Assuring the Generative Enterprise, 2024. The

Assuring the Generative Enterprise, 2024 Horizons study focuses on transformation and innovation, not just functional testing and IT-centric use cases. Key aspects are transformational outcomes and assuring change agents such as automation and AI.

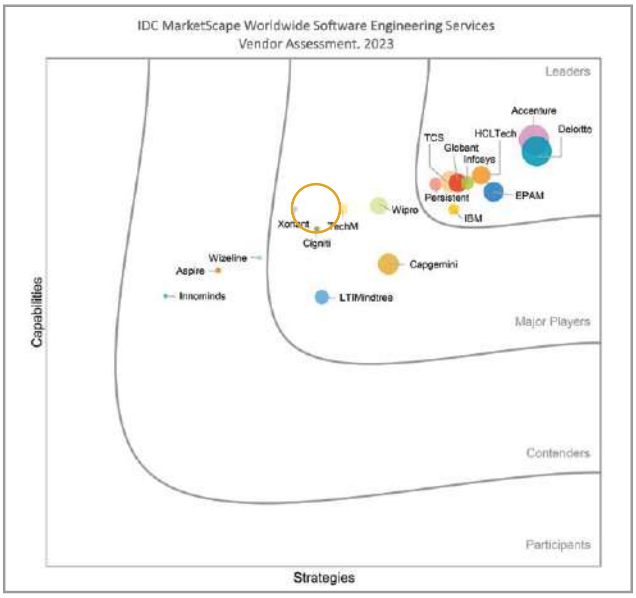
The report examines the capabilities of 18 service providers and pureplay consultancies offering differentiated approaches to meet the transformation needs of clients.

Digital Engineering Services

IDC

IDC has positioned Cigniti as a Major Contender in IDC MarketScape: Worldwide Software Engineering Services 2023 Vendor Assessment. The assessment recognizes our capabilities to help customers' achieve the following benefits in their software engineering services engagement:

- Shorten product/service development cycles and time to market
- Increase work output without the need to hire additional employees
- Improve operational efficiency
- Reduce costs
- Drive higher revenue growth and gain market share



Zinnov

Zinnov recognized Cigniti in multiple quadrants in Zinnov Zones report titled "Zinnov Zones : ER&D and Digital Engineering Services, 2023".

- Digital Engineering Services – Overall
- Digital Engineering Services – Small & Medium Service Providers
- Data & AI Engineering Services – Overall
- Data & AI Engineering Services – Small & Medium Service Providers
- Generative AI Engineering Services
- Experience Engineering – Overall
- Experience Engineering – Small & Medium Service Providers
- Hyperscaler Services – Overall

ISG

ISG has positioned Cigniti as a Product Challenger in Design and Development, Integrated Customer/User Engagement, and Platform & Application Services, as a Contender in Intelligent Operations in the US region, and Contender in Design and Development, Integrated Customer/User Engagement, Platform & Application Services, and Intelligent Operations in the Europe region.

Cigniti's AI & IP-led Platforms Recognized by Leading Analysts

BlueSwan™: Cigniti's AI-led Next Gen Digital Assurance & Quality Engineering Platform

BlueSwan's Verita, Velocita, Cesta, Prudentia, Incignt, Cesa, iNSta, and Praxia were mentioned in the Gartner's Market Guide for Application Testing Services, 2023.

Zastra™: AI-based enterprise-grade annotation & collaboration platform for computer vision projects

Cigniti's IP: Zastra™ has been mentioned in Forrester's latest report on Computer Vision Landscape titled "The Computer Vision Tools Landscape, Q2 2023 report.

Recognitions Received for Services Offered Across Industries

Retail

ISG recognizes Cigniti as a Contender in the US and Europe Regions in the ISG Provider Lens™ Retail & CPG Services 2023 Study.

Power and Utlities

ISG recognizes Cigniti as a Product Challenger in North America and a Contender in Europe & Australia for Next-Gen IT Services in the ISG Provider Lens™ Power & Utilities - Services & Solutions.

Awards & Recognitions

Bronze Stevie® Award and the People's Choice Stevie® Award at 21st Annual American Business Awards 2023

Celebrated Client's Success: Awarded Bronze Stevie® Awards for Women in Business 2023

Medtech Breakthrough Award for the "Best IoT Healthcare Platform"

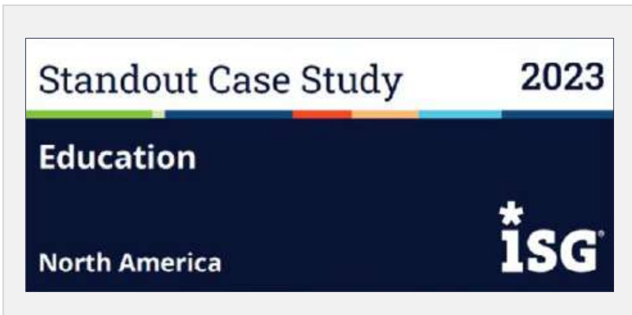
Great Place to Work (GPTW) in India for 2023

Best Tech Brand 2023 by Economic Times Edge

Finalists in the "**Best Cultural Transformation**" category at the Digital Transformation Awards, UK

"Top Regional Partner Award" in the North America region by Katalon

"2023 Customer Value Leadership Award" from Frost & Sullivan for Global Digital Engineering and Digital Assurance Services in the Healthcare Industry



ISG Case Study Standout Award for AI/ML Solutions in the Education Category in the North American Region

Global News Coverage

Leading publications worldwide have lauded Cigniti's significant steps toward becoming a global leader in the digital assurance & digital engineering arena. This is evidenced by our recognition through awards, analyst recognitions, special corporate coverages, and thought leadership articles.

Thought Leadership

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

Global IT Leaders Who Spoke at Our Events & Digital Dialogues

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

Martin Salgado
Solutions Strategist,
Broadcom

Michael Tayo
AVP of Cloud & App Security,
U.S. Bank

Katie Norton
Sr. Research Analyst,
DevOps & DevSecOps,
IDC

Suraj Parasuram
Chaos Practitioner &
Head of QE,
Custodian Bank

Andy Sturrock
CTO,
Atom Bank

Dominique Raviart
IT Services Practice Director
NelsonHall

Dan Muret
Sr. Solutions Architect,
Gremlin

Simon Dawson
Head of Engineering
Atom Bank

Bhairav Patel
Managing Director, CTO
Atom Bank

Amar Deep Singh
Director of
Software Engineering,
a Top 5 bank in the US

Joe Colantonio
Founder,
Test Guild

Ajay Behuria
Senior Healthcare IT Leader,
ex-Fortune Top 10 Enterprise

Our People, Our Strength

Enhanced Leadership Connect

Within the intricate ecosystem of Cigniti, Leadership Connects serves as the bridge spanning the gap between vision and execution, between strategy and implementation. It aligns the diverse talents, perspectives, and energies of individuals towards a shared vision, channeling them into a unified force propelling the organization forward.

We have strengthened our communication platforms to ensure employees can share their opinions and concerns. Through the four quarters of FY24, we have organized over 25 Leadership Connects covering over 80% of the organization. In addition to the above, we have introduced open doors with Leadership and Townhall meets as forums for business updates, thought sharing, and knowledge burst hurdles by way of best practice sharing, case studies, and problem-solving discussions.

New Hire Experience

The new hire experience team within HR has spearheaded a comprehensive onboarding program for 888 new hires through personalized 1:1 connects.

The program has facilitated deeper engagement by conducting over 100 focused group discussions that provided a clear understanding of various HR processes and addressed the lingering doubts the new hires might have.

Our commitment to a positive onboarding experience has yielded impressive results. A remarkable 94% of new hires reported high satisfaction with their work and onboarding experiences, placing them firmly within the "Engaged" quadrant. This fosters a strong foundation for long-term success at Cigniti.

The New Hire Experience team presented a crucial opportunity to address infant/new hire attrition. By implementing a comprehensive onboarding program and through a multi-pronged approach, we're proud to report a notable reduction in annualized voluntary attrition from 44% in Q1 to 27.2% in Q4. This accomplishment translates to retaining a significantly higher proportion of talented new hires, ultimately benefiting both employee engagement and strengthening the company's bottom line.

Celebrating You! Rewards & Recognitions, Long Service Awards, and Salute to Loyalty

Promoting a culture of rewarding both performance and behavior that uplifts the overall success of the organization is indeed 'Celebrating You'! Every Cignitian who acts as a catalyst to our success and upliftment is a champion, and we acknowledge their excellence by way of the Quarterly Rewards and Recognition felicitation ceremony, which brings together both the onsite teams and the offshore teams, both in office and virtual.

Under the overarching umbrella of the R&R framework, we rewarded over 647 individuals and teams for their valuable contributions.
After a prolonged pause due to COVID-19, we held our first-ever **Long Service Awards Ceremony** on 31st May 2023 for April and May. The event was a resounding success, marking the beginning of many such ceremonies. Award recipients beamed with pride as they shared experiences, adding humor and creating a joyful atmosphere. We extend our heartfelt gratitude to all employees for their contributions to our organization's success.

Celebrating the remarkable women at Cigniti, we launched mailers under the initiative "**Salute to Loyalty: Sheros of Cigniti**" during Internal Women's Day Week to honor our esteemed and tenured women leaders, acknowledging their resilience, commitment, and invaluable contributions.

Cultural Events and Festivities

At Cigniti, we wholeheartedly embrace cultural diversity through a variety of vibrant events and programs. We honor our employees' traditions, from creating rangolis and kites for Pongal to traditional rituals and performances for Ugadi. We celebrated our Independence Day with patriotic fervor.

For Ganesh Chaturthi, we crafted eco-friendly Ganesh idols, reflecting our commitment to Sustainability. Dandiya Night turned our workplace into a lively dance floor, and Diwali featured a Fashion Walk showcasing traditional attire.

During Ramadan, our Iftar Party fostered togetherness and understanding. These celebrations highlight the beauty of our differences and the strength of our unity.

We also successfully hosted the '**Cigniti Cricket Championship League**' Season 2 from 24th February to 10th March 2024, with over 220 employees participating. This event exemplified the power of collective engagement in fostering a vibrant workplace culture. The cricket tournament was more than just a platform for sporting excellence; it fostered unity and community within our organization. Over six days and three weekends of thrilling cricket action, memories were made, friendships were forged, and a tradition of sporting excellence was upheld.

This initiative epitomized team spirit and healthy competition, and boosted employee morale. The presence of our chairman and other leaders at the exciting finals (Platinum & Gold Cups) acknowledged the players' efforts and reinforced the importance of employee engagement initiatives.

Cigniti Alumni Network (CAN)

We take pride in sharing the glimpses of our first Cigniti Alumni Network (CAN) meet-up. The event began with traditional Dhol beats and an icebreaker session. Our Chairman, Mr. C V Subramanyam, shared the inspiring growth story of Cigniti, followed by Mr. Raghu Krovvidy, Chief Delivery Officer, discussing Cigniti's digital transformation. Mr. Sairam Vedam, Chief Marketing Officer, highlighted recent milestones in Cigniti's brand evolution. The leadership praised alum contributions, acknowledging their role in Cigniti's consistent success and growth.

Alums shared memorable experiences, emphasizing how Cigniti shaped their careers and enabled them to take on global roles. Some left appreciative messages on social media, reflecting the positive impact of Cigniti on their professional lives.

Participants received Cigniti-branded goodies, and the evening ended with High Tea, snacks, and networking.

DE&I Initiatives

International Women's Day – A week-long celebration #Embrace Equity

To honor and celebrate the remarkable contributions of women in our workforce and advocate for gender equality, we proudly organized a week-long tribute as part of Women's Week - 4th to 11th March. The workplace brimmed with enthusiasm, gratitude, and dedication to nurturing an inclusive environment.

Day 1: We started the week with chocolates and flowers, surprising our female colleagues with tokens of appreciation.

Day 2: Showcasing traditional art, women adorned their hands with intricate Mehandi designs and creative nail art, celebrating beauty and cultural heritage.

Day 3: Focused on wellness, with discussions and talks on physical health and mental well-being, featuring valuable tips from experts.

Day 4: A day of joyful bonding through fun-filled games and music, fostering connections and camaraderie.

Day 5: Concluding with digital narratives, we celebrated the achievements of women in our workplace through a digital showcase, highlighting their diverse talents and accomplishments.

Looking ahead, Cigniti remains steadfast in its commitment to advancing initiatives that promote gender equality, diversity, and inclusion within our organization.

Work Place Wellness

As we continue to prioritize the well-being of our employees, it is imperative to implement comprehensive wellness programs that promote physical health and mental wellness, support remote work challenges, and foster a culture of holistic well-being.

Cigniti's wellness programs include bi-weekly global yoga sessions to promote physical fitness, stress reduction, and mindfulness. We also hosted on-campus wellness camps in partnership with our insurance vendors and network hospitals, offering professional consultations for personalized health guidance. Additionally, we organized health webinars on topics such as nutrition, stress management, and preventive healthcare, delivered by expert speakers and nutritionists.

To encourage proactive health management, employees received vouchers for comprehensive health checks at partnered healthcare facilities, empowering them to detect potential health issues early. Our women's wellness initiatives, including specialized health screenings and fertility and maternal health support, reflect our commitment to addressing the unique health needs of women in our organization.

By offering these diverse wellness initiatives, we aim to create a supportive and thriving workplace. Together, let us embark on this journey towards a healthier, happier, and more productive workforce.

Learning at Cigniti

The learning and development function is strategically aligned with Cigniti's goal of providing Digital First services, focusing on investments that make learning accessible and relevant for all.

C-Ignite (Industry-Academia Collaboration)

The nine-week C-Ignite program on Automation Testing, tailored for MGIT students, was a remarkable success. Conducted by Cigniti's Talent Development team, it featured hands-on workshops, interactive sessions, and real-world case studies, providing essential skills for today's workplace. The program concluded with a convocation at MGIT, celebrating students' achievements with peers, mentors, and management.

Global Pool Program

A unique initiative, facilitated by the Talent Development function in collaboration with the PMO, was launched to reallocate resources efficiently following project ramp-downs. This initiative successfully redeployed approximately 75% of our resources into new projects after they underwent training. Additionally, guidelines were introduced to support mothers returning to the workforce, providing them with coaching and mentoring to ensure a smooth reintegration.

Learner Engagement Series

The Learner Engagement Series is a continuous educational program for all employees. Each month features a unique theme with various learning activities, covering topics like Data Science for Managers, Professional Communication, Customer Centricity, DevOps, Data Engineering, Cloud Technologies, and Change Management.

- The Diversity, Equity, Inclusion, and Belonging (DEIB) Awareness Series aims to ensure diverse perspectives are valued, equity is promoted, and everyone feels included.
- Raising Awareness: Talent Development launched a DEIB educational series to emphasize the importance of diversity, equity, inclusion, and belonging among employees.
- Building Skills and Knowledge: Training programs provided skills and knowledge for fostering an inclusive workplace, covering unconscious bias, cultural sensitization, Prevention of Sexual Harassment (PoSH), and creating an inclusive environment.
- Promoting Understanding and Empathy: The series included engaging panel discussions and various topics essential for building an inclusive culture.

New Initiatives

A series of new programs for Technical & Behavioral upskilling were launched.

- **Leadership Series** like Prompt Engineering, Improve your Productivity with AI Tools, PMP Overview, Data Analysis, Understanding Blockchain, Unlocking the Power of AI: A Walkthrough of few AI Tools and Techniques, Leading with Influence, Software Bill of Material, Introduction to Generative AI, A Session on Writing Blogs and White Papers and many more.

- **Technical programs** like Selenium with JavaScript, Django Framework, Appium with Python, CI/CD Pipeline with Docker and Jenkins, Appium with Python, Playwright, RESTful Webservices with Spring Boot, NUnit, Web Scraping with Python, SpecFlow, RPA using Robot Framework, React JS for Beginners, Graph Database concepts with Neo4j to name a few, were launched.

- **Behavioral programs** like Being Present in a Communication, and Emotional Intelligence. Work-Life Integration and many more.

Cigniti's Certified SDET Professional program launched

Launching a Certified SDET Professional program demonstrates a strong commitment to elevating technical capabilities and ensuring top-notch quality assurance standards within Cigniti. It's not just about enhancing skills internally but also about delivering higher quality services to our customers. And with 15 associates successfully certified, it's clear that the initiative is already making an impact. This dedication to excellence in software testing and automation will undoubtedly strengthen Cigniti's position in the industry. Based on the success of the pilot, we have launched a virtual session with 100+ associates in batch-2 of this ongoing series.

"The Book Vault" – Cigniti's corporate library launched

"The Book Vault" is Cigniti's latest addition to its corporate amenities. It offers a curated collection of books covering a wide array of subjects, including technical expertise, behavioral insights, leadership principles, insurance domain knowledge, and effective communication strategies. This initiative aims to encourage and facilitate a culture of continuous learning and personal development among employees. Whether delving into the intricacies of their field, honing leadership skills, or enhancing communication abilities, employees now have access to valuable resources to enrich their professional growth and knowledge base.

Creating a Larger Societal Impact: Project Cignificance

At Cigniti, we prioritize social stewardship and embrace our responsibility to positively impact the communities in which we work and live. In addition to Education, we have broadened our Corporate Social Responsibility (CSR) charter to include Healthcare and Sustainability. Through our initiatives, we have touched the lives of approx. 100,000 beneficiaries. Beyond our commitments to Education and Healthcare, we've also integrated Sustainability into our core values.

Education

Cigniti's CSR Project Cignificance "Towards Educational Excellence" intends to enhance the quality of education in the targeted govt. schools through various interventions related to infrastructure, pedagogy, tech-based education, and volunteered teaching sessions. The project operates in Hyderabad and has reached nine schools, covering around 3000 children.

Distributed **ProGame: Coding Without Computers kits** to empower 500 girls at Zila Parishad Girls High School, Shamshabad, Hyderabad. We have partnered with Next Skills 360 EdTech, which solidifies our dedication to cultivating advanced learning solutions and equipping students with the essential skills for success.

Implemented technology-based learning interventions like 3 SMART classes, 2 STEM labs, a classroom library in 2 schools, and 4 kids development learning centers to enhance academic learning and spark student interest through interactive lessons.

Adopted 20 specially-abled students for higher education and delivered 3000 notebooks and Telugu and English workbooks to students. Provided scholarships to female students from marginalized backgrounds pursuing MBBS and Nursing degrees, facilitating their access to education.

Healthcare

MNJ Institute of Oncology Regional Cancer Hospital, Hyderabad

Continued support for MNJ Institute of Oncology and Regional Cancer Institute by donating essential medical equipment and an electric buggy, amplifying services for underprivileged women battling cancer from marginalized communities.

Sri Sathya Sai Sanjeevani Hospitals, Telangana

Established a medical gas plant at the Sri Sathya Sai Sanjeevani Centre for Child Heart Care in Kondapaka, Siddipet, Telangana. This innovative initiative is a pivotal step towards advancing rural India's healthcare and medical education standards.

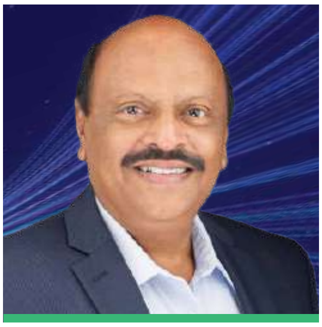
Conducted 1500 pediatric cardiac procedures at no cost as part of healthcare initiatives.

Sustainability

Under our green mission initiative, Cignitree, we have planted 1000+ saplings and supported six environmental charities to accelerate toward a carbon-zero future. With each healthy sapling planted, we intend to create a repository for a rich, ecologically diverse planet. Further, we aim to bring a sustainability culture into the organization by participating in green initiatives as part of our CSR program.

Started climate reporting to enhance transparency in environmental impact data via the Carbon Disclosure Plan (CDP) platform.

Board of Directors During FY 2024



C V Subramanyam
Chairman &
Non-executive Director

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

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

Srikanth Chakkilam
CEO & Director,
Cigniti Technologies Inc.

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

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

R K Agarwal
Independent Director

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

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

Phaneesh Murthy
Independent Director

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

Srinath Batni
Independent Director

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

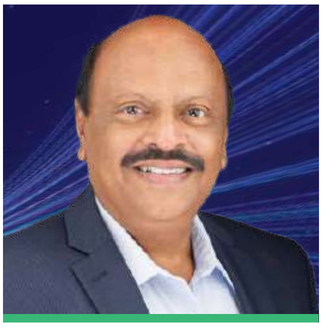
Nooraine Fazal
Independent Director

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

Sudhakar Pennam
Non-Executive Director

Mr. Sudhakar Pennam is the President & CEO of Kairos Technologies Inc. and the Founder and CEO of Solunus Inc. With nearly 25 years of industry experience, he has successfully founded and led multiple IT services and staffing companies. An innovative entrepreneur, Sudhakar holds an Engineering Degree from the prestigious Regional Engineering College in India and is dedicated to creating a lasting legacy in the IT industry. He serves on the Board of Directors of the Baylor Scott & White Irving Foundation and is an Advisor for Sentiero Ventures. Following his education, Sudhakar ventured into entrepreneurship, focusing on IT staffing and solutions, particularly in the United States. In addition to his corporate roles, he actively engages in the evolving landscape of emerging technologies.

Present Board of Directors



C V Subramanyam
Chairman &
Non-executive Director

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

Sudhir Singh
Non-Executive Director

Mr. Sudhir Singh, CEO of Coforge and Board member since May 2017, has 24 years of experience with Unilever, Infosys, and Genpact. He has an exceptional track record of driving revenue and margin growth, executing business turnarounds, and orchestrating successful acquisitions. He crafted Coforge's "Transform at the Intersect" strategy, driving growth in financial services and travel. His "Engage with the Emerging" vision advances technologies like Cognitive, Blockchain, and Automation. At Unilever India, Sudhir won the Hindustan Lever Chairman's Award. He has spent nearly a decade at Infosys, US, leading the South-West Geo and founding the Global BFS Payments and Cards Portfolio. Sudhir lives in Princeton, New Jersey, and holds degrees from IIT and IIM. He is also an author and speaker on industry trends and leadership.

Pankaj Khanna
Executive Director

Mr. Pankaj Khanna brings over three decades of expertise in Human Resources, Workforce Management, Staffing, and HR Analytics. He currently serves as the Chief People Officer at Coforge. Pankaj joined Coforge in 2020 as the Global Revenue Assurance Head and was responsible for developing strategies to align the organization's operating parameters and headcount growth with defined plans. In 2021, he assumed additional responsibilities as the Head of HR for Coforge's BPS division. Before joining Coforge, Pankaj held significant roles at Mindtree, Fidelity Investments, and Wipro. He holds a Degree in Chemical Engineering from Anna University, Chennai, and a Master's in Personnel Management & Industrial Relations from the Tata Institute of Social Sciences, Mumbai.

D.K Singh
Non-Executive &
Independent Director

Mr. DK Singh brings over 35 years of leadership experience in global industries like retail, industrial, consumer packaged goods, and technology, specializing in procurement, supply chain, and engineering. He has transformed global procurement and supply chain organizations with a focus on "total margin management," significantly reducing costs and improving cash positions. Currently, Mr Singh is a Senior Advisor at McKinsey & Company. He was previously Senior Vice President and Chief Procurement Officer at Walmart and has held key roles at Schneider Electric, ConAgra, Motorola, and IBM. He is a member of Hyde Park Angels in Chicago and has served on advisory boards for American Airlines, Resin Technology, and Michigan State University. Additionally, he has contributed to the advisory board and executive committee for NMSDC and the US Asian Pacific American Chamber of Commerce. He holds an MS in Industrial Engineering and a BS in Mechanical Engineering.

Manish Sarraf
Non-Executive &
Independent Director

Mr. Manish Sarraf is a seasoned business leader recognized for driving revenue growth while ensuring financial control and regulatory compliance. With 12 years in business and service unit leadership and 8 years on the Country Management Committee/Board, he excels in business build-up and transformation. His expertise includes strategy, business development, new market growth, finance, risk management, and regulatory compliance. Manish has successfully launched new business lines and revamped operations, balancing top-line growth with operational efficiency. He holds a Postgraduate Diploma in Management in Finance and Strategy from IIM Ahmedabad and a Bachelor of Commerce (Honors) in Finance and Accountancy from Shri Ram College of Commerce.

Mohua Sengupta
Non-Executive &
Independent Director

Ms. Mohua Sengupta is a Senior Business Leader with over 28 years of global experience in Financial Services, IT Services, and GCCs. After nearly a decade at the Royal Bank of Canada Financial Group, she returned to India, taking on senior roles in various IT/ITES organizations before joining Mashreq Bank as their Global Head of GCCs. She now heads Novartis India GCC (NOCC Hyderabad). In the past decade, she has focused on Digital Transformation, Digital Banking, Distributed Ledger Technologies, and Emerging Technologies in Banking, Insurance, and Healthcare. She is passionate about DEI, a prolific author with 120+ articles, and an active industry speaker. Mohua also co-founded Ventures, a theatre group, in 2014. Academically, she holds an MA in Economics and an MBA in Finance and is a Certified General Accountant of Canada.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. C.V.Subramanyam
Chairman & Non-Executive Director
(DIN:00071378)

Mr. C. Srikanth
Executive Director & CEO$
(DIN: 06441390) *(w.e.f 20-01-2024)*

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

Mr. Phaneesh Murthy
Independent Director$ (DIN:00388525)

Mr. Srinath Batni
Independent Director$
(DIN:00041394)

Ms. Nooraine Fazal
Independent Director$
(DIN: 03110948)

Mr. Sudhakar Pennam
Non-Executive Director$
(DIN: 01685123) *(w.e.f 07-03-2024)*

Mr. Pankaj Khanna
Executive Director#
(DIN: 09157176)

Mr. Sudhir Singh
Non - Executive Director#
(DIN: 07080613)

Mr. Durgesh Kumar Singh
Independent Director#
(DIN: 10485073)

Mr. Manish Sarraf
Independent Director#
(DIN: 06415662)

Ms. Mohua Sengupta
Independent Director#
(DIN: 09092519)

$ **Resigned wef 6th July, 2024**
# **Appointed wef 6th July, 2024**

CHIEF FINANCIAL OFFICER:

Mr. Krishnan Venkatachary

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mrs. Naga Vasudha

REGISTERED OFFICE:

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

AUDIT COMMITTEE:

Mr. Ram Krishna Agarwal - Chairman$
Mr. Phaneesh Murthy - Member$
Mr. Srinath Batni - Member$
Mr. C. V. Subramanyam - Member$
Mr. Manish Kumar Sarraf - Chairman#
Mr. Durgesh Kumar Singh - Member#
Mr. Sudhir Singh- Member#

NOMINATION & REMUNERATION COMMITTEE:

Mr. Srinath Batni - Chairman$
Mr. Phaneesh Murthy - Member$
Ms. Nooraine Fazal - Member$
Mr. Ram Krishna Agarwal -Member$
Mr. C. Srikanth - Member
(up to 20th January, 2024)
Mr. C. V. Subramanyam - Member*
Mr. Durgesh Kumar Singh -Chairman#
Mr. Sudhir Singh - Member#
Ms. Mahua Sen Gupta - Member#

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Ms. Nooraine Fazal - Chairman$
Mr. Ram Krishna Agarwal - Member$
Mr. C. Srikanth - Member$
Mr. Sudhir Singh - Chairman#
Mr. Pankaj Khanna - Member#
Mr. Manish Sarraf - Member#

RISK MANAGEMENT COMMITTEE:

Mr. Phaneesh Murthy - Chairman$
Mr. Ram Krishna Agarwal -Member$
Mr.C.V.Subramanyam -Member$
Mr. Pankaj Khanna - Chairman#
Mr. Durgesh Kumar Singh - Member#
Ms. Mahua Sen Gupta - Member#

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Nooraine Fazal - Chairman$
Mr. Srinath Batni - Member$
Mr. C. Srikanth - Member$
Mr. Sudhir Singh - Chairman#
Ms. Mahua Sen Gupta - Member#
Mr. Pankaj Khanna- Member#
$ **Resigned wef 6th July, 2024**
# **Appointed wef 6th July, 2024**

GLOBAL DELIVERY CENTER:

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

CORPORATE IDENTITY NUMBER:

L72200TG1998PLC030081

STATUTORY AUDITORS :

S.R. Batliboi & Associates LLP
THE SKYVIEW 10, NORTH LOBBY,
18th Floor , Survey No 83/1, Raidurgam,
Hyderabad-500032

INTERNAL AUDITORS

BDO India LLP
1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad, Hyderabad,
Telangana, 500072

SECRETARIAL AUDITORS

M /s. P S Rao & Associates
Practicing Company Secretaries
Flat No.10, 4th Floor, Ishwarya Nilayam,
Dwarakapuri Colony, Punjagutta,
Hyderabad – 500082,
Telangana, India.

BANKERS:

Federal Bank Ltd,
Secunderabad Branch

Axis Bank Ltd
Madhapur Branch, Hyderabad.

HDFC Bank Ltd
Lakidikapool, Branch, Hyderabad

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

REGISTRAR & SHARE TRANSFER AGENTS

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

LISTED AT

BSE Limited.
National Stock Exchange Limited

DEMAT ISIN NUMBER IN NSDL& CDSL:

INE675C01017

WEBSITE

www.cigniti.com

INVESTOR E-MAIL ID

company.secretary@cigniti.com

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of M/s. Cigniti Technologies Limited will be held on Tuesday, 10th day of September 2024 at 9.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

1. **Item No. 1 –** To receive, consider and adopt:

   a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Board of Directors and Auditors thereon; and

   b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of Auditors thereon.

Item No. 2 – To Appoint Mr. C.V. Subramanyam (DIN: 00071378) as director, liable to retire by rotation who being eligible offers himself for re-appointment

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

"RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. C.V.Subramanyam (DIN: 00071378), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director liable to retire by rotation.

For and on behalf of the Board
Cigniti Technologies Limited

C.V. Subramanyam
Chairman & Non Executive Director
DIN: 00071378

Place: Hyderabad
Date: May 1, 2024

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder, General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The relevant details with respect to Item Nos. 2 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed hereto.

3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories" Members who have not registered their E-mail ID for receipt of documents in electronic mode, you need to send an email to company.secretary@cigniti.com/ info@aarthiconsultants.com; from their Email ID to receive notice of AGM & Annual Report 2023-24.

4. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.cigniti.com, 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 CDSL https://www.evotinginida.com.

5. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice

6. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting and e-Voting during AGM . The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to rao_ds7@yahoo.co.in with a copy marked to helpdesk.evoting@cdslindia.com and cs@cigniti.com

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

   a. For shares held in electronic form: to their Depository Participants ("DPs")

   b. For shares held in physical form: to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

9. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA (Aarathi Consultants) , for assistance in this regard.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA (Aarthi Consultant) in case the shares are held in physical form.

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the record date will be entitled to vote during the AGM.

13. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in

the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login)

14. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM are requested to write to the Company on or before September 8, 2024, through e-mail on company.secretary@cigniti.com. The same will be replied by the Company suitably.

15. Members are requested to note that dividends, if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. For details, on unclaimed dividend details please refer to Corporate Governance Report which is a part of this Annual report. The Company has uploaded details of unpaid and unclaimed dividend amounts lying with the Company on the website of the company www.cigniti.com and also on the website of the Ministry of Corporate Affairs

16. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.

17. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Act, shall be available for electronic inspection by the members during the AGM. All other documents referred to in the Notice would be available for inspection by the Members of the Company. Members desirous of inspecting the same may send their requests at company.secretary@cigniti.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers. The same would be available for inspection, by members through electronic mode, during business hours on working days including and up to date of the Annual General Meeting.

18. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2023-2024 will also be available on the Company's website www.cigniti.com for download along with BSE and NSE websites. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: company.secretary@cigniti.com

19. **Voting through electronic means:**

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

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with the circulars issued by MCA and SEBI and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is providing its members, the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system("remote e-voting") as well as e-voting during the AGM will be provided by Central Depository Services (India) Limited (CDSL).

(ii) The facility for E-voting through electronic voting system shall also be made available at the AGM and the members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting prior to the AGM may attend the AGM but shall not be able to cast their vote again at the AGM.The remote e-voting period commences on Saturday, September 7, 2024 (9:00 a.m. IST) and ends on Monday, September 9, 2024 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 3, 2024 i.e. Record Date, may cast their vote electronically.

(iii) The e-voting module shall be disabled by CDSL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing from

Tuesday, September 7, 2024 and ending on Monday, September 9, 2024, or e-voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.

(iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.

(v) The Board of Directors has appointed Mr. DS Rao (Membership No ACS-12394), Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner.

(vi) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the record date.

(vii) The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, would unblock the votes cast through remote e-voting and through e-voting at the AGM in the presence of at least two witnesses not in employment of the Company and submit, with in two working days of conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorised by him in writing who shall countersign the same.

(viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website (www.Cigniti.com) and on the website of CDSL (www.evotingindia.com) after the result is declared. The Company shall simultaneously forward the results to both BSE and NSE where the shares of the Company are listed.

(ix) The instructions for shareholders voting electronically are as under:

a. The remote e-voting period commences on Saturday, September 7, 2024 (9:00 a.m. IST) and ends on Monday, September 9, 2024 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 3, 2024 i.e. record date, may cast their vote electronically.

b. Shareholders who have already voted prior to the meeting date would not be entitled to vote during meeting through evoting.

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

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

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

Type of shareholders	Login Method
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service ProvideRs
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at **022 – 48867000 and 022-2499 7000**

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

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

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@ cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; company.secretary@cigniti.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

B. INSTRUCTION FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

i. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. The procedure for attending the meeting & e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

ii. The link for VC/OAVM to attend the meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

iii. Facility of joining the AGM through the VC/ OAVM mode shall open 15 minutes before the scheduled time of commencement of the Meeting and will be available for members on 'first come first serve' basis.

iv. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

v. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the meeting.

vi. Please note that participants 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.

vii. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at company.secretary@cigniti.com from Wednesday, September 4, 2024 (9:00 a.m. IST) to Friday, September 6, 2024 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

viii. If you have any queries or issues regarding attending AGM & e-voting form the CDSL e-voting system, you can write an email to helpdesk.evoting@ cdslindia.com or contact at 022-23058738 and 022- 23058542/43.

ix. All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@ cdslindia.com or call on 022-23058542/43.

C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

iii. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Other Instructions:

20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

21. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.cigniti.com and on the website of CDSL https://www.evotingindia.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

For and on behalf of the Board
Cigniti Technologies Limited

Sd/-
C.V. Subramanyam
Chairman & Non Executive Director
DIN: 00071378

Place: Hyderabad
Date: May 1, 2024

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

Sl	Particulars	C.V.Subramanyam
1.	Directors Identification Number (DIN)	00071378
2.	Nationality	Indian
3.	Date of birth/Age	14/06/1955
4.	Qualification	Bachelor's Degree in Commerce along with Law and Post Graduate Diploma in Business Management.
5.	A brief resume of the director	C V Subramanyam is the Chairman & Non-Executive Director of the supervisory board of Cigniti Technologies Limited and focuses on the corporate governance and regulatory aspects of running a publicly listed company. His primary focus is on creating shareholder value by ensuring that various parts of the organization add value to the various stakeholders such as clients, employees, partners, industry, and society. Subramanyam is a successful entrepreneur who co-founded one of South India's largest transport and logistics organization that has continued to operate successfully for more than 25 years since inception. In 1998, he founded Chakkilam Infotech as an IT services company providing IT solutions and built HIPAA compliance products for the US healthcare industry. He successfully took the company public in 2004 and listed it on the Bombay Stock Exchange. In 2008, C V Subramanyam was instrumental in putting together a world class executive management team, as was required to successfully reposition the company as an Independent Software Testing services company. Chakkilam Infotech merged with Cigniti Inc of USA in Jan 2012 and became Cigniti Technologies Ltd. Further to this, in 2013, the company acquired Gallop Solutions and became the world's 3rd largest Independent Software Testing services company. In 2017 company achieved $100 Mn in revenue and emerged as world's leading independent software testing services & quality engineering company. In 2022, Cigniti was recognized as the world's leading AI-led digital assurance services company. Now, he now wants to build a $1bn quality-first digital engineering services company, and that's his dream and aspiration. Subramanyam is also passionate about giving back to the society through Cigniti's CSR program - Project Significance which works in the areas of education, healthcare and sustainability. Subramanyam is a pragmatic, people focused person who holds a diverse group of people together with his practical approach to life. He holds a Bachelor's Degree in Commerce along with Law and Post Graduate Diploma in Business Management.
6.	Nature of expertise in specific functional areas;	Leadership, Entrepreneurship & General Business Management
7.	Disclosure of relationships between directors inter-se;	Father of Mr. C. Srikanth, Director
8.	1. Names of listed entities in which the person holds the directorship; 2. Names of listed entities in which the person holds the membership of Committees of the board; 3. Names of listed entities from which the person has resigned/ retired in the past three years;	No Directorships in listed Companies
9.	In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's twenty sixth Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE OF THE COMPANY

The Company's financial performance (Standalone and Consolidated) for the Financial Year ended March 31, 2024 are as follows:

(₹ Lakhs)

Particulars	2023-2024		2022-2023	
	Consolidated	Standalone	Consolidated	Standalone
Revenue from Operations	1,81,501.33	78,872.73	1,64,758.08	69,664.29
Profit/loss before Depreciation, Finance Costs and Tax Expense	22,175.54	12,470.44	23,770.33	14,527.07
Less: Depreciation/ Amortisation/ Impairment	3,033.33	2,191.63	2,638.35	1,941.71
Profit /loss before Finance Costs and Tax Expense	19,142.21	10,278.81	21,131.98	12,585.36
Less: Finance Costs	412.21	215.45	439.69	207.79
Add: Other Income	3,307.58	2,574.31	1,471.76	1,335.15
Profit /loss before Tax Expense	22,037.57	12,637.67	22,164.05	13,712.72
Less: Tax Expense (Current & Deferred)	5,478.37	3,158.65	5,331.99	3,540.36
Profit /loss for the year (1)	16,559.20	9,479.02	16,832.06	10,172.36
Other Comprehensive Income/(loss)(2)	399.12	11.13	1,096.14	153.68
Total Comprehensive Income/(loss) (1+2)	16,958.32	9,490.15	17,928.20	10,326.04
Balance of profit /(loss) for earlier years	30,021.97	14,708.23	14,665.54	6,019.13
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	2,318.96	2,318.96	687.70	687.70
Less: Dividend paid on Preference Shares	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Balance carried forward	44,273.34	21,879.42	30,021.97	14,708.23

STATE OF AFFAIRS & COMPANY'S PERFORMANCE:

AI-led digital assurance services are fundamentally transforming how we ensure software quality and reliability in the digital era especially with GenAI significantly enhancing the scope of testing more than ever before. According to Forrester, the testing services market is four times larger than the testing products market. Its estimated value is over $23 billion, up from $21 billion in 2019, with a conservative annual growth rate of 2.5%. Your company has developed its capabilities and IP to harness the potential of AI-led digital assurance services and accelerate the digital transformation journeys of clients across industries and geographies.

Financial highlights: The Company's consolidated total revenue for the financial year 2023-24 was Rs 1,81,501.33 lakhs, marking a growth of 10.16% compared to Rs 1,64,758.08 lakhs in the previous financial year. The net profit for 2023-24 was Rs 16,559.20 lakhs, slightly down by 1.62% from Rs 16,832.06 lakhs the previous year.

On a standalone basis, the total revenue for 2023-24 was Rs 78,872.73 lakhs, an increase of 13.22% from Rs 69,664.29 lakhs in the previous year. The net profit for 2023-24 was Rs 9,479.02 lakhs, representing a decrease of 6.82% compared to Rs 10,172.36 lakhs in the previous year.

During the period under review and on the date of Board's Report there was no change in the nature of Business. The Management's Discussion & Analysis (MD&A) of the Company's global business during the year under review as well as business outlook, along with a discussion of internal controls & risk management and mitigation practices, appears separately in this Annual Report.

TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to the General Reserves.

DIVIDEND:

During the year, the Company continued its practice of returning surplus cash to shareholders. Based on the Company's performance, the Directors declared an interim dividend of ₹ 3 per equity share.

The Company has a Policy for Distribution of Dividend under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 This policy aims at laying down a broad framework for considering decisions by the Board of the Company, with regard to the distribution of dividends to shareholders and/or the retention or reinvestment of profits and the same is available on the Company's website at https://www.cigniti.com/policies/Dividend-Distribution-Policy.pdf.

REVISION OF FINANCIAL STATEMENTS

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

FUTURE PROSPECTS AND OUTLOOK

Cigniti Technologies is committed to achieving its ambitions of scaling up and achieving multi-fold growth as a thought leader in AI and IP-led Digital Assurance and Digital Engineering services.

We continue to focus on the priority verticals such as BFSI, HCLS, Travel, Hospitality, Retail, and Energy & Utilities in addition to other industries. Our revenue is growing at a steady pace year-on-year amidst the global industry conditions. We aim to maintain our competitive edge by investing in IP, CoEs, training and development programs for our employees, and implementing cutting-edge technologies in our service offerings. By doing so, we are confident that we will continue to deliver exceptional value to our clients and maintain our position as a leader in digital assurance and digital engineering services.

Additionally, we are investing in upskilling our workforce to stay ahead of the rapidly evolving technology landscape and be better equipped to deliver cutting-edge and AI-led solutions to our clients. We also continued to introduce new training programs to nurture the culture of innovation and collaboration across the organization.

In the coming FY 2025, We would continue to make significant strides in the world of AI led assurance which we believe will become an important aspect for businesses and global enterprises to stay ahead. We remain committed to delivering exceptional value to our stakeholders and strive to be the partner of choice for digital transformation initiatives.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT & CHANGE IN NATURE OF BUSINESS, IF ANY

There have been no material changes and commitments affecting the financial position of the Company subsequent to the close of the Financial Year to which Financial Statements relate and the date of the Report.

BUY BACK OF EQUITY SHARES

During the financial year 2023-24, your company did not engage in any buyback of securities.

SHARE CAPITAL

During the year, your Company has allotted 43125 equity shares of Rs 10/- each to employees under Cigniti ESOP scheme. **The paid up Equity Share Capital of the Company as on 31st March 2024 is Rs 27,30,00,840/- divided into 2,73,00,084 equity shares of Rs. 10/- each.**

EMPLOYEE STOCK OPTION SCHEME

During the year, no options were granted to the employees of your Company **. During the year, the company has options under Cigniti ESOP scheme 2014-I, Cigniti ESOP scheme 2015, Cigniti ESOP Scheme 2022 T**he details of Employees Stock Option Scheme pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 are provided as Annexure - IV to this Report. Further, information pursuant to Section 62 of the Companies Act, 2013 read with Rules made thereunder and details of the Scheme as specified in Part F of Schedule – I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on Company's website and may be accessed at https://www.cigniti.com/

During the year, a reserve was made towards outstanding of Employee Stock Options (ESOPs) and Employee Compensation Expenses (Share based payment expenses) for the year ended March 31, 2024, of Rs 194.32 lakhs, which includes Employee Benefit expenses detailed in Note No. 33. for standalone financial statements and Note No. 32 for consolidated financial statements.

Further, it is confirmed that the Schemes are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and during the year under review there were no material changes in the Scheme.

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

As per the provisions of Section 124 of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, shares of the shareholders, and dividends declared who have not claimed dividends for a continuous period of 7 years, from the date of transfer to Unpaid Dividend Account of the Company, shall be transferred to Investor Education and Protection Fund Authority account. **During the financial year 2023-24, the company was not required to transfer unpaid or unclaimed dividend amounts to the Investor Education and Protection Fund (IEPF), as the specified time frame of seven years has not yet elapsed.**

Members who have not encashed the dividend warrants / demand drafts so far in respect of the unclaimed and unpaid dividends declared by the Company for the Financial Year 2020-21 and thereafter, are requested to make their claims without any delay to the Company's Registrar and Transfer Agent M/s. Aarthi Consultants Private Limited, at email id info@aarthiconsultants.com by providing folio no and other necessary details for the unclaimed dividend as mentioned in the below table. Pursuant to the provisions of IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company www.cigniti.com, as also on the website of the Ministry of Corporate AffaiRs

Financial Year	Rate of Dividend	Date of Declaration of Dividend	Due date to claim the Dividend
2023-24	Rs 3/- per share	03.11.2023	08.12.2030
2022-23	Rs 2.50/- per share	16.06.2023	21.07.2030
2022-23	Rs 3.00/- per share	16.06.2023	21.07.2030
2021-22	Rs 2.50/- per share	23.06.2022	28.062029
2020-21	Rs 2.50/- per share	04.06.2021	09.07.2028

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. Our directors bring essential qualifications and experience in general corporate management, strategy, finance, administration, and other related fields, allowing them to contribute effectively to the Company. None of the Directors are disqualified under the provisions of the Companies Act, 2013, or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure III of this report.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the key Managerial Personnel (KMP) of the Company as on March 31, 2024 :

a) Mr. C. Srikanth- Executive Director & Chief Executive Officer

b) Mr. Krishnan Venkatachary, Chief Financial Officer

c) Ms Naga Vasudha- Company Secretary and Compliance Officer.

CHANGES IN THE STATUS OF KMPS DURING THE YEAR:

During the year 2023-24, the following changes have occurred in the key managerial personnel of the company:

1. Mr. C.V. Subramanyam (DIN: 00071378) resigned as Managing Director effective from November 3, 2023, and continued as Non-Executive Director.
2. Mr. C. Srikanth (DIN: 06441390), previously a Non-Executive Director, was appointed as Executive Director & Chief Executive Officer effective from January 20, 2024.

CHANGES IN DIRECTORS

Mr. Srinivasa Rao Kandula (DIN: 07412426) who was appointed as additional director of the company by Board of Directors wef 31.03.2023, has withdrawn his consent to be appointed as a Whole-time Director due to personal reasons.

Mr. K. Ch. Subba Rao (DIN: 01685123), a Non-Executive Director of the Company, was proposed for retirement by rotation by the Board of Directors at the 25th Annual General Meeting. However, shareholders did not approve this proposal, leading to his subsequent vacating of the Director's office.

Mr. C.V. Subramanyam (DIN: 00071378) who was proposed to be appointed as Chairman & Managing Director for another term, has withdrawn his consent to be reappointed as Managing Director and continued as Non-executive Director w.e.f. 1st July, 2023. Following this, the company received a requisition from eligible members for his appointment as Chairman & Managing Director for another period, but the special resolution did not attain the requisite majority. Later, another requisition was received from eligible shareholders for his appointment to the same position for a five-year term, which was approved by the members on October 13, 2023. However, on November 3, 2023, Mr. C.V. Subramanyam resigned as Managing Director and continued as Chairman & Non-Executive Director.

The Board of Directors has appointed Mr. C. Srikanth (DIN: 06441390) who is a Non-Executive Director as an Executive Director & Chief Executive Officer of the company w.e.f. January 20, 2024 which was approved by the shareholders at their Extraordinary General Meeting held on March 7, 2024. Mr. Srikanth also serves as a Director and Chief Executive officer of, Cigniti Technologies Inc a wholly owned subsidiary. The members subsequently approved this appointment

Upon receipt of the requisition u/s. 160 of the Companies Act, 2013 proposing Mr. Sudhakar Pennam (DIN: 05350817) as a Non-Executive Director for a five-year term and the same was approved by the shareholders at their Extraordinary General Meeting held on March 7, 2024 and appointed Mr.Sudhakar Pennam as a Non-Executive Director for a five-year term.

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

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

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

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

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

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

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

The details of familiarisation programme held in FY 2023-24 are also disclosed on the Company's website at https://www.cigniti.com/investors/familiarisation programme

BOARD MEETINGS

During the Financial Year 2023-24 , eleven (11) Board meetings of the Company were convened and held in accordance with the provisions of the Act and the details of which are given in the Corporate Governance Report.

COMMITTEES OF THE BOARD

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship

Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee and Business Responsibility Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance - of these Committees during the year have been enumerated in Corporate Governance report which forms part of the annual report.

AUDIT COMMITTEE RECOMMENDATIONS:

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

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

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

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of Independent Directors, performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc..

The evaluation process has been explained in the Corporate Governance Report, which forms part of this annual report.

PARTICULARS OF EMPLOYEES

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

DIRECTORS RESPONSIBILITY STATEMENT:

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

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

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

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

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

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

DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024.

During the review period, these controls were tested, and no material weaknesses in design or operation were identified. Furthermore, no significant issues concerning the efficiency or adequacy of these controls were noted.

NO FRAUDS REPORTED BY STATUTORY AUDITORS

During the Financial Year 2023-24, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards Ind AS-10 and Ind AS-28 on consolidated financial statements, your Directors have provided the consolidated financial statements for the financial year ended March 31, 2024 which forms part of the Annual Report.

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

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

Foreign WOS:

1. **Cigniti Technologies Inc., USA,**
2. **Cigniti Technologies (Canada) Inc., Canada**
3. **Cigniti Technologies (UK) Limited, UK**
4. **Cigniti Technologies (Australia) Pty. Limited, Australia**
5. **Cigniti Technologies (SG) PTE. Limited, Singapore**
6. **Cigniti Technologies (CZ) Limited s.r.o. , Czech Republic**
7. **Cigniti Technologies CR LIMITADA , Costa Rica**
8. **Roundsqr Pty Ltd,. Australia**

Indian WOS:

1. **Gallop Solutions Private Limited**
2. **Aparaa Digital Private limited**

Foreign Branch:

1. **Cigniti Technologies Limited, South Africa**
2. **Cigniti Technologies Limited, Dubai**

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

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

PUBLIC DEPOSITS

The Company has not accepted any public deposits during the Financial Year ended March 31, 2024 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2024, there are no instances of non-compliance with the requirements of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees or investments made under section 186 of the companies Act, 2013 are given in the note No. 4 to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the year ended March 31, 2024, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in Note No.37 to the Annual Accounts. In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

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

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

CORPORATE SOCIAL RESPONSIBILITY POLICY ("CSR")

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

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

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

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

A. Conservation of Energy:

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

B. Technology Absorption:

Your company is a leading global provider of AI and IP-led Digital Assurance and Engineering services. We assist companies worldwide in accelerating their digital transformation, helping them become digital-first. We are committed to being client-centric and growth-oriented, delivering comprehensive and integrated solutions that are desirable, viable, and feasible for our global clients. By staying at the cutting edge of emerging technologies and leveraging these advancements, we aim to deliver significant business value. Our emphasis on innovation, design thinking, and emerging technology trends allows us to harness these developments for substantial business benefits.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: ₹ 77603.51 Lakhs

Foreign Exchange Outgo: ₹ 926.66 Lakhs

RISK MANAGEMENT POLICY

The Board of Directors of the Company has a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behavior. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The policy provides for adequate safeguards against the victimisation of the director(s)/employee(s) who avail the vigil mechanism. The details of establishment of such mechanism has been disclosed on the website www.cigniti.com.

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

The Policy for determining the material subsidiaries of the Company is in terms of the amendments in the SEBI Listing Obligations & Disclosure Regulations, 2015. The said Policy is available on the Website of the Company at https://www.cigniti. com/

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

STATUTORY AUDIT AND AUDITORS REPORT

The members of the Company at their Annual General Meeting held on 23rd June, 2022 have appointed M/s. S R Batiliboi & Associates, LLP, as statutory auditors of the Company to hold office until the conclusion of 29th Annual General meeting of the Company. The Auditors' Report for FY 2023-2024 does not contain any qualification, reservation or adverse remark except observations that daily back up of books of accounts are maintained in servers location outside India and absence of controls on audit trial in Service Organization controls report. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for both Standalone and Consolidated audited financial results of the Company for the Financial Year ended March 31, 2024 from the statutory auditors of the Company.

Management Explanation to Statutory Auditor observations

The Management is working with Vendors to comply with audit requirements of maintaining daily-back ups of books of accounts in servers located in India and ensure audit trial feature is enabled in the accounting software.

INTERNAL AUDITORS

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company has appointed M/s. BDO India LLP, Chartered Accountants, Hyderabad as Internal Auditors for the Financial Year 2023-24.

The Internal Audit teams monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on their reports, the corrective actions in respective areas are taken to strengthen the controls. Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board. There are no significant audit observations made by Internal Auditors.

COST RECORDS AND COST AUDIT

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

SECRETARIAL AUDITOR & AUDIT REPORT

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors have appointed M/s. P. S. Rao & Associates, Practicing Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2024.

The Secretarial Audit Report issued by M/s. P. S. Rao & Associates; Practicing Company Secretaries in Form MR-3 is annexed to this Board's Report as Annexure – VII.

Directors Explanation to Secretarial Auditor observations

In previous years, the Company made foreign investments in Cigniti Technologies Inc., USA, and Cigniti Technologies (Canada) Inc., Canada, without obtaining the necessary ODI/UIN from the Reserve Bank of India (RBI). As a result, the Company was unable to submit the required Annual Performance Reports (APRs) for these subsidiaries. To address this issue, the Company is actively working on obtaining the Unique Identification Numbers (UIN) from the RBI for the aforementioned investments. Once the UINs are obtained, the Company will promptly file the pending APRs. Additionally, in compliance with the provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Company recognizes the need to submit a declaration regarding the issuance of shares to an overseas employee under the Company's Employee Stock Option Plan (ESOP). The Company has already submitted an application to the RBI to compound these procedural lapses and is awaiting the outcome.

Furthermore, the Company received a show cause notice dated September 4, 2023, from the Enforcement Directorate. The notice required the Company to explain why an inquiry should not be held and penalties imposed for certain contraventions under FEMA. These contraventions include the issuance of shares to a resident entity against funds received from an overseas entity and delays in filing requisite documents. The Company has responded to the notice and has also applied to the RBI for compounding these delays.

The Board assures that all necessary steps are being taken to comply with the regulatory requirements and to regularize these procedural lapses. The Company remains committed to adhering to all statutory obligations and ensuring transparent communication with regulatory authorities.

ANNUAL RETURN

As required, pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 every company shall place the copy of annual return on the website of the Company, if any and shall provide the web-link of the same in this report. Since the Company has a website the Annual return is uploaded on the website of the Company at https://www.cigniti.com/investors/Annual Return

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to Regulation 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Business Responsibility Report for 2023-24 describing various initiatives taken by the Company on social, environmental and governance perspective, is attached at **Annexure-VI** which forms part of this report.

The BRSR indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the Members to have an insight into Environmental, Social and Governance initiatives of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

INSURANCE

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

CORPORATE GOVERNANCE

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

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

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

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

CEO/CFO CERTIFICATION

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

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

The Company has a Policy on Prevention of Sexual Harassment of Women at the workplace, in line with The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The Company believes in providing all employees a congenial work atmosphere, which is free from discrimination and harassment, without regard to caste, religion, marital status, gender, sexual orientation, etc. During the year, the Company conducted 153 awareness programs and workshops at all locations. Employees are required to attend compulsory awareness and training program on POSH on our virtual learning platform.

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

S. No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on Sexual harassment received	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programme against sexual harassment carried out	153
5	Nature of action taken by the employer or district officer	Not Applicable

OTHER DISCLOSURES:

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

a. **The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.**

b. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

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

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

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ACKNOWLEDGEMENTS:

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

For and on behalf of the Board
Cigniti Technologies Limited

Sd/-
C.V. Subramanyam
Chairman & Non Executive Director
DIN: 00071378

Place: Hyderabad
Date: 1st May, 2024

ADDENDUM TO THE BOARD REPORT - 2023-24

TO THE SHAREHOLDERS OF THE COMPANY

Addendum to the Board Report

1. According to the terms of the Share Purchase Agreement dated 2nd May 2024 between the Company, the promoters and members of the promoter group of the Company, and Coforge Limited, the Board was reconstituted effective 6th July 2024. Consequently, the following directors were appointed as Additional Directors, and all existing directors, except Mr. C.V. Subramanyam, resigned from their positions effective 6th July 2024. Management is in the process of seeking shareholder approval for the regularization of the new Board members through a Postal Ballot. The details of the newly appointed directors, along with the explanatory statement as required under section 102 of the Companies Act 2013, are included in the Postal Ballot notice dated 6th July 2024 and dispatched to shareholders through e-mail on 7th August, 2024. The details of the newly appointed directors as of the date of signing this addendum are as follows:

Sl NO	Name	DIN	Designation
1	Mr. Pankaj Khanna	09157176	Executive Director
2	Mr. Sudhir Singh	07080613	Non-Executive Director
3	Mr. Durgesh Kumar Singh	10485073	Independent Director
4	Mr. Manish Sarraf	06415662	Independent Director
5	Ms. Mohua Sengupta	09092519	Independent Director

2. In accordance with the Share Purchase Agreement dated May 2, 2024, between the Company, its promoters, and the members of the promoter group and Coforge Limited (Acquirer) , Coforge has been disclosed as the acquirer in the Public Announcement dated May 2, 2024, the Detailed Public Statement dated May 8, 2024, and the Draft Letter of Offer dated May 16, 2024. Further the Competition Commission of India approved the proposed acquisition videa its letter dated June 25, 2024, under subsection (1) of Section 31 of the Competition Act, 2002. Subsequently, Coforge Limited has acquired 76,39,492 equity shares (27.98% of the total number of equity shares of the Company), representing a 28% stake in the company, subject to compliance with applicable SEBI regulations, thereby gaining a controlling interest in the company. Additionally, the Acquirer has submitted a draft letter of offer dated May 16, 2024, to SEBI, which is currently under review.

For and on behalf of the Board
Cigniti Technologies Limited

Sd/-
C.V. Subramanyam
Chairman & Non-Executive Director
DIN: 00071378

Place: Hyderabad
Date: 17th August 2024

Annexure -I

AOC-1

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

(Amount in INR)

Name of the Subsidiary	Cigniti Technologies Inc; USA	Cigniti Technologies (UK)Ltd	Cigniti Technologies (Australia) Pty Ltd	Cigniti Technologies (Canada) Ltd	Cigniti Technologies (SG) Pte. Ltd	Cigniti Technologies (CZ) Limited s.r.o	Cigniti Technologies CR Limitada, Costa Rica	Gallop Solutions Private Limited	Aparaa Digital Pvt Limited
Financial period ended	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**	**31st March 2024**
Exchange Rate	83.38	105.23	54.33	61.58	61.80	3.57	0.1657	1	1
Share Capital	33,607,240	89,972,610	46,994,034	62	62	17,827	1,820	100,000	442,480
Reserves & Surplus	2,273,013,419	74,931,197	(99,514,513)	138,651,751	(12,785,136)	(52,789,468)	(8,270,446)	5,708,598	4,203,484
Total Assets	4,039,645,596	686,995,368	84,487,570	351,219,144	21,629	10,077,909	627,291	5,928,673	27,157,336
Total Liabilities	1,733,024,937	522,091,561	137,008,049	212,567,331	12,806,703	62,849,550	8,897,736	120,075	22,511,373
Investments	25,014,901	-	-	-	-	-	-	-	-
Turnover	14,337,261,640	1,539,000,697	364,640,562	1,107,492,885	-	44,169,619	-	2,081	22,804,499
Profit/(Loss) before Tax	864,499,362	76,969,033	18,381,703	55,392,171	(427,931)	(10,270,751)	(7,921,632)	(26,318)	(7,105,273)
Provision for Taxation	219,693,204	9,482,992	-	16,584,609	-	-	-	-	-
Profit/(Loss) After Tax	644,806,158	67,486,041	18,381,703	38,807,562	(427,931)	(10,270,751)	(7,921,632)	(26,318)	(7,105,273)
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%

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

Annexure-II

AOC-2

Particulars of contracts / arrangements made with related parties

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

This Form pertains to the disclosure of particulars of contracts / arrangements entered by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

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

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

   The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2024, are as follows:

   (i) Contracts with Wholly owned Subsidiary Companies

Name of related party	Nature of relationship	Duration of Contract	Salient terms (1)	Amount (Rs in ` Lakhs)
Cigniti Technologies Inc; USA	Wholly Owned Subsidiary	Running contract	All type of support services by the holding Company are at cost plus mark up: • Testing Services • Human resources services • Financial & Accounting support services • Legal & Compliance • Other:	59,104.91
Cigniti Technologies (UK) Limited	Wholly Owned Subsidiary	Running contract		7,432.36
Cigniti Technologies (Australia) Pty Limited	Wholly Owned Subsidiary	Running contract		697.85
Cigniti Technologies (Canada) Inc	Wholly Owned Subsidiary	Running contract		2,782.55
Aparaa Digital Private. Ltd, India	Wholly Owned Subsidiary	Running contract	Provision of any other services as may be agreed in writing between the Parties from time to time	216.30

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

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

The aforesaid contracts are approved by the Board in their meeting held on 02.05.2023.

Annexure-III

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

Sl. No	Disclosure requirement	Disclosure Details	
i.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	Executive Directors	Ratio to median remuneration
		Mr. C.V. Subramanyam@	NA
		Mr. C. Srikanth*	
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year	Directors, Chief Executive Officer, Chief Financial officer and Company Secretary	% increase in remuneration in the financial year
		Mr. C.V.Subramanyam@	-
		Mr. C. Srikanth*	-
		Mr. Krishnan Venkatachary	20.75%
		Mrs Naga Vasudha	19.16%

@ Mr. CV Subramanyam was resigned as Managing Director wef 03.11.2023, Remuneration received in FY 2024 (for part of the year)is not comparable with remuneration for FY 2023 and hence not stated

**Mr. C.Srikanth appointed as Executive Director & CEO wef 20.01.2024 & part year was drawing remuneration from Wholly Owned Subsidiary Company i.e. Cigniti Technologies Inc; USA. Hence comparison cannot be made.*

iii. **Percentage increase/ (decrease) in the median remuneration of employees in the financial year 2023-24 –** 18.35%

iv. **Number of permanent employees on the rolls of the company as on March 31, 2024:** 3896

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

Not Applicable as Mr. CV Subramanyam was resigned as Managing Director wef 03.11.2023, Remuneration received in FY 2024 (for part of the year)is not comparable with remuneration for FY 2023 and hence not stated

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

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

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

The Company is in compliance with its remuneration policy.

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

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

S. No	Name of the Employee	Designation	Age & Experience in yrs	Date of Joining	Remuneration per anum (Rs In lakhs)	Previous Employment & Designation
1.	Nanda Kishore Padmaraju	Senior Vice President, Sales	Age:47 Exp:23	02-05-2014	220.47	App Labs, AVP
2.	Krishnan Venkatachary*	Chief Financial Officer	Age:58 Exp:36	08-06-2015	208.78	Yashoda Hospitals, CFO
3.	Jaya Raghuram K*	Executive VP, Delivery	Age:48 Exp:24	20-08-2014	203.27	Accenture, Senior Manager
4.	Kiran Kuchimanchi	President-DES	Age:50 Exp:20	02-11-2018	163.98	Aparaa Digital, Director
5.	Sairamprabhu Vedam*	Chief Marketing Officer	Age:46 Exp:24	27-01-2022	143.09	Innominds, Chief Marketing officer
6.	Urmila Markili*	President, Corporate Services	Age:58 Exp:25	01-08-1998	140.08	Senior Vice President
7.	R. Jagdish Kumar*	Senior Vice President, ICT	Age:56 Exp:26	05-02-2015	136.39	JDA, Vice President
8.	Veera Reddy Patlolla*	Senior Vice President & Global Head, Human Resources	Age:41 Exp:18	16-12-2019	112.87	VP, Genpact
9.	Sundara Rao Behata*	Senior Vice President-Finance	Age:60 Exp:34	05-04-2012	111.72	Vice President Finance, Cheminnova Industries
10.	Rajesh Sarangapani	Senior Vice President	Age:48 Exp:24	20-08-2014	109.82	Accenture, Senior Manager

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

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

(iii) Particulars of employees drawing remuneration aggregating to Rs1.02 crores per anum employed during the year 2023-24 and employees drawing remuneration to Rs8.5 lakhs per month employed for the part of financial year.

S.No	Name of the Employee	Designation	Remuneration per anum (RS in lakhs)
1.	NANDA KISHORE PADMARAJU	Senior Vice President, Sales	220.47
2.	KRISHNAN VENKATACHARY*	Chief Financial Officer	208.78
3.	JAYA RAGHURAM K*	Executive Vice President, Delivery	203.27
4.	KIRAN KUCHIMANCHI	President-DES	163.98
5.	SAIRAMPRABHU VEDAM*	Chief Marketing Officer	143.09
6.	M. URMILA*	President	140.08
7.	JAGDISH KUMAR RAVULAPALLI*	Senior Vice President, ICT	136.39
8.	VEERA REDDY PATLOLLA*	Senior Vice President & Global Head, Human Resources	112.87
9.	SUNDARA RAO BEHTA*	Senior Vice President-Finance	111.72
10.	RAJESH SARANGAPANI	Executive Vice President, Sales	109.82
11.	ASEERVADAM GANDHAM	Senior Vice President, DES	105.78
12.	VENKATESWARA RAO KOVVURI	Vice President Global Delivery	102.43

NOTE*

The above remuneration of employees does not include service recognition bonus for which provision of Rs.163.20 lakhs is made and as disclosed in Note.25 of Standalone financial statements for the year ended 31st March, 2024.

Annexure-IV

Disclosures pursuant to regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are summarised as below:

Sr.No	Particulars	ESOP Scheme 2014(I)	ESOP Scheme 2015
1.	The Board of Directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is in compliance with the regulations	There is no material change in the scheme during the financial year 2023-24 and the scheme is in compliance with the regulations.	There is no material change in the scheme during the financial year 2023-24 and the scheme is in compliance with the regulations.
2.	Further, the following details, inter alia, shall be disclosed on the Company's website and a web-link thereto shall be provided in the report of Board of Directors.		
A.	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:	Disclosed in Page no.246 & 247 (Note 2.2(N)) and Disclosed in Page 274 & 275 (Note 33) - Notes to Standalone Financial Statements of the Company for the financial year ended on March 31, 2024.	Disclosed in Page no.246 & 247 (Note 2.2(N)) and Disclosed in Page 274 & 275 (Note 33) - Notes to Standalone Financial Statements of the Company for the financial year ended on March 31, 2024.
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time:	Disclosed in Page 271, Note 33 of the Standalone Financial Statements and in Page 204, Note 30 of the Consolidated Financial Statements for the financial year ended on March 31, 2024.	Disclosed in Page 271, Note 33 of the Standalone Financial Statements and in Page 204, Note 30 of the Consolidated Financial Statements for the financial year ended on March 31, 2024.
C.	Details related to ESOP:		
	(i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -		
	(a) Date of Shareholder's Approval	09.07.2014	30.09.2015
	(b) Total number of options approved under ESOS	20,00,000	5,00,000
	(c) Vesting requirements	Minimum of 1 year and maximum of 5 years from the date of Grant of options	As per respective Grant letters
	(d) Exercise price or pricing formula	Grant Price is the face value of the Equity shares of the Company, i.e., Rs.10/-	Market price as defined in SEBI (Share Based Employee Benefits) Regulations, 2014
	(e) Maximum term of options granted	As per respective Grant letters	As per respective Grant letters
	(f) Source of shares (primary, secondary or combination)	Primary	Primary
	(g) Variation in terms of options	No variation in the scheme during financial 2023-24	No variation in the scheme during financial 2023-24

Sr.No	Particulars	ESOP Scheme 2014(I)	ESOP Scheme 2015
	(ii) Method used to account for ESOS - Intrinsic or fair value.	Fair Value	Fair Value
	(iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable	Not Applicable
	(iv) Option movement during the year (For each ESOS):		
	a. Number of options outstanding at the beginning of the period	75,000	2,15,000
	b. Number of options granted during the year	Nil	Nil
	c. Number of options forfeited / lapsed during the year	Nil	Nil
	d. Number of options vested during the year	28125	100000
	e. Number of options exercised during the year	28125	15000
	f. Number of shares arising as a result of exercise of options	28125	15000
	g. Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 281250	RS. 36,00,000
	h. Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable
	i. Number of options outstanding at the end of the year	46875	200000
	j. Number of options exercisable at the end of the year	Nil	100000
	(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	The weighted Average exercise price is Rs. 10/- whereas the weighted average fair value is Rs. 462.73/-	The weighted Average exercise price is Rs. 394/- whereas the weighted average fair value is Rs. 190.99/-
	(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -		

Sr.No	Particulars	ESOP Scheme 2014(I)	ESOP Scheme 2015
	a. senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	N.A. as no options were granted during the year	N.A. as no options were granted during the year
	b. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	Nil	Nil
	c. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil	Nil
	(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The Black Scholes option pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.	
	a. the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Not Applicable as there are no options granted during the year.	
	b. the method used and the assumptions made to incorporate the effects of expected early exercise;		
	c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and		
	d. whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.		

By of the Board of Directors
For Cigniti Technologies Limited

Place: Hyderabad
Date: May 1, 2024

Sd/-
C V Subramanyam
Chairman & Non-Executive Director
DIN: 00071378

Annexure-V

MANAGEMENT DISCUSSION AND ANALYSIS

Cigniti Overview

Cigniti Technologies Limited is the world's leading AI & IP-led Digital Assurance and Digital Engineering Services Company. Our 4200 + employees across 25 countries help Fortune 500 & Global 2000 enterprises accelerate their digital transformation journey, providing transformation services leveraging IP & Platform-led innovation. We provide expertise across multiple verticals and domains and assure automation, acceleration, and engineering excellence.

We are uniquely positioned to be a niche quality-first Digital Engineering services company leveraging deep capabilities in AI & IP-led acceleration that help us offer a highly differentiated Digital Services stack to our customers, helping them win the Digital landscape. We call it "Digital Done Right™."

As a Digital Assurance leader, Cigniti is well positioned today to have a substantial share of wallet from our large existing enterprise customers to offer a gamut of digital transformation services through technology-led offerings. Our digital assurance services include AI-infused Quality Assurance and Engineering, Artificial Intelligence Testing, Big Data & Analytics Testing, Blockchain Testing, Security Assurance, IoT Testing, Robotic Process Automation (RPA), and full cycle software quality engineering and assurance services, including DevOps, Test Automation, Omnichannel Functional, Performance, and Security testing, and business assurance.

Our AI-led digital engineering services cover data engineering, software products & platform engineering, cloud, FinOps, and digital product engineering, AI/ML engineering, intelligent automation, big data analytics, blockchain development services, and advisory transformation services, including Programmatic Innovation, Agile, and DevOps transformation.

Our IP, next-gen quality engineering platform, BlueSwan™, accelerates the quality engineering initiatives of global companies. In contrast, Zastra™, an active learning-enabled Computer Vision-based annotation platform, enables AI-led digital outcomes of credible, measurable impact for clients. iNSta™, a low Code/No Code test automation with a self-healing, AI-powered Scriptless test automation platform, helps clients achieve results faster and reduces the time-to-market.

Cigniti considers industry verticals as its go-to-market business segments. Retail and E-commerce and Banking, Financial Services & Insurance (BFSI) continue to be our top revenue-generating industry domains, along with Travel, Transportation and Hospitality, Healthcare and Life Sciences, Power & Utilities, and others.

Cigniti's deeper investments into labs across Mobile, IoT, Performance, Energy & Utilities, and Computer Vision and AI have delivered significant breakthrough innovation and disruptive outcomes to our clients.

We are headquartered in Hyderabad, India, with our global offices spread across the USA, the UK, UAE, Australia, South Africa, the Czech Republic, Singapore and Costa Rica.

Quick Facts:

- 4200+ experienced professionals
- 60+ Fortune 500 companies trust Cigniti, as well as 80+ Global 2000 enterprises
- In the FY'24, Cigniti won large multi-million-dollar deals across BFSI, Retail & E-commerce, HCLS, and Power & Utilities
- We expanded our Global Footprint with Nearshore Delivery Center in Costa Rica, Central America

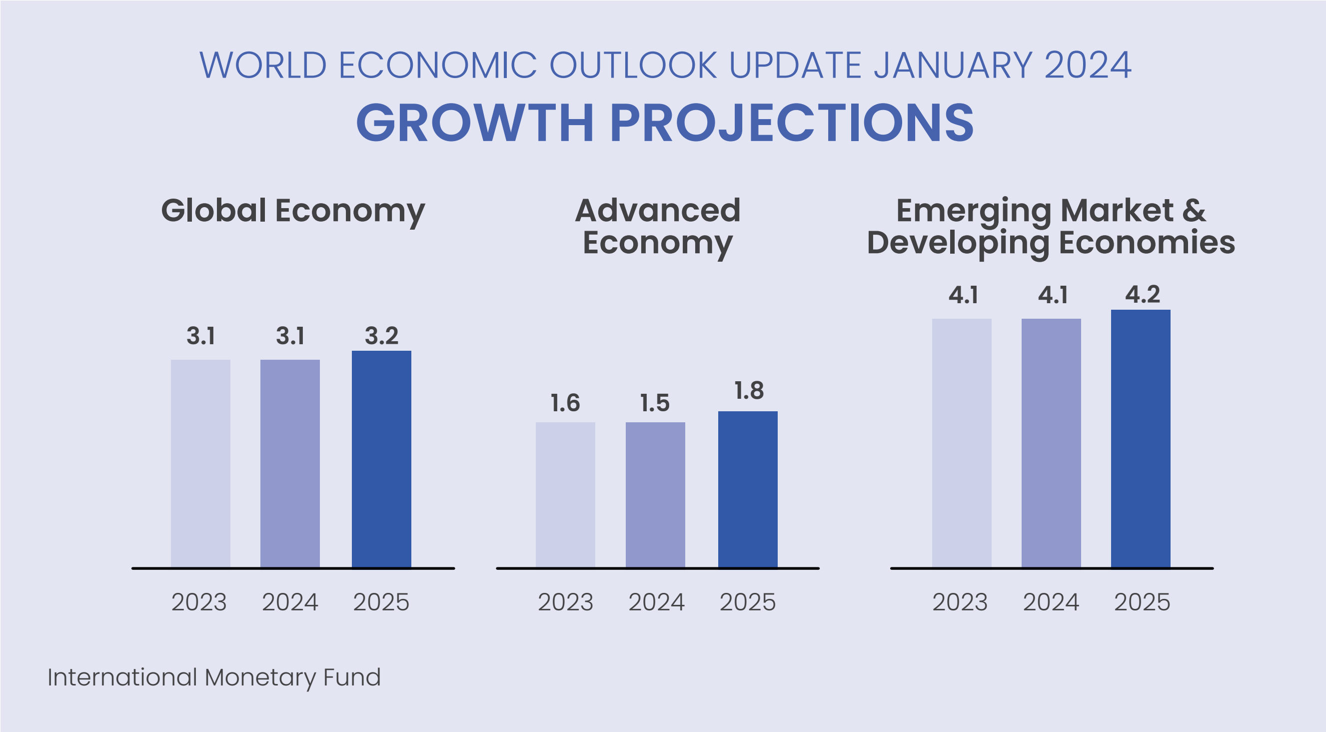
Global Economic Outlook: Moderating Inflation and Steady Growth

The global economy in 2024 presents a picture of cautious optimism. While major institutions like the IMF and OECD forecast continued growth of around 3.2% for the next two years, this is a slower pace compared to pre-pandemic levels. This growth will be unevenly distributed, with advanced economies like the US and Europe experiencing a slight uptick, while emerging markets, particularly powerhouses like China and India, might see a modest decline from 2023's figures.

The outlook is not without its risks. Geopolitical tensions, especially ongoing conflicts, could disrupt energy markets and supply chains, further hindering economic activity. Additionally, central banks raising interest rates to combat inflation might inadvertently dampen economic growth. Businesses need to be prepared for this delicate balancing act.

One bright spot is the anticipated gradual decline in inflation. From a peak of 6.8% in 2023, global inflation is expected to fall to around 4.4% by 2025. However, this decrease won't be uniform. Advanced economies, with their tighter monetary policies, are likely to reach their inflation targets sooner while developing economies might take longer to tame price hikes.

Also, advanced economies may experience benefits from artificial intelligence sooner than emerging market and developing economies, largely because their employment structures are more focused on



cognitive-intensive roles. For emerging markets and developing economies with constrained policy environments, faster progress on implementing supply-enhancing reforms could result in greater-than-expected domestic and foreign investment and productivity and faster convergence to higher income levels.

Global IT Industry Outlook

The global IT market in 2024 is mirroring the broader economic climate, with expectations of steady but measured growth. Gartner predicts that IT services will continue to see an increase in growth in 2024, becoming the largest segment of IT spending for the first time.

Spending on IT services is expected to grow 8.7% in 2024, reaching $1.5 trillion. This is mainly due to enterprises investing in organizational efficiency and optimization projects. These investments will be crucial during this period of economic uncertainty.

	2023 Spending	2023 Growth (%)	2024 Spending	2024 Growth (%)
Data Center Systems	243.063	7.1	261,332	7.5
Devices	699,791	-8.7	732,287	4.6
Software	913,334	12.4	1,029,421	12.7
IT Services	1,381,832	5.8	1,501,365	8.7
Communications Services	1,440,827	1.5	1,473,314	2.3
Overall IT	**4,678,847**	**3.3**	**4,997,718**	**6.98**

Source: Gartner (January 2024)

Fig: Worldwide IT Spending Forecast (USD in Millions)

Businesses are taking a more strategic approach to IT spending. Companies are looking to maximize the return on existing technology investments and explore cost-effective solutions. Cloud computing, with its flexible pricing models, is expected to remain a significant driver in this cost-conscious environment.

Software and services are expected to see the most substantial growth, fueled by the aforementioned strategic IT priorities and the ongoing digital transformation journey. Businesses across industries are seeking solutions that enhance automation, remote work capabilities, and data-driven decision-making. This creates fertile ground for software companies and service providers that can deliver on these needs.

Advancements in emerging technologies like artificial intelligence (AI), cloud computing, and the Internet of Things (IoT) will also create new opportunities for businesses and drive IT spending. While economic uncertainty and geopolitical tensions pose risks, the long-term outlook for the IT market remains positive, driven by the continuous need for digital transformation and advancements in emerging technologies.

Indian IT Industry Outlook

In the midst of global geopolitical tensions prompting a more cautious investment climate and delayed decision-making, India's technology industry revenue, including hardware, is projected to soar to $254 billion in FY2024, marking a 3.8% year-on-year growth, as per nasscom's report. Additionally, IT spending in the country is forecasted to reach $44 billion in 2024, reflecting an impressive 11% year-on-year increase, according to IDC. This upward trajectory is expected to continue, with spending accelerating at a (CAGR) of 9.9%, surpassing $59 billion by 2027, indicative of India's thriving digital economy.

Moreover, the outlook for AI spending is particularly robust, with a projected 35% growth this year. Notably, spending on generative AI is forecasted to contribute to overall AI investment in the country, increasing from 6% in 2024 to 26% by 2027, according to IDC's research findings.

Meanwhile, expenditures on devices experienced a 12% decline in 2023 but are poised to rebound with an 8% growth in 2024, fueled by investments in refresh cycles and the adoption of AI-enabled PCs, as highlighted by IDC analysts. Additionally, spending is expected to see notable growth in other sectors, including a 23% increase for app development and deployment, 17% for applications, 6% for IT services, and 16% for infrastructure-as-a-service.

Overall, despite global uncertainties, the Indian IT industry demonstrates resilience and robust growth potential, driven by ongoing technological advancements and a rapidly evolving digital landscape.

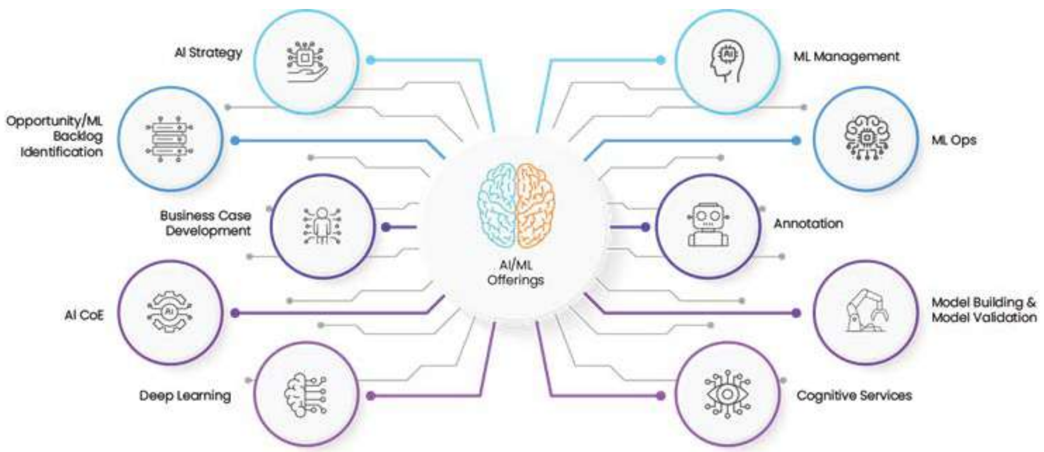
The Rise of Generative AI in Digital Landscape

Artificial intelligence is rapidly transforming industries, injecting intelligence and automation into every corner of the business world. However, within this revolution, a specific type of AI is poised to make a seismic impact: Generative AI (genAI). Technologies underpinning generative AI have been progressing at an unprecedented pace, in large part due to enormous investments from large technology companies and research labs.

In fact, genAI seems to be immune to the overall slowdown in venture capital investment, and well-funded startups continue to emerge and mature. Gartner predicts that by 2027, more than 50% of the genAI models that enterprises use will be specific to either an industry or business function — up from approximately 1% in 2023.

In today's digital landscape, where flawless digital experiences are paramount for businesses, the role of testing and assurance has never been more pivotal. Gartner predicts that "The AI-augmented software-testing market continues to evolve rapidly, fueled by innovations in AI - particularly generative AI. Software engineering leaders must act quickly to take advantage of increasing tool capabilities in software-testing, while also mitigating security and legal risks." In the same lines, an analyst from Forrester mentioned, "We need more testing, not less, with generative AI (genAI). Testing assets like documentation, test cases, test code, test self-healing, and smart bug triage are examples of how tester TuringBots can increase testers' productivity by 15% to 30%."

Cigniti is at the forefront of innovation in digital assurance and digital engineering, spearheading groundbreaking initiatives to enhance testing capabilities and ensure an unparalleled quality-first digital approach with AI-led Quality Engineering and Digital Assurance capabilities.



Our objective is to stay ahead with AI-augmented testing solutions that empower digital transformation, elevate software quality, enhance QE efficiency, and drive through intelligent automation to our Fortune 500 clientele. We are leveraging AI to deliver superior testing solutions. Our AI-based analytics go beyond traditional testing to analyze user experience (UX) and security. This helps companies identify and fix potential issues before they impact users, resulting in a more positive user experience and a more secure product.

Cigniti is actively investing in intellectual property (IP) to develop new AI-powered testing technologies. These include using computer vision to automatically pinpoint bugs from screenshots and integrating AI assistants throughout the development and testing process. Cigniti also offers specialized ML Assurance and Validation services. These services ensure the seamless deployment of AI, ML, and Generative AI models into production environments, mitigating risks and validating the efficacy of these advanced technologies. By combining rigorous testing methodologies with ML expertise, Cigniti enables organizations to confidently harness the transformative potential of AI, ML, and Generative AI solutions. Our iNSTa platform utilizes AI to automate test creation and maintenance. This frees up testers' time and allows them to focus on more strategic tasks.

Industry analysts recognize our AI & ML expertise as a disruptor in HFS's Horizon Report and a leader in Everest Group's Quality Engineering (QE) PEAK Matrix. Leveraging AI-based analytics and automation, Cigniti is at the forefront of innovation in digital assurance. From AI-driven analytics for UX and application security testing to next-gen automation tools like iNSTa, our offerings are poised to redefine the digital landscape.

As we navigate the complexities of the digital age, the convergence of AI and genAI presents unprecedented opportunities for digital assurance. Organizations must embrace AI-driven automation, upskill their workforce, and foster a culture of innovation to stay ahead of the curve. With Cigniti leading the charge, the future of digital assurance looks brighter than ever before.

Technology Trends on Rise: 2024

AI Augmented Development

Over the past decade, AI has captured considerable attention, and its integration into software engineering processes is poised to revolutionize the industry. According to Gartner, the adoption of AI technologies, including genAI and machine learning (ML), among software engineers is projected to soar. By 2028, it's expected that 75% of enterprise software engineers will utilize AI coding assistants, a substantial increase from the less than 10% seen in early 2023.

At Cigniti, we provide end-to-end AI/ML project services, including consulting, strategy, development, testing, deployment, and management. Our capabilities cover AI strategy, ML testing, model building, cognitive services, and deep learning. We also provide AI-infused Quality Engineering and Digital Assurance capabilities, delivering up to 80% reduction in automation maintenance effort and cost, zero execution failures, and 100% automated report validation setup. Our commitment to excellence is underscored by Cigniti being honored with the ISG Case Study Standout Award in the Education category for our pioneering work in developing AI/ML decision-making predictive models for a prominent non-profit organization based in the US.

Industry Cloud Platforms

According to Gartner's projections, by 2027, over half of all enterprises will leverage industry cloud platforms to expedite their business endeavors, marking a significant increase from the less than 15% observed in 2023. These platforms, known as Industry Cloud Platforms (ICPs), are custom-tailored cloud solutions designed specifically for particular industries and can be further customized to meet the unique requirements of individual organizations.

At Cigniti, we provide fast, secure, and smooth cloud migration assurance (CMA) services for mainstream applications with certified cloud professionals. A deep understanding of large-scale migration projects allows us to propose an optimal test strategy based on the migration methodologies being followed. Our Cloud Assurance Platform (CLAP), which has been built on top of BlueSwan™, provides comprehensive testing services across the migration lifecycle. The migration assurance platform is a differentiator that will help enterprises gain access to value-added services across the migration lifecycle by accelerating automation. We have Proven experience across cloud platforms with an understanding of enterprise applications such as AWS, Azure, Google Cloud & IBM Cloud.

Data Science & Machine Learning

Gartner states, "As machine learning adoption continues to multiply across industries, Data Science & Machine Learning is evolving from just focusing on predictive models toward a more democratized, dynamic and data-centric discipline." The evolution is marked by a shift from the traditional emphasis on predictive models. It signifies a broader and more accessible landscape for individuals and businesses, highlighting the democratization of machine learning and data science, where the focus extends beyond predictions to embrace the dynamic and rich possibilities inherent in the data.

By 2024, Gartner predicts 60% of data for AI will be synthetic to simulate reality and future scenarios and derisk AI, up from 1% in 2021. This surge replicates real-world scenarios intricately, providing a powerful means to anticipate and mitigate potential risks associated with AI systems. This trend accelerates the simulated datasets for enhanced AI capabilities and better reliability on the developed AI models.

The Convergence of Agile and DevOps Methodologies

The seamless integration of Agile and DevOps in software development represents a pivotal evolution, aligning with cutting-edge digital assurance trends. This dynamic convergence accelerates development speed, transforms organizational culture, and enhances responsiveness to evolving customer requirements in a fiercely competitive market. The reduced feedback loop fuels continuous improvement and aligns with the contemporary emphasis on innovation. In the rapidly evolving technological landscape of the unified approach of Agile and DevOps is a strategic necessity for companies aiming to thrive and stand out.

In DevOps will undergo a profound transformation. Automation will surge to unprecedented levels, revolutionizing development workflows and expediting deployment cycles. Continuous Integration and Continuous Delivery (CI/CD) pipelines will reach new heights of efficiency, enabling rapid and dependable software releases. DevOps will be synonymous with agility, allowing teams to respond swiftly to changing demands. Cigniti offers comprehensive DevOps services and expertise to help enterprises automate every stage of development and deployment with quality and security built into product development and delivery cycles. BlueSwan™, our IP-powered platform, transforms our DevOps transformation services. We are partnered with leading DevOps tools and platforms. AWS, Broadcom, Google Cloud, Query Surge, Azure DevOps.

Cybersecurity and Cyber Resilience

In 2024, cybersecurity will be a critical strategic priority beyond the IT department. Gartner predicts that by 2026, 70% of boards will have a cybersecurity expert. This shift allows organizations to move from reactive defense to seizing new opportunities with preparedness.

Organizations must understand the distinction between cybersecurity and cyber resilience. While cybersecurity focuses on prevention, resilience is gaining importance as it acknowledges that no security is foolproof. Achieving agile recovery with minimal data loss is a strategic priority for 2024. In tandem, aligning with digital assurance trends, organizations must aim to fortify their security measures, ensuring robust defense and swift recovery in the ever-evolving digital landscape.

In 2024, DevSecOps will experience a paradigm shift in integrating security into the development process. Security will no longer be seen as a separate function but an intrinsic part of the development lifecycle. Security tools and practices will be seamlessly integrated into CI/CD pipelines, enabling automated security checks throughout the software delivery process.

At Cigniti, we offer DevSecOps Consulting & Engineering services.

Our DevSecOps Consulting services help businesses standardize and integrate security into their software ecosystem. Our experienced consultants assess the current security posture of businesses, formulate strategies, and design tailored DevSecOps frameworks.

Our team of DevSecOps engineering experts helps design and build secure applications, which involves designing, building, and optimizing the technical aspects of DevSecOps (including automated security testing, continuous monitoring, and tool chain integration).

Navigating the Vertical Landscape

Verticals on the Rise

Worldwide enterprise IT spending across all industry markets is forecast to be 8.6% in 2024

and 9.0% over a five-year compound annual growth rate (CAGR), reaching $5.4 trillion by

2028. Among industry verticals, the growth rate is projected to be highest for power and utilities at a CAGR of 9.9%, followed by healthcare and life sciences at 9.5% and Insurance at 9.4%.

Power & Utilities:

Power and utilities domain is poised for a surge in IT spending, leading the growth among industry sectors.

Gartner predicts a significant increase of nearly 10% in 2024, exceeding $212 billion in constant dollars. This trend is expected to continue, with projections reaching $323 billion by 2028. The driving force behind this rise is the industry's heavy investment in IT and digital technologies to navigate a period of transformation.

In line with this, IFS highlights that the Energy, Utilities, and Resources (EU&R) sector remains steadfast in prioritizing digital transformation efforts to drive significant operational efficiencies, address escalating energy demands, and combat climate change. In 2024, we anticipate witnessing accelerated digitalization within the industry, characterized by the integration of comprehensive systems and the adoption of disruptive technologies like AI and automation. Additionally, cloud-based implementations of Asset Integrity Management (AIP) solutions are expected to dominate the market, distinguishing themselves from other asset-related software such as Enterprise Asset Management (EAM) and Asset Performance Management (APM).

Cigniti is aligning with the growing demand in this sector, as evidenced by ISG's recognition of Cigniti as a Product Challenger in North America and a Contender in Europe & Australia for Next-Gen IT Services in the ISG Provider Lens™ Power & Utilities – Services & Solutions report. Cigniti's Energy & Utilities CoE incorporates the multiple benefits of our specialized CoEs, such as those for Performance, Security, Automation, ERP, & Mobile COE, for offering a complete QA solution tailored to our customer needs.

Healthcare and Life Sciences

The healthcare and life sciences (HCLS) industry is another tech spending champion, projected to grow by a healthy 9.5% in 2024. This momentum is expected to continue with a five-year compound annual growth rate (CAGR) of 10.2%. This translates to a significant investment in modernizing technology and embracing digital-first approaches.

Similar to the power and utilities sector, HCLS is pouring money into software and IT services. Notably, there's a growing focus on cloud-based solutions like infrastructure as a service (IaaS) and cloud-managed services. Additionally, Gartner estimates that the investments are being made in consulting services, application implementation, data and analytics tools, industry-specific software, cybersecurity solutions, and even Artificial Intelligence.

Cigniti's Healthcare & Life Sciences Software Testing CoE, Hospital Clinical System Testing Expertise, EHR Experience, Cerner Testing Experience, and Epic Application Experience provide a competitive advantage in line with the positive outlook on the industry.

Insurance:

Gartner predicts a surge of 9.4% in 2024, reaching a projected total of $334.8 billion by 2028. This digital investment spree is driven by a focus on modernizing applications, migrating to the cloud, and embracing cutting-edge technologies like AI and machine learning. These investments tackle several challenges: outdated technology (often referred to as "technical debt"), a lack of skilled professionals, and the need for a more automated and personalized approach to insurance in the future. In simpler terms, insurance companies are getting a tech makeover to streamline operations, improve efficiency, and prepare for a future where technology plays a prominent role in customer service and risk management.

At Cigniti, we support global insurers in their digital transformation journey & help them deliver improved customer experience & gain competitive advantage. Cigniti's Insurance Domain Competency Group (DCG) offers customized & specialized QA & testing services with reusable test assets & repositories that help enterprises achieve successful digital transformation across SMAC stack with digital assurance services that provide enriched customer experience, move from their existing setup to become a high-maturity Agile DevOps organization and enhanced performance & security of apps that improve business outcomes.

Banking and Financial Services:

The BFSI industry's IT spending in 2024 presents a picture of cautious optimism with a focus on strategic IT spending that delivers clear Return on Investment (RoI). Gartner predicts a global IT spending increase of 6.8% in 2024, with a significant portion directed towards technologies like AI, cloud computing, and data analytics. Cloud computing is a major driver of IT spending globally in the BFSI sector. The benefits of scalability, security, and cost-efficiency are attracting many institutions to migrate their operations to the cloud. A report by IDC forecasts that worldwide spending on cloud services will reach $495 billion in 2024, with the BFSI sector being a significant adaptor. IT services providers that can deliver solutions that address these global needs are well-positioned to thrive in this evolving landscape.

Cigniti understands the need for banks and financial services to optimize IT spending in a potentially volatile economic climate. We are committed to providing cost-effective solutions that deliver tangible ROI. While the BFSI sector faces challenges, Cigniti remains a steadfast partner for our banking clients. We are confident that by strategically aligning our capabilities with the evolving IT needs, we can navigate this changing landscape together and ensure continued success for our global Fortune 500 clients.

Transportation:

Transportation firms continue to respond to the emerging needs of customers amid ongoing economic uncertainty. Gartner predicts global enterprise IT spending in the transportation industry is expected to see a five-year CAGR of 6.4%, reaching an estimated $148.8 billion by 2027.

Retail:

Amid challenging macroeconomic circumstances, retail enterprises are strategically channeling investments into IT modernization initiatives across their value chains. Their focus lies in enhancing customer experience through AI and data analytics, optimizing supply chains with IoT and automation, and seamlessly integrating e-commerce platforms. In line with this strategic direction, a 2023 study conducted by Gartner unveiled retail CIOs' intentions to boost their IT budgets by an average of 3.6% for that year.

This trend is anticipated to persist into 2024, with a particular emphasis on technologies addressing prevailing economic challenges and labor shortages within the industry.

Gartner forecasts that 91% of Retail IT leaders will prioritize AI implementation by 2026. Additionally, CIOs are ramping up investments in data analytics, cloud platforms, and application modernization tailored for the retail sector.

Cigniti recognizes the importance of agility in this dynamic market, offering cutting-edge technology solutions tailored to evolving consumer preferences. Our retail solutions enable businesses to align better with their end-user needs. From Food to Fashion to e-commerce, we have worked with top players in the industry on Digital Quality Engineering. Through our dedicated Retail and Digital Test Center of Excellence (TCoE) and Domain Competency Group (DCG), we've developed ready-to-use Enterprise Test Accelerators and solutions tailored to retail platforms, reducing testing efforts by over 70%. Cigniti's Retail TCoE places a strong emphasis on translating end users' requirements into actionable business opportunities, driving sustainable growth and innovation within the retail ecosystem.

Travel & Hospitality:

In 2024, the travel and hospitality industry is witnessing a promising outlook for IT investments, driven by a resurgence in travel demand and a strong focus on elevating guest experiences. According to IDC analysts, by 2026, 40% of enterprise hospitality and travel organizations will allocate over a quarter of their IT budgets towards achieving sustainability-focused goals and KPIs. Additionally, by 2025, IDC forecasts that 45% of in-person hospitality and travel bookings will originate from self-service channels, such as kiosks or personal mobile devices, resulting in a 10% reduction in labor costs. In response to these industry trends, Hotels and Hospitality providers will leverage data analytics and AI algorithms to understand guest preferences in unprecedented detail.

At Cigniti, our Domain Competency Group (DCG) has 450+ testers and Digital assurance specialists with deep experience who provide end-to-end assurance for travel and hospitality-based digital apps (including e-commerce, digital platforms, departure control, passenger management, operations, fleet management, etc.) that enhance customer experience.

Reflecting the growing industry demand, NelsonHall Recognizes Cigniti as a Leader in Overall Quality Engineering, AI & Cognitive Testing, Continuous Testing & Application Security Testing & a High Achiever in Cloud Migration Testing Capabilities.

Human Resources

Human resources play a critical role in our organization, ensuring our employees are empowered to achieve our business objectives. Our policies, processes, and practices attract, engage, empower, and retain the most talented individuals in the industry. Over the past year, our HR department has been focused on continuous process improvement, automation, and implementing innovative employee engagement strategies.

We place an increased emphasis on diversity, equity, and inclusion initiatives, recognizing the importance of creating a workplace culture that values and celebrates differences. We remain committed to investing in our employees' professional development, providing training opportunities and career advancement programs to support their growth within the organization. Detailed insights into our HR activities can be found on pages 30-35 of this year's report. Our HR policies, processes, and practices continue to evolve to attract and retain the best and brightest talent.

In addition to focusing on process reengineering, automation, and innovative employee engagement strategies, we have also made significant strides in promoting diversity, equity, and inclusion (DEI) across the organization. We are proud to have recently added DEI policies to our HR framework, which celebrate and promote diversity in all forms. Our commitment to women's empowerment continues to be a core focus, with ongoing efforts to support and advance women in the workplace. For a detailed overview of our HR activities over the past year, please refer to pages 30-35.

Corporate Social Responsibility:

The ethos of Project Cignificance, Cigniti's Corporate Social Responsibility initiative, is deeply embedded in our business framework and is aimed at fostering a positive influence within the communities where we operate and reside. Beyond our commitments to Education and Healthcare, we've integrated Sustainability into our core values. Here are some notable accomplishments from the year 2023:

- Engaged with over 3000 students across 9 schools, distributing ProGame: Coding Without Computers kits to empower 500 girls from government high schools in Hyderabad.
- Implemented technology-based learning interventions like 3 SMART classes, 2 STEM labs, a classroom library in 2 schools, and 4 kids development learning centers to enhance academic learning and spark student interest through interactive lessons.

- Witnessed a 44% increase in access to technology-based learning, rising from 21% to 65%.
- Adopted 20 specially-abled students for higher education and delivered 3000 notebooks and Telugu and English workbooks to students.
- Provided scholarships to female students from marginalized backgrounds pursuing MBBS and Nursing degrees, facilitating their access to education.
- Continued support for MNJ Institute of Oncology and Regional Cancer Institute by donating essential medical equipment and an electric buggy, amplifying services for underprivileged women battling cancer from marginalized communities.
- Conducted 1500 pediatric cardiac procedures at no cost as part of healthcare initiatives.
- Started climate reporting to enhance transparency in environmental impact data via the Carbon Disclosure Plan (CDP) platform.
- Planted 1000+ saplings and 6 environmental charities through the "Cignitree" initiative.

Risks and Concerns

The ongoing economic recession has led to uncertainties across markets, while the U.S. continues to contribute a major share of Cigniti's revenue. Cigniti is focusing on steadily expanding across geographies such as Europe & Asia Pacific and implementing strategies to enhance revenues from existing geographies. In addition to the U.S., Cigniti has offices in the UK, UAE, the Czech Republic, Singapore, South Africa, and Australia, which can help us diversify our revenue sources and weather potential market downturns. However, given the current economic climate, we need to remain vigilant and adaptive in our approach to continue adding new logos and deepening our client relationships across all geographies.

Internal Controls

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

Opportunities & Threats

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

Review of Financial Performance

Revenue for the current year was at Rs. 78,873 lakhs as against Rs. 69,664 lakhs in the previous year , increased by 13%.

EBITDA

The EBITDA for the year stood at Rs. 12,470 lakhs as against Rs. 14,527 lakhs in the previous year , decreased by 14%.

Earnings Per Share

The EPS (Basic) of the Company stood at Rs. 34.74 for the current year as against Rs. 37.06 in the previous year , decreased by 6%.

Profit After Tax

The Company has reported Profit After Tax (PAT) of RS.9,479 lakhs for the current year as against Rs. 10,172 lakhs in the previous year , decreased by 7%.

Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio	Current assets	Current liabilities	3.83	3.56	7%	
Debt- Equity Ratio	Total debt*	Shareholder's equity	0.10	0.11	-10%	
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Finance cost	Debt service = Interest & Lease Payments + Principal repayments	9.59	11.76	-18%	

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Return on equity ratio	Net profits after taxes	Average shareholder's equity	20%	25%	-19%	
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	6.52	7.46	-13%	
Trade payable turnover ratio	Other expenses + Employee benefit expense + Hired contractors cost	Average trade payables	23.74	34.12	-30%	Note (a)
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.04	2.34	-13%	
Net profit ratio	Net profit after taxes	Net sales = Total sales - sales return	12%	15%	-18%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total debt	23%	29%	-20%	
Return on investment#	Finance income	Time weighted average investment	9%	4%	110%	Note (b)

*Debt includes lease liabilities.

Mutual funds, ETFs, bonds and debentures are considered for the purpose of computing return on investments.

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Notes:

a) Change in ratio is due to increase in trade payables on account of accrual of long service rewards during the current year.

b) Change in ratio is due to increase in returns from investments in current year.

Annexure-VI

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Message from the Chairman & Non-Executive Director

I am pleased to present the Business Responsibility and Sustainability Report for the FY 2023-24. As we continue to advance our mission of delivering cutting-edge solutions to our clients, we remain committed to leveraging the latest digital technologies and solutions to help our clients go digital-first. Our dedicated team of professionals has worked tirelessly to develop and enhance our offerings, ensuring that we stay ahead of the curve in the digital space. We have also expanded our portfolio of products and services to meet the evolving needs of our customers while maintaining a strong focus on digital customer delight and client-centricity.

As much as we are passionate about solving clients' problems, we are also equally passionate about giving back to society. Corporate Social Responsibility has been a way of life of Cigniti's business strategy, and we embrace this responsibility to create a positive impact in the communities in which we work and live. Our key programs are driven by the valuable CSR agenda we've built over the years under the name 'Project Cignificance'. In addition to Education, we have broadened our CSR charter to Healthcare and Sustainability through its focused implementing programs, ensuring that our support reaches out to the neediest communities for their well-being. Collaboration with government agencies think tanks, educational institutions, and various community-based organizations has shaped our Corporate Social Responsibility projects to imbibe critical aspects like transparency, accountability, and reliability.

At Cigniti, we have taken steps to promote diversity and inclusion in the workplace and strive for a gender-neutral environment. Currently, our female-to-male ratio stands at 33%, and while we continue to work towards increasing diversity, our focus is now on achieving better representation of diversity in leadership positions of level 5 and above. We are pleased to see a positive impact on our retention policies and employee satisfaction, as indicated by the decline in voluntary attrition over the past year. Our efforts include employee-friendly policies, wellness workshops, rewards and recognition, and enhancing the overall employee experience.

Finally, I would like to express my gratitude to our shareholders, customers, and employees for their continued support and dedication towards responsible business conduct and we look forward to continuing to work together to achieve our shared goals.

Best Regards
C.V. Subramanyam
Chairman & Non-Executive Director

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L72200TG1998PLC030081
2.	Name of the Listed Entity	Cigniti Technologies Limited
3.	Year of Incorporation	1998
4.	Registered Office Address	Suit No.106 & 107, 6-3-456/C, MGR Estates Dwarakapuri Colony, Panjagutta, Hyderabad - 500082. Telangana State
5.	Corporate Address	6th Floor, ORION Block, "The V" (Ascendas), Plot No# 17, Software Units Layout, Madhapur, Hyderabad – 500 081.
6.	E-mail id	company.secretary@cigniti.com
7.	Telephone	+91 (040) 40382255
8.	Website	www.cigniti.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid up Capital (INR)	INR 2730.01 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
	Name	Mr. Sairam Vedam
	Designation	Chief Marketing Officer (CMO)
	Telephone number	+91 (040) 40382255
	E-mail id	cmo@cigniti.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report have been made on standalone basis.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products / Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Digital IT Services	We offer end-to-end Digital Assurance and Digital Engineering services to global enterprises across verticals	100%

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

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

III. Operations

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

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

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	5
International (No. of Countries)	24

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

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

c. A brief on types of customers

Cigniti is the world's leading AI & IP-led Digital Assurance and Digital Engineering services company. Headquartered in Hyderabad, India, Cigniti's 4200+ employees help Fortune 500 and Global 2000 enterprises across 24 countries accelerate their digital transformation journey across various stages of digital adoption and help them achieve market leadership by providing transformation services leveraging IP and platform-led innovation with expertise across multiple verticals and domains.

IV. Employees

20. Details as of the end of the Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	3896	2584	67%	1312	33%
2.	Other than Permanent (E)	310	206	66%	104	34%
3.	Total employees (D + E)	4206	2790	67%	1416	33%
WORKERS*						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total employees (F + G)	-	-	-	-	-

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1	1	100%	0	-
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total employees (D + E)	1	1	100%	0	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	15%
Key Management Personnel	2	1	50%

22. The turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10..8%	13.2%	11.7%	29.9%	26.1%	28.7%	33.2%	36.6%	34.3%

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

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

S. No.	Name of the holding/subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Cigniti Technologies Inc., USA	Subsidiary	100%	No
2.	Cigniti Technologies Canada Inc., Canada	Subsidiary	100%	No
3.	Cigniti Technologies (UK) Limited, UK	Subsidiary	100%	No
4.	Cigniti Technologies (Australia) Pty Ltd, Australia	Subsidiary	100%	No
5.	Cigniti Technologies (NZ) Ltd, New Zealand	Subsidiary	100%	No
6.	Cigniti Technologies (SG) Pte. Ltd., Singapore	Subsidiary	100%	No
7.	Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	Subsidiary	100%	No
8.	Cigniti Technologies CR Limitada,Costa Rica	Subsidiary	100%	No
9.	Gallop Solutions Private Limited, India	Subsidiary	100%	No
10.	Aparaa Digital Private Limited, India	Subsidiary	100%	No
11.	RoundSqr, Inc.,USA	Step down subsidiary (dissolved on January 30, 2023)	100%	No
12.	RoundSqr Pty Ltd., Australia	Step down subsidiary	100%	No

VI. CSR Details

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

    (ii) Turnover (in Rs.) 78872.73 Lakhs

    (iii) Net worth (in Rs.) 51078.67 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Y*	-	-	-	-	-	-
Investors (other than shareholder)	Y**	-	-	-	-	-	-
Shareholders	Y**	-	-	-	-	-	-
Employees and workers	Y***	-	-	-	2	-	Resolved during the year
Customers	Y****	-	-	-	-	-	-
Value Chain Partners	Y*	-	-	-	-	-	-

*No complaints have been received from communities and value chain partners during FY 2022-23 and FY 2023-24. Complaints / Grievances from Value Chain Partners are addressed by relevant Departments on a case-to-case basis. Policies & grievance redressal mechanism are accessible on https://www.cigniti.com/policies/

**The Company has appointed Registrar and Share Transfer Agent (RTA) to look into the grievances/ complaints of the shareholders. In addition to it, the Company has designated email ID company.secretary@cigniti.com, where the shareholders can send their grievances/complaints.

***The details of the grievance redressal mechanism for employees and workers are provided in Principle 3, point No. 6

**** The mechanism for customers grievance redressal is provided in Principle 9, point No. 1

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Training & Skill Development of employees	O	Our Learning & Development Team organizes several technical and personality development training for employees to upskill and make them ready for any challenge they face. We also collaborate with our external partners to train our employees on the latest tools and technology.	Not Applicable	+ve
2.	Customer Satisfaction and Retention:	O	(Positive) Satisfied customers tend No Positive to demonstrate a proclivity for loyalty, as well as advocate for Cigniti products and services among their network, thus generating an upswing in sales and nurturing a favorable brand image	Not Applicable	+ve
3.	Technological Advancements and Innovation:	O	Identifying and capitalizing on technological advancements and fostering innovation can give Avantel Limited a competitive edge, leading to the development of cutting-edge products and services, increased market share, and improved customer satisfaction.	Not Applicable	+ve
2.	Environmental Sustainability	Risk	With Global Warming happening environmental sustainability has become very important for all businesses.	We comply with applicable legal requirements which relate to our environmental aspects. The company prevents pollution, reduces waste and minimizes the consumption of resources. We educate, train and motivate employees to carry out tasks in an environmentally responsible manner and encourage environmental protection among suppliers.	-ve

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

We have implemented the following policies toward adopting National Guidelines on Responsible Business Conduct (NGRBC):

Principle P1: Transparency & Accountability • Code of Business Conduct and Ethics • Code of Conduct for Senior Management • Vigil Mechanism • Code of Conduct for Prevention of Insider Trading & Fair Disclosure	**Principle P2:** Product Responsibility • Environmental Social and Governance (ESG) Policy	**Principle P3:** Employee Development • Code of Business Conduct & Ethics Policy • Health & Safety Policy
Principle P4: Stakeholder Engagement • Corporate Social Responsibility Policy	**Principle P5:** Human Rights • Code of Business Conduct & Ethics Policy • Sexual Harassment Policy • Modern Slavery Statement	**Principle P6:** Environment Principle • Environmental Social and Governance (ESG) Policy • Carbon Reduction Plan
Principle P7: Policy Advocacy • Code of Business Conduct & Ethics Policy	**Principle P8:** Inclusive Growth • Corporate Social Responsibility Policy	**Principle P9:** Customer Value • Code of Business Conduct & Ethics Policy • Data Privacy policy • Information Policy

Disclosure Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link* of the Policies, if available	https://www.cigniti.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies have been formulated and implemented by National Guidelines on Responsible Business Conduct, requirements of the Companies Act, 2013, and SEBI regulations. aligned with internationally renowned quality standards and models like ISO 9001:2015, ISO 27000:2013, AS9100D, ISO 13485:2003, ISO 22163:2017(IRIS), TL9000R 5.5, ISO 14001:2015, and CMMI-DEV Version1.3 Level 5.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	Not Applicable								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	Not Applicable								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) - CMD Message is at the beginning of the report									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. C. V. Subramanyam, (Chairman & Non-Executive Director)								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Implementation and oversight of the Business Responsibility Policies and the decision-making on sustainability-related issues are the responsibility of the Corporate Social Responsibility Committee of the Board of Directors, which comprises of following members as on March 31, 2024: Ms. Nooraine Fazal - Chairperson Mr. Srinath Batni - Member Mr. C. Srikanth - Member								

10. Details of Review of NGRBCs by the Company:

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

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

No, the evaluation of the working of its policies has been done internally.

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is designed to assist organizations in showcasing their implementation of Principles and Core Elements within crucial processes and decisions. The data requested is divided into "Essential" and "Leadership" categories. While the essential indicators are required to be disclosed by all mandated entities submitting this report, the leading indicators may be voluntarily shared by organizations aiming to advance to a higher level of social, environmental, and ethical responsibility.

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	All Principles	100%
Key Managerial Personnel	1	All Principles	100%
Employees other than BoD and KMPs	Multiple Training Programs	Employees have been given training on Principle 1 and other Principle as applicable to their respective functional area	100%
Workers	-	-	-

The employees of the company undergo various training programs on various topics. Board and KMPs are apprised about the changing requirements from time to time in the Board meeting and Management meetings. A structured training program on the nine principles of Responsible Business conduct will be done during FY 2023-24.

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

	Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	No fines / penalties /punishment/ award/ compounding fees/ settlement amount has been paid by the entity or by the directors / KMPs.				
Settlement					
Compounding fee					
	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	No non-monetary imprisonment or punishment has been imposed on the entity or on the directors / KMPs.				

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not applicable as no fine, penalties etc. has been paid by the company	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

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

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

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

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

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

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

   Not applicable as no fines/penalties/punishment/ award/ compounding fees/ settlement amount has been paid by the company.

8. Number of days of accounts payables ((Accounts payable *365 / cost of goods/ service procured) in the following format:

	FY 2023 - 24	FY 2022-23
Number of days of accounts payables	19.82	13.07

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentrations of Purchases*	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales)	89.05%	89.28%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	7.45%	13.04%
	d. Investments (Investments in related parties / Total Investments made)	29.04%	36.68%

**Not applicable as the nature of the business doesn't entail any purchase of raw-material or input materials.*

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

Essential Indicators

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

	Current Financial Year 2023-24	Previous Financial Year 2022-23	Details of improvements in environmental and social impacts
R & D	*Not Applicable*		
Capex			

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

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

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

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

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

   Not Applicable

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

   Not applicable given the nature of the business of the company

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

   Extended Producer Responsibility (EPR) does not apply to the entity's activities.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	**% of employees covered by**										
	Total (A)	**Health insurance**		**Accident insurance**		**Maternity benefits**		**Paternity Benefits**		**Day Care facilities**	
		Number (B)	**% (B / A)**	**Number (C)**	**% (C /A)**	**Number (D)**	**% (D /A)**	**Number (E)**	**% (E /A)**	**Number (F)**	**% (F /A)**
		Permanent employees									
Male	2584	2584	100%	2584	100%	NA	NA	2584	100%	-	-
Female	1312	1312	100%	1312	100%	1312	100%	NA	NA	-	-
Total	3896	3896	100%	3896	100%	1312	100%	2584	100%	-	-
		Other than Permanent employees									
Male	206	-	-	-	-	-	-	-	-	-	-
Female	104	-	-	-	-	-	-	-	-	-	-
Total	310	-	-	-	-	-	-	-	-	-	-

The following initiatives are driven across the organization for all types of employees:

- At Cigniti, 45+ weekly mailers under the banner Wednesday Wellness focus on the holistic well-being of an employee spanning physical and mental health tips.
- Organized 4 in-person wellness camps like Eye Screening, General Health check-ups, Weight management, and Zumba.
- Conducted 37+ Wellness Webinars covering topics like Ergonomics, Chair exercises, Child health, monkeypox, Covid safety series 3.0, and many more
- Identified volunteers interested in nominating for the ERT team and sufficiently trained on the same.
- POSH (Prevention of Sexual Harassment) awareness mailers are actively sent to employees while regular rollout of surveys provides the level of training and awareness amongst employees.
- To keep the workplace safe from any kind of sexual harassment, POSH training which is a video and an assessment thereafter has been made mandatory for every employee within Cigniti.

b. Details of measures for the well-being of workers:

Not Applicable as the company has no workers as explained in section A.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	-	-

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	Not Applicable					
Other – Medical Insurance	100%	NA	Y	100%	NA	Y

3. Accessibility of workplaces

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

Yes, the office is accessible for persons with disabilities.

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

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

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

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	95%
Female	95%	92%
Total	98%	94%

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	The grievance redressal mechanism is available in the Code of Business Conduct & Ethics Policy. Employees can report any suspected violation of the law or company policies or any complaint using the email id- reach2resolve@cigniti.com When a concern is raised, the identity and the information provided is shared only on a 'need-to-know' basis to address the concern, as required by law or otherwise, with the consent of the complainant. Employees may choose to remain anonymous when raising a concern (in which case they should advise this at the time concern is raised). We do not tolerate and take appropriate action against violations of the code, whether perpetrated by employees or by people outside the company. All reports are taken seriously and are investigated in depth.

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

Cigniti does not have any employee association recognized by management.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2584	220	8%	2584	100%	1204	83	7%	1121	93%
Female	1312	110	8%	1312	100%	701	62	9%	639	91%
Total	3896	330	8%	3896	100%	1905	145	8%	1760	92%

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

Category	FY 2023-24			FY 2022-23		
	Total Employees	Total Performance Review done	%	Total Employees	Total Performance Review done	%
Male	2584	2356	93%	2451	2190	89%
Female	1312	1195	94%	1133	1124	99%
Total	3896	3551	93%	3584	3,314	92%

10. Health and safety management system:

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

    Yes, the health and safety management systems cover all employees and visitors. The Company has policies/procedures through which the safety of employees and company property is ensured. First aid kits are provided on all floors of reception. Wheelchairs are placed on floors. An ambulance is being arranged by the BMS team for the campus. Sick Rooms are available for employees.

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

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

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

    Not directly applicable, given the nature of the business.

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

    Not directly applicable, given the nature of the business.

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

    Yes, all employees of the Company have access to non-occupational medical and healthcare services. The below policies have been formulated for the betterment of all employees:

    - Group Personal Accident Policy
    - Mediclaim Insurance Policy
    - Group Term Life Insurance Policy

    The Company regularly conducts health awareness sessions for employees.

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

    No recordable safety-related incidents have occurred during the FY 2022-23.

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	NA	NA
Total recordable work related injuries	Employees	-	-
	Workers	NA	NA
No of fatalities	Employees	-	-
	Workers	NA	NA
High consequences work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	NA	NA

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

    As explained under point no. 10 above

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

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

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

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

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

Essential Indicators

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

   Cigniti Technologies Limited recognizes its societal responsibility and advocates for inclusive growth and fair development among all stakeholders. We are committed to responsible growth that contributes to both our business success and the broader community. Our aim is to harmonize stakeholder needs and concerns while actively considering the environmental, social, and communal impacts of our actions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer Meetings, Customer Feedback, Website, Product Catalogues,	Ongoing	Customer Satisfaction, Product Quality,
Employees	No	Notice Boards, Website, Employee Survey feedback, Annual Performance Review, Meetings, Trainings	Ongoing	Working conditions, employee performance, Employee Satisfaction
Community, NGOs	Yes	Corporate Social Responsibility engagements, Meeting with community representative	Ongoing	The welfare of the community,
Investors & Shareholders & Analysts	No	AGM, Investor meets, Investor Grievance redressal mechanism	Ongoing	Business Strategies and Performance
Regulatory Bodies	No	Compliance Reports	Ongoing	Compliance with the Law of the land

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

We uphold the principles outlined in the Fundamental Rights and Directive Principles of State Policy of the Indian Constitution, which serve as our guiding principles for promoting human rights. Our adherence to international human rights laws and guidelines, such as those established by the International Bill of Human Rights, is unwavering. Cigniti Technologies has also released a Modern Slavery Statement on its corporate website, detailing the measures taken to prevent modern slavery within our business and supply chains. Beyond mere legal compliance, this underscores Cigniti's dedication to transparent business operations and safeguarding workers' rights.

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. employees' workers covered (D)	% (D / C)
Employees						
Permanent	3896	-	-	3584	1281	36%
Other than permanent	310	-	-	365	65	18%
Total Employees	4206	-	-	3949	1,346	34%

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

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	2584	-	-	2584	100%	2,451	-	-	2451	100%
Female	1312	-	-	1312	100%	1,133	-	-	1133	100%
Other than Permanent										
Male	206	-	-	206	100%	240	-	-	240	100%
Female	104	-	-	104	100%	125	-	-	125	100%

3. Details of remuneration/salary/wages,

a. Median remuneration / wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	585.74 lakhs	1	Nil as no remuneration drawn
Key Managerial Personnel	2	208.78 lakhs	1	35.06 lakhs
Employees other than BoD and KMP	2582	12.07 lakhs	1312	9.47 lakhs

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to female as % of total wages	27.3%	27.4%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes, the Chief Human Resource Officer is the focal point for addressing human rights impacts or issues caused or contributed to by the business.

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

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

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	2	-	Complaints have been resolved
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights-related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under the Sexual Harassment on women at Workplace (Workplace (Prevention Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

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

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

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

   Yes

10. Assessments for the year:

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

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

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    Not Applicable as no significant risks/concerns arise from the assessments at Question 9 above.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	7764 GJ	6192 GJ
Total fuel consumption (E)	856 GJ	694 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	8620 GJ	6886 GJ

Parameter	FY 2023-24	FY 2022-23
Total energy consumed (A+B+C+D+E+F)	8620 GJ	6886 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	10.9 GJ/Crores of Turnover	9.9 GJ/Crores of Turnover
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	3.0 GJ/Crores of Turnover	2.8 GJ/Crores of Turnover
Energy intensity in terms of physical output	-	-
Energy intensity *(optional)* – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   No, the Company is not covered under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water*	8086 KL	6692 KL
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	8086 KL	6692 KL
Total volume of water consumption (in kiloliters)	8086 KL	6692 KL
Water intensity per rupee of turnover *(Total water consumption / Revenue from operations)*	10.3 KL / Crores of Turnover	9.6 KL / Crores of Turnover
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	2.8 KL / Crores of Turnover	9.6 KL / Crores of Turnover
Water intensity in terms of physical output	-	-
Water intensity *(optional)* – the relevant metric may be selected by the entity	-	-

*Municipal Water

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Provide the following details related to water discharge:

   This is not being tracked as the water usage is only towards human consumption and housekeeping purposes and is discharged into municipal drainage system.

   Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

   No independent assessment/ evaluation/assurance has been carried out by an external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Not applicable. Water is recycled as per the practices of the office building maintenance agencies.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

   Air emissions (other than GHG emissions) by the entity are insignificant and not being tracked.

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   No independent assessment/ evaluation/assurance has been carried out by an external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	63.4	51.5
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	1544.2	1358.8
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	*Metric tonnes of CO2 Equivalent / Crores of Turnover*	2.0	2.0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / evenue from operations	*Metric tonnes of CO2 Equivalent / Crores of Turnover* adjusted for Purchasing Power Parity (PPP)	0.6	0.6
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity	-	-	-

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   No independent assessment/ evaluation/assurance has been carried out by an external agency

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   Energy Consumption is the main source of Green House Gas emissions for the company. Cigniti is committed to protecting the environment of the Earth and related resources.

   To minimize environmental impacts concerning Cigniti's services and activities, we:

- Comply with the applicable legal requirements concerning the environment.
- Prevent pollution, reduce waste, and minimize the consumption of resources.
- Educate, train, and motivate employees to carry out tasks in an environmentally responsible manner.
- Encourage environmental protection among suppliers
- Perform regular performance reviews to ensure that environmental objectives are met.
- Implemented a travel embargo and promoted e-meetings and networking, which
- Reduced travel emissions.
- Sourced renewable electricity for our buildings
- Commencing a rolling program of capital upgrades to our offices (e.g., installing LEDs; and decarbonizing our heating systems)
- Invested in digital technology and the development of a 'Sustainable Delivery

Framework' to help us reduce project-related travel emissions

- Implemented a sapling plantation drive called Cignitree, where more than

100 saplings were planted by Cignitians

- Appointed Midhun Pingili (Senior Director – Marketing) as Sustainability

Officer, who will look after Environment, Social, and Governance initiatives including Sustainability.

In the future, we are planning to implement further measures such as:

- Raising awareness through campaigns, roadshows, and awareness programs
- Developing new practices, processes, and carbon offset initiatives
- We will continue to host green building premises
- Commencing a rolling program of capital upgrades to our offices (e.g., installing LEDs; and decarbonizing our heating systems)
- Procuring 5-star rated equipment to reduce power consumption
- Investing in certified, market solutions for emissions, which we cannot eliminate
- Progressing towards Social Value Quality Mark Level 2 which includes a pledge on environmental sustainability

We will continue to create projects around the above themes of recycling and renewable electricity, business travel emissions reduction, greenhouse building optimization, and efficient operations. We will also ensure wider sustainability decisions in our business operations, empower our associates to lead by example, and convene ecosystems that will enable us to reduce carbon emissions across the locations where we operate.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	0.004	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	0.004	-
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00001 Tons /Crores of Turnover	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000001 Tons / Crores of Turnover	-
Waste intensity in terms of physical output	-	-
Waste intensity *(optional)* – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.004	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	0.004	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/ evaluation/assurance has been carried out by an external agency

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our waste management approach is based on the philosophy of Reduce, Reuse, and Recycle. We seek to uphold our ambition of zero waste to landfills. We follow a process of waste segregation at the source through which the entire volume is treated or disposed of in line with applicable legislative requirements.

Authorized vendor services are availed as part of E-waste disposal. Vendor will ensure safe disposal. Controls are implemented to remove all the sensitive internal or client data before handing over the e-waste

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

    None of our offices are in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

    The operations of the company are not covered by the 2006 notification on Environmental Impact Assessment.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

    Yes, the company is compliant with all applicable environmental laws / regulations / guidelines in India.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   6 (Six)

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	National Association of Software and Service Companies	National
2.	Indo-American Chambers of Commerce	National / International
3.	National HRD Network	National
4.	Society of Cyberabad Security Council	State
5.	HYSEA	State
6.	All India Management Association	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

   Not applicable as no adverse orders from regulatory authorities have been received related to anticompetitive conduct by the entity.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   No requirement of Social Impact Assessments (SIA) of projects was applicable to the company in the current FY 2023-24.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement

   (R&R) is being undertaken by your entity, in the following format:

   There was no project involving R&R during the FY 2023-24.

3. Describe the mechanisms to receive and redress grievances of the community.

   Considering the nature of the business, any concern/ grievance from the community is dealt with by respective departments on a case-to-case basis. No complaints/concerns have been raised by community during the FY23-24 and FY22-23.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	21.96%	21.47%
Sourced directly from within India	76.84%	76.94%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

"In a genuine dedication to our Corporate Social Responsibility (CSR) initiatives, Cigniti is pleased to declare its support for Nethra Vidyalaya, a Junior & Degree College serving the visually impaired community in Hyderabad, India"

" As part of its CSR efforts, Cigniti is proud to demonstrate solidarity with the Government MNJ Institute of Oncology & Regional Cancer Centre in Hyderabad, India. We have provided donations such as bedsheets, stretchers, and additional equipment to the hospital, with the aim of improving comprehensive patient care. This contribution builds upon our previous support, which encompassed vital medical equipment, a dedicated facility, and an electric buggy."

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

The company is committed to creating and delivering engineering services and solutions that exceed customer expectations and enhance the level of business profitability. We consistently strive forth to ensure higher customer satisfaction through our efforts in product innovation, R&D activities, and ensuring an enhanced life cycle of the product.

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   We interact with our clients regularly and across multiple platforms. We believe in continuous improvement of our services to customers worldwide and conduct Customer Satisfaction Survey every year to measure the level of satisfaction of the customer and to capture customer feedback on various parameters to Improve internal processes based on the needs and expectations of the customers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

   This is not relevant considering the nature of the business of the Company.

3. Number of consumer complaints in respect of the following:

   No complaints from customers were received during the last 2 years. The company is committed to creating and delivering engineering services and solutions that exceed customer expectations and enhance the level of business profitability of clients through our efforts in product innovation, R&D activities, and effective quality management systems.

4. Details of instances of product recalls on account of safety issues:

   This is not relevant considering the nature of the business of the Company.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link of the policy.

   Yes, the company has a data privacy policy and Information "Information Security Policy CPL028_Privacy Policy". We acknowledge the needs of the client in protecting their personal and confidential data during their dealing with us. Cigniti's privacy policy strives to protect its data and clients' intellectual property and provide seamless services in the areas of consulting, software product development, and software testing. We accomplish this by addressing the following objectives:

   - Maintaining the confidentiality, integrity, and availability of sensitive information in the company with minimal to no disruptions
   - Proactively initiating business continuity practices to minimize system failures and interruptions to business

   We have multi-level security implemented to sustain IT compliance.

   Robust management system developed in line with ISO27001:2013 & GDPR requirements

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products / services.

   No regulatory action has ever been done regarding advertising, essential services, cyber security, data privacy or product recalls.

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches

      Nil

   b. Percentage of data breaches involving personally identifiable information ofcustomers

      Nil

   c. Impact, if any, of the data breaches\

      Nil

"Cigniti's recently organized a thought-provoking session on Cyber Security Awareness, featuring leading experts from the Society for Cyberabad Security Council (SCSC) and the Cybercrime team. The conversation focused on the increasing wave of cyber fraud, highlighting the importance of raising awareness about existing cyber threats."

Annexure-VII

FORM MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To,
The Members,
Cigniti Technologies Limited
(CIN: L72200TG1998PLC030081)
Suit No.106 &107, 6-3-456/C,
MGR Estates Dwarakapuri Colony
Panjagutta, Hyderabad – 500082

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by M/s **Cigniti Technologies Limited** (hereinafter referred to as "the Company") for the financial year ended 31 March, 2024 ("Audit Period"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company 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 by the Securities and Exchange Board of India ("SEBI") thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015("Listing Regulations");

(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 (Depository Participants) Regulations, 2018;

(vi) Provisions of the following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the company during the Financial Year Under review:

(a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(c) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(d) Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018.

(vii) The industry specific laws that are applicable to the Company are as follows:

(a) Information Technology Act, 2000 and the rules made thereunder.

(b) Software Technology Parks of India rules and regulations

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors and General Meetings, respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate AffaiRs

We report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, the regulations of SEBI and other Acts, as specified above, applicable to the industry of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent DirectoRs During the period under review, the following changes took place in the composition of the Board of Directors:

Sl. No.	Name of the Director	Appointment/ Cessation/ Reappointment	Our Comments
1	Mr. Kandula Srinivasa Rao	Cessation	Ceased to be a director w.e.f.16th June, 2023 who has been co-opted as an additional director on 31st March, 2023
2	Mr. K.Ch. Subba Rao	Cessation	Ceased to be a director w.e.f.16th June, 2023
3	Mr. C.V. Subramanyam	Cessation as Managing Director	Ceased to be Managing Director w.e.f. 30 June, 2023 upon the expiry of appointment period as Managing Director and continued as Non-Executive Director
		Appointment & Cessation as Managing Director	Appointed as Managing Director w.e.f. 13th October, 2023 (vide shareholders' resolution dated 13-10-2023) and resigned as Managing Director w.e.f.3rd November, 2023. He continues as Non-executive Director.
5	Mr. C. Srikanth	Re-designated as Executive Director & CEO	Appointed as Executive Director & Chief Executive Officer (CEO) w.e.f 20th January, 2024 vide Shareholders' Resolution dated 7th March, 2024
6	Mr. P. Sudhakar	Appointment	Pursuant to requisition received from shareholders, got appointed as Non-Executive Director vide shareholders' resolution dated 7th March, 2024 for five years

Adequate notice was given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that based on our verifications and the declarations received from the respective directors, the directors are not disqualified to act as such under the provisions of the Companies Act, Orders/ Circulars/ Regulations issued by SEBI or such other acts for the time being enforceable.

We further report that no prosecutions were initiated and no fines or penalties were imposed during the year under the Companies Act, the SEBI Act, the SCRA or other SEBI Regulations on the Company or its directors and officeRs

We 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.

We further report that in terms of provisions of section 135 of the Act, the Company has spent Rs. 168.58 lakhs towards Corporate Social Responsibility as against the amount of Rs. 168.58 lakhs required to be spent during the year.

We further report that, under FEMA the Company has the following contraventions:

i. *In terms of provisions of the Foreign Exchange Management Act, 1999 (FEMA) the Company is required to submit Annual Performance Reports (APRs) in relation to its subsidiaries. However, the Company could not submit the said APRs as the respective Unique Identification Number (UIN) were not obtained in relation to said investment due to non-submission from ODI (Overseas Direct Investment) froms at the time of remittance of said investment. Further, a Declaration under the provisions of FEMA in relation to issue of shares to an overseas employee under the Company's ESOP scheme is required to be submitted. The Company has submitted an application to RBI for compounding the procedural lapses.*

ii. *The Company has received a show cause notice dated September 4, 2023, from Enforcement Directorate to show cause as to why the inquiry should not be held and penalty should not be imposed against the Company for the certain contraventions under FEMA relating to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents. The Company has submitted responses and has made application to RBI for compounding of delays.*

For **P.S. Rao & Associates**
Company Secretaries

Sd/-
CS P.S. RAO
FCS No. 10322
C.P. No. 3829
UDIN:F010322F000285894
PEER REVIEW NO. 710/2020

Date: 01-05-2024
Place: Hyderabad

Note: *This report is to be read with our letter of even date which is annexed as '***Annexure A'** *and forms an integral part of this report.*

Annexure A'

To,
The Members,
Cigniti Technologies Limited
Suit No.106 &107, 6-3-456/C,
MGR Estates Dwarakapuri Colony
Panjagutta, Hyderabad – 500082

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on the information/ documents received from the respective officials of the Company for forming our opinion and for eventual reporting thereof.

For **P.S. Rao & Associates**
Company Secretaries

Sd/-
CS P.S. RAO
FCS No. 10322
C.P. No. 3829
UDIN:F010322F000285894
PEER REVIEW NO. 710/2020

Date: 01-05-2024
Place: Hyderabad

REPORT ON CORPORATE GOVERNANCE

Effective corporate governance practices form the strong foundation upon which successful commercial enterprises are built to last. Cigniti Technologies Limited (CTL) is committed to best practices in corporate governance. Good governance facilitates effective business management and control, maintains high ethical standards, and optimizes value for all stakeholders.

As a global organization, the corporate governance practices followed by Cigniti Technologies Ltd ("the Company") and its subsidiaries align with international standards and best practices. Through its governance mechanisms, the Company's Board and its Committees fulfill their fiduciary responsibilities to all stakeholders by ensuring transparency, fairness, and independence in decision-making. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization, including the Board of Directors, Senior Management, and Employees.

Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is founded on principles of concern, commitment, ethics, excellence, and learning in all its interactions with stakeholders, clients, associates, and the community. This philosophy emphasizes fair and transparent governance and disclosure practices, aligned with the principles of Good Corporate Governance. CTL's Corporate Governance policies ensure the accountability of the Board of Directors and the significance of its decisions for all participants, including employees, investors, customers, and regulators. The Company respects shareholders' inalienable right to information regarding its performance. Believing that good Corporate Governance is a continuous process, the Company strives to enhance its practices to meet shareholder expectations.

The Company has also adopted Code of Conduct for the Board of Directors and other Senior Level Management and also Whistle Blower Policy to enable the employees and Directors to report their concerns directly to the Chairman of the Audit Committee. The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details of Company' board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

Date of Report

The information provided in the Report on Corporate Governance for the purpose of uniformity is as on 31st March, 2024. The Report is updated as on the date of the report wherever applicable.

1. BOARD COMPOSITION AND CATEGORY OF DIRECTORS

As on March 31, 2024, the Company has seven Directors of which six are Non-Executive Directors (including women director). The Company has four Independent Directors.The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors The composition of the Board and category of Directors are as follows:

Promoter, Executive Director	Mr.C.Srikanth
Promoter, Non-Executive Director	Mr. C. V Subramanyam Mr. P Sudhakar
Independent Directors	1. Mr. Ram Krishna Agarwal 2. Mr. Phaneesh Murthy 3. Mr. Srinath Batni 4. Ms. Nooraine Fazal

The Company is managed and controlled through a professional body of Board of Directors which comprises of seven members (including four independent Non-Executive Directors) with vast experience and knowledge.

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors in more than seven listed entities; and
- who are the Executive Directors serve as independent directors in more than three listed entities.

None of the Directors on the Board:

- is a member of more than ten committees or
- Chairman of more than five companies across all the Companies in which he/she is a director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors.

A. During the year, Eleven (11) Board Meetings were held during the year under review and the gap between the two meetings did not exceed one hundred and twenty days. The said meetings were held on: 02.05.2023, 30.06.2023, 28.07.2023, 23.08.2023, 21.09.2023, 13.10.2023, 03.11.2023, 20.01.2024, 06.02.2024 11.03.2024 and 14.03.2024 . The necessary quorum was present for all the meetings , proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

B. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2024, are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act:

S. No	Name of the Director	Designation	Attendance of meetings held on											Attendance at last AGM held on 16.06.2023	No of equity shares held as on 31.03.2024
			02.05.2023	30.06.2023	28.07.2023	23.08.2023	21.09.2023	13.10.2023	03.11.2023	20.01.2024	06.02.2024	11.03.2024	14.03.2024		
1	Mr. C. V. Subramanyam	Promoter Chairman & NED	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	2798427
2	Mr. C. Srikanth	Promoter Non-executive Director	Y	Y	Y	Y	Y	y	y	y	Y	Y	Y	Y	2500000
3	Mr. Ram Krishna Agarwal	Independent & Non-executive Director	Y	Y	Y	Y	Y	y	y	y	Y	Y	Y	Y	Nil
4	Mr. Phaneesh Murthy	Independent & Non-executive Director	Y	y	Y	Y	Y	Y	y	y	Y	Y	Y	Y	Nil
5	Ms. Nooraine Fazal	Independent & Non-executive Director	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Nil
6	Mr. Srinath Batni	Independent & Non-executive Director	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Nil
7	Mr. P. Sudhakar	Non-Independent & Non-executive Director	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	N	1127

 # Inter personal relationship of the Directors on the Board: Mr. C. Srikanth is the son of Mr. C.V. Subramanyam. None of the other directors is related to any other director on the Board.

The Company has not issued any convertible instruments.

C. Details of skills / expertise / competence matrix of the Board of Directors:

Skill Description	C. V. Subramanyam	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni	K.Ch. Subba Rao	Nooraine Fazal	C.Srikanth	P Sudhakar
Leadership Innate leadership skills including the ability to represent the organization and set appropriate Board and organization culture. Demonstrated strengths in talent development, succession planning and bringing change and long term future growth.	Y	Y	Y	Y	Y	Y	Y	Y
Strategic Planning and Analysis Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long-term objectives and the organizations' relevant policies and priorities.	Y	Y	Y	Y	Y	Y	Y	Y
Technology Reasonable knowledge and experience in technology with an ability to foresee technological trends and changes, apply new technology and bring about innovations in business strategies.	Y	-	Y	Y	-	-	Y	Y
Governance Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of shareholder interests.	Y	Y	Y	Y	Y	Y	Y	Y
Financial Wide ranging knowledge and financial skills, oversight for risk management and internal controls and profi ciency in financial management and financial reporting processes.	Y	Y	Y	Y	Y	Y	Y	Y
Diversity An appropriate mix of varied cultures, ethnicity, geography, gender, age, philosophies, life experiences and other diversity perspectives that expand the Board's understanding of the needs of diverse stakeholders and a better ability to respond to changes.	Y	Y	Y	Y	Y	Y	Y	Y
Mergers & Acquisitions Significant experience in mergers and acquisitions and other business combinations, with strong insight of risks and opportunities, valuations and diligence processes, structural impact on the organization, and ability to leverage integration planning.	Y	Y	Y	Y	Y	Y	Y	Y

Skill Description	C. V. Subramanyam	Ram Krishna Agarwal	Phaneesh Murthy	Srinath Batni	K.Ch. Subba Rao	Nooraine Fazal	C.Srikanth	P Sudhakar
Global Business Understanding of diversified business environments, economic, political, cultural and regulatory framework across the globe, and a broad perspective on global market opportunities.	Y	Y	Y	Y	Y	Y	Y	Y
Marketing and Communications Ability to analyze the market and technological impacts, developing strategies for brand awareness and brand building and enhancing market share.	Y	Y	Y	Y	Y	Y	Y	Y

D. The number of directorships, committee chairmanships/memberships held in other companies by each of the Directors is tabled below:

Name	No. of other Directorships and Committee Membership / Chairmanship			
	Board#		Committee**	
	Chairmanship	Directorships*	Chairmanship	Membership
Mr.C.V.Subramanyam	Nil	Nil	Nil	Nil
Mr. C. Srikanth	Nil	Nil	Nil	Nil
Mr. Ram Krishna Agarwal	Nil	3	2	1
Mr. Phaneesh Murthy	Nil	Nil	Nil	Nil
Ms. Nooraine Fazal	Nil	Nil	Nil	Nil
Mr. Srinath Batni	Nil	2	Nil	1
Mr. P Sudhakar	Nil	Nil	Nil	Nil

* Other directorships do not include section 8 companies, private limited companies and companies incorporated outside India.

** Chairmanships / memberships of board committees include only in Audit and Stakeholders Relationship committees as required under regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.

Details of directorships of aforesaid Directors, in other listed entities are given below:

Sl.No	Name of the Director	Name of the listed entity	Category
1.	Mr.C.V.Subramanyam	Nil	Nil
2.	Mr. C. Srikanth	Nil	Nil
3.	Mr. Ram Krishna Agarwal	PCBL Limited	Independent
4.	Mr. Phaneesh Murthy	Nil	Nil
5.	Ms. Nooraine Fazal	Nil	Nil
6.	Mr. Srinath Batni	KPIT Technologies Limited	Independent
7.	Mr. P. Sudhakar	Nil	Nil

During the financial year 2023-24, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, has been placed before the Board for its consideration.

E. Independent Directors

Your Company's Independent Directors are distinguished experts in their respective fields. They play a crucial role in maintaining transparency within the company, offering valuable outside perspectives that significantly enhance the Board's decision-making process. Their contributions help improve corporate credibility and governance standards, bringing objectivity to board processes and deliberations.

None of the Independent Directors are Promoters or related to Promoters. They do not have a pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company. None of the independent directors of the Company is a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

(i) Independent Directors' Meeting

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors) read with Regulation 25(3) of SEBI LODR Regulations, 2015, a separate meeting of the Independent Directors of the Company (without the attendance of non-independent directors) was held on 06.02.2024 to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

(ii) Familiarization Program for Independent Directors

The Independent Directors of the Company are eminent personalities with extensive experience in business, education, software , finance, industry, research and development, and administration. Their presence on the Board has been highly beneficial for business decision-making. Upon appointment, directors receive comprehensive induction and orientation, covering the Company's vision, strategic direction, core values (including ethics), corporate governance practices, sustainability, risk management framework, financial matters, and business operations.

Senior Management, Statutory Auditors, and Internal Auditors provide periodic presentations at Board and Committee meetings, offering updates on the Company's business performance, global business environment, business risks and mitigation strategies, regulatory impacts on strategy, and environmental, social, and governance matters. Independent Directors are regularly informed about significant statutory changes and relevant laws.

The Company has a familiarization program for Independent Directors, detailing their roles, rights, responsibilities, the nature of the industry, and the Company's business models. This program is available on the Company's website i.e www.cigniti.com.

(iii) Declaration by Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

(iv) Declaration by Board

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. During the year under review, no Independent Director has resigned before expiry of his tenure.

(v) Monitoring Governance of Subsidiary Companies

The Company has one foreign unlisted material subsidiary, Cigniti Technologies Inc., USA, and is required to appoint an Independent Director to its Board. In accordance with Regulation 16(1)(c) and Regulation 24 of the SEBI (LODR) Regulations, 2015, the Company has appointed Mr. Phaneesh Murthy to the Board of Cigniti Technologies Inc., USA.

The financial statements of the subsidiaries are reviewed by the Audit Committee. The minutes of the subsidiaries' meetings are presented to the Company's Board of Directors, who periodically review and note all significant transactions entered into by the subsidiaries. Investment proposals exceeding threshold values are executed by the subsidiary companies only after receiving a positive recommendation from the Board or the Investment and Risk Management Committee of the Company.

2. **Committees of the Board:**

The Board Committees have been constituted to address specific areas or activities as required by applicable rules and regulations or as delegated by the Board. The Committees' terms of reference outline their scope, authority, responsibilities, and composition. The minutes of the meetings of all Committees are placed before the Board for its perusal. The Committee Chairpersons update the Board on the discussions and recommendations made by the Committee members. During the year, all recommendations of the Committees of the Board which were mandatorily required have been approved by the Board.

I. *AUDIT COMMITTEE*

The terms of reference of the Audit Committee cover the areas as contemplated under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, besides other terms as referred by the Board of Directors.

Brief Description of Terms of Reference: - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;

iii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

iv. Approval of payment to statutory auditors for any other services rendered by them.

v. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:

(a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

vi. Review of the quarterly and half yearly financial results with the management and the statutory auditors;

vii. Examination of the financial statement and the auditors' report thereon;

viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;

ix. Approval or any subsequent modification of transactions with related parties;

x. Scrutiny of inter-corporate loans and investments;

xi. Review of valuation of undertakings or assets of the company wherever it is necessary;

xii. Evaluation of internal financial controls and risk management systems;

xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;

xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;

xvii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;

xviii. Review the functioning of the whistle blower mechanism;

xix. Review and monitor the end use of funds raised through public offers and related matters;

xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

xxi. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;

xxii. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.

Review of the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice in terms of Regulation 32(7).
- The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- Carrying out any other function as may be referred to the Committee by the Board.
- Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

COMPOSITION, MEETINGS & ATTENDANCE

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Ram Krishna Agarwal (Chairman)	Independent Non-Executive	4	02.05.2023
Mr. Phaneesh Murthy (member)	Independent Non-Executive	4	28.07.2023
Mr.C.V.Subramanyam (member)	Non Executive Non Independent Director	4	03.11.2023
Mr. Srinath Batni (member)	Independent Non-Executive	4	06.02.2024

Previous Annual General Meeting of the Company was held on 16th June, 2023 and Mr. Ram Krishna Agarwal, Chairman of the Audit Committee for that period, attended previous AGM. On quarterly basis, the members of the audit committee meet and interact with both the statutory auditors and internal auditors without the presence of the management. The audit committee is suitably apprised of the same. The maximum gap between any two meetings was less than one hundred and twenty days. The Company Secretary acts as the Secretary of the Audit Committee. The Executive Chairman, Whole Time Directors, the Statutory Auditor, the Internal Auditor, other Independent Directors and Management Team as may be necessary, are also invited to the meetings of the Audit Committee.

3. **NOMINATION AND REMUNERATION COMMITTEE (Constituted in terms of Sec 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR Regulations, 2015)**

The terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Act and Regulation 19 of SEBI Listing Regulations, besides other terms as referred by the Board of Directors

i. Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a director.

ii. Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

iii. Support the Board in matters related to the setup, review and refresh of the Committees.

Devise a policy on Board diversity.

Recommend to the Board the appointment or reappointment of Directors

Recommend to the Board how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiaries.

iv. Recommend to the Board, the appointment of Key Managerial Personnel (KMP), Senior Management personnel and executive team members

v. Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.

vi. Oversee the performance review process for the KMP and Senior management team with the view that there is an appropriate cascading of goals and targets across the Company.

vii. Recommend the Remuneration Policy for the Directors, KMP, Senior Management team and other employees.

viii. On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and Senior Management Personnel of the Company.

ix. Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, Key managerial Personnel and Senior management personnel.

x. Review matters related to voluntary retirement and early separation schemes for the Company.

xi. Provide guidelines for remuneration of Directors on material subsidiaries.

xii. Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.

xiii. Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members

xiv. Oversee familiarisation programmes for Directors

xv. Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.

xvi. Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.

xvii. Perform other activities related to the charter as requested by the Board from time to time

B. COMPOSITION OF THE COMMITTEE

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Srinath Batni (Chairman)	Independent & Non-Executive	8	02.05.2023 28.07.2023 23.08.2023 21.09.2023 13.10.2023 20.01.2024 06.02.2024 11.03.2024
Mr. Phaneesh Murthy (member)	Independent & Non-Executive	8	
Ms. Nooraine Fazal (member)	Independent & Non-Executive	8	
Mr.C.V.Subramanyam (Member)	Promoter & Non Executive	8	
Mr. C. Srikanth (Member) *upto 20.01.2024*	Promoter & Non-Executive @	8	
Mr. Ram Krishna Agarwal	Independent & Non-Executive	8	

@ Mr. C Srikanth was appointed as Director & CEO w.e.f 20.01.2024

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **"Director"** means a director appointed to the Board of a Company.

2.2 **"Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 **read with Regulation 16 (1) (b) of SEBI LODR Regulations, 2015)**

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not b disqualified under the companies Act, 2013;
- shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

1. Scope:

   1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

   In this policy the following terms shall have the following meanings:

   2.1 "Director" means a director appointed to the Board of the company.

   2.2 "key managerial personnel" means

   (i) The Chief Executive Office or the managing director or the manager;

   (ii) The company secretary;

   (iii) The whole-time director;

   (iv) The chief finance Officer; and

   (v) Such other office as may be prescribed under the companies Act, 2013

   2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and **Regulation 19 of SEBI LODR Regulations, 2015)**.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholdeRs

3.1.2. The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay
(ii) Perquisites and Allowances
(iii) Stock Options
(iv) Commission (Applicable in case of Executive Directors)
(v) Retrial benefits
(vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. Directors Remuneration

i) Executive Directors

The remuneration paid to the Executive Directors is given below:

(Amount in Rs lakhs)

S. No.	Name of the Director	Salary	Commission	Benefits	Gratuity	Sitting Fee	Total
1	Mr. C.V.Subramanyam	200.33		-	20.00	6.00	226.33
2	Mr. C. Srikanth	9.86					9.86

(ii) None of the directors have been granted stock options during the year.

(iii) The percentage of commission (incentive) is linked to the overall performance of the Executive Director and the company.

(iv) The terms and conditions including remuneration of Managing Director is as per the resolution passed by the shareholders at their meeting held on 13.10.2023, Director & CEO are as per the resolution passed by the shareholders at their meeting held on 07.03.2024

(v) Non-Executive Directors

The commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the Board and the shareholdeRs

The remuneration paid to the Non-Executive Directors is given below:

(Amount in Rs lakhs)

Name of the Director	Sitting fees	Commission
Mr. Ram Krishna Agarwal	26.00	43.26
Ms. Nooraine Fazal	24.00	43.26
Mr. Srinath Batni	24.00	43.26

(vi) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity ;

There are no pecuniary relationship or transactions between Non-executive Directors and Listed entity

(vii)Service Contracts, notice period, severance fees ;

Not Applicable as there is only one Executive Director Mr. C.Srikanth who is Promoter of the Company.

E. MECHANISM FOR EVALUATION OF THE BOARD

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted Board Evaluation Policy to comply with the various provisions of the Act, the Listing Regulations and the SEBI Master circular dated July 11, 2023 which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note")

Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfilment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and

Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman.

An IDs' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on May 01, 2024, mainly to review the performance of Independent Directors and the Chairman & Non-Executive Director as also the Board as a whole. All IDs were present at the said meeting.

The above evaluation was done keeping in view the following factors:

(i) Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

(i) Executive Directors: Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.

(ii) Independent Directors: Participation, managing relationship, ethics and integrity, Objectivity, brining independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.

(iii) Chairman: Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.

(iv) Committees: Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

The evaluation process elicited responses from the directors in a judicious manner ranging from composition and induction of the board to effectiveness and governance. It also sought feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The evaluation process also ensures the fulfilment of independence criteria as specified in the applicable regulations and that the latter are independent of the management.

Disclosures as prescribed under SEBI Master circular dated July 11, 2023 are given below:

Observations of Board evaluation carried out for the year	No observations.
Previous year's observations and actions taken	Since no observations were received, no actions were taken.
Proposed actions based on current year observations	Since no observations were received, no actions were taken.

4. STAKEHOLDER'S RELATIONSHIP COMMITTEE (Constituted in terms of Sec 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations, 2015)

Terms of reference to the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Act, 2013 which inter-alia include:

i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

ii. Proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/ KMPs, as may be required and identifying actionable points for implementation.

iii. Review of measures taken for effective exercise of voting rights by shareholders

iv. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

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

A. Composition and Attendance for Meetings

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Ms. Nooraine Fazal (Chairperson)	Independent & Non-Executive	3	02.05.2023
Mr. Ram Krishna Agarwal(member)	Independent & Non-Executive	3	28.07.2023
Mr. C. Srikanth(member)	Promoter & Executive Director	3	06.02.2024

B. Status of Investor Complaints as on 31 March, 2024 and reported under Regulation 13(3) of the Listing Regulations is as under:

Particulars	Number of Complaints
Complaints as on 1 April, 2023	Nil
Received during the year	Nil
Resolved during the year	Nil
Number of pending complaints as on 31 March 2024	Nil

C. SCORES

The Securities Exchange Board of India has initiated a platform for redressing the investor grievances through SCORES2.O a web-based complaints redressal system. The system processes complaints in a centralized web-based mechanism. The company is in compliance with this system.

D. NAME AND DESIGNATION OF COMPLIANCE OFFICER

MRs Naga Vasudha
Company Secretary & Compliance officer
Telephone No: 040-40382211
E-mail: company.secretary@cigniti.com

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules 2013, the Company constituted a Corporate Social Responsibility Committee. One meeting was held during the year on The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013, comprises 3 members with two Independent Director and one executive Director. Meeting was held on 03.11.2023 for CSR committee.

Composition of the committee during the year 2023-24 is as follows:

Name of the Director	Position	Category
Ms. Nooraine Fazal	Chairperson	Independent & Non-Executive
Mr. Srinath Batni	Member	Independent & Non-Executive
Mr. C. Srikanth	Member	Promoter & Executive

A detailed overview of the CSR initiatives of the company is published elsewhere in the Annual Report.

6) RISK MANAGEMENT COMMITTEE

A. Composition and Attendance for Meetings

Name of the Member	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Phaneesh Murthy (Chairman)	Independent & Non-Executive	2	28.07.2023
Mr. Ram Krishna Agarwal (member)	Independent & Non-Executive	2	03.11.2023
Mr. C.V. Subramanyam (member)	Promoter & Non-Executive	2	

B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that al known and emerging risks have been identified and mitigated or managed.

7. PARTICULARS OF SENIOR MANAGEMENT

Sl. No.	Name	Designation	Remarks
1	Mr. Krishanan venkatachary	Chief Financial Officer	
2	Mr. Jagadish Ravulapalli	Chief Information Officer	
3	Mr. Karuna Vempala	Senior Vice President	
4	Mr. Raghu K	Chief Delivery Officer	
5	Mr. Sairamprabhu Vedam	Chief Marketing Officer	
6	Mr. Vinay Rawat	Chief Revenue Officer	
7	Mr. P Veera Reddy	Global HR Head	Resigned w.e.f 01.04.2024
8	Ms. Vasudha	Company Secretary	

8. GENERAL BODY MEETINGS

A. Location, date and time of last three AGMs and special resolutions there at as under:

NO. OF AGM AND FY	DATE OF MEETING	VENUE	TIME	SPECIAL RESOLUTION PASSED
25th AGM	16.06.2023	Deccan Stateroom, ITC Kohenur, Aluxury Collection Hotel, Madhapur, Hitech City, Hyderabad-500081, Telangana	10.00 A.M	NO
24th AGM	23.06.2022	Deccan Stateroom, ITC Kohenur, Aluxury Collection Hotel, Madhapur, Hitech City, Hyderabad-500081, Telangana	10.00 A.M.	Yes
23rd AGM 2020-21	04.06.2021	VC/OAVM	9.00 A.M.	Yes

(B) Extraordinary General Meeting

Three Extra-ordinary General Meetings were held during the year 2023-24. On 22 Aug 2023, 13 Oct 2023, 07 Mar 2024

(C) Postal Ballot

During the year, the shareholders of the company passed no resolutions through postal ballot.

(D) Procedure for postal ballot

Company conducts a postal ballot, where required, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations. At present, there are no postal ballots proposed to be held.

9. MEANS OF COMMUNICATION

A. Publication of results in newspapers

The quarterly, half-yearly & nine months un-audited financial results and annual audited financial results of the company are generally published in Business Standard or Financial Express, at national level in English language as well as Andhra Prabha at regional level in Telugu language circulating in the state of Telangana.

B. Website and News Release

The financial results of the company are available on the website of the company i.e. www.cigniti.com. Official news releases, detailed presentations made to media, analysts, institutional investors, etc., are sent to BSE Limited and National Stock Exchange of India Limited and also made available on the website of the company i.e. www.cigniti.com . Your company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI (LODR) Regulations, 2015 and other rules and regulations issued by the Securities and Exchange Board of India.

C. Channels of Communication with the investors

All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre.

Further the management of the Company conducts investor call after approving Quarterly financial results in the Board meeting.

10. General Shareholder Information

The following information would be useful to the shareholders:

A. Annual General Meeting:

Date & Time : 10 September, 2024 at 9:00 A.M.

Venue : Through VC/OAVM

B. Financial Calendar

1st of April 2024 to 31st of March 2025

C. Tentative calendar for declaration of financial results in financial year 2024-25

Results for the quarter ended		Tentative Dates
30th June 2024	:	On or before 14th August 2024.
30th September 2024	:	On or before 14th November 2024.
31st December 2024	:	On or before 14th February 2025.
31st March 2025	:	On or before 30th May 2025

D. Book Closure dates

The dates for book closure are from 4th September, 2024 to 10th September, 2024 (both days inclusive)

E. Listing on Stock Exchanges & Stock Code:

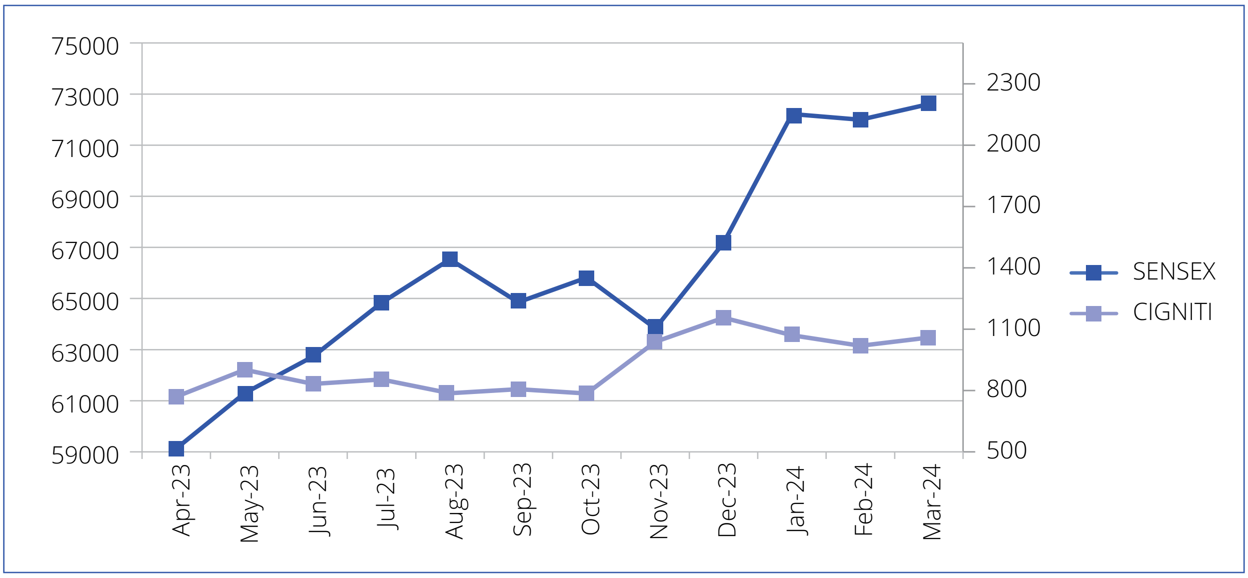
The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Ltd.

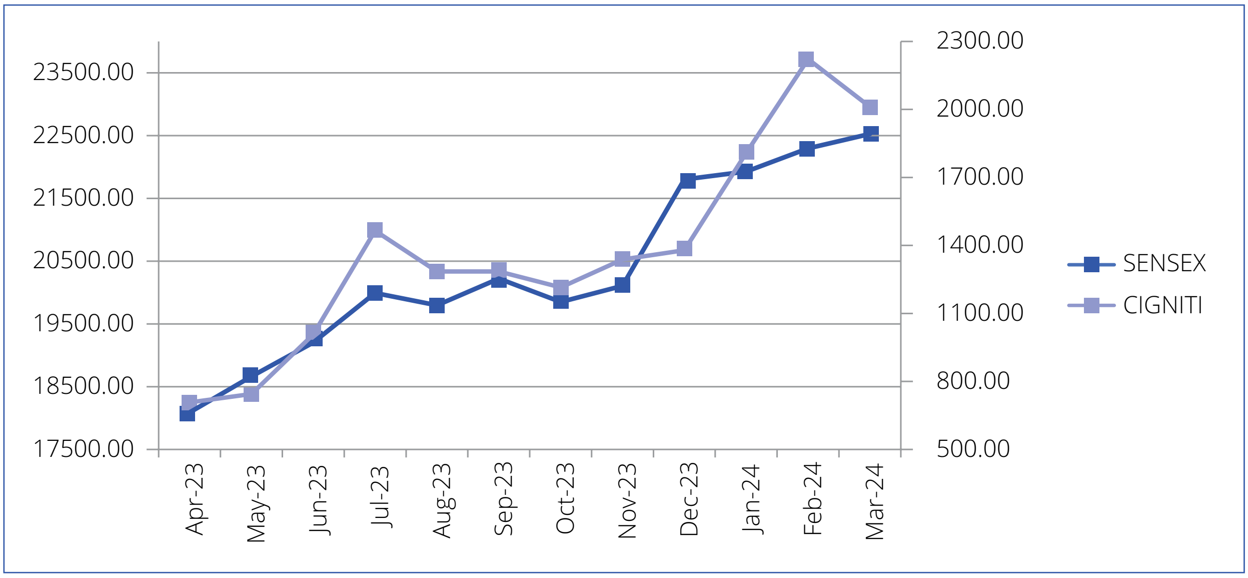
EXCHANGE & ADDRESS	STOCK CODE
National Stock Exchange of India Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	CIGNITITEC
BSE Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.	534758

The Company has paid annual listing fees for the financial year 2023-24 to the BSE and NSE within stipulated time.

F. Dividend Payment Date: Not Applicable.

G. Performance in comparison to broad-based indices such as BSE Sensex, NSE nifty 50





H. Electronic Connectivity

Demat ISIN number: INE675C01017
NATIONAL SECURITIES DEPOSITORY LIMITED
Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED
25th Floor, A Wing, Marathon Futurex,
Mafatlal Mills Compound, NM Joshi Marg,
Lower Parel (E), Mumbai - 400 013.

I. Market Price Data

The monthly high / low prices of shares of the Company from April, 2023 to March, 2024 at BSE and NSE:

MONTH	BSE		NSE	
	High(Rs)	Low(Rs)	High(Rs)	Low(Rs)
April 2023	865	745.2	865.00	740.00
May 2023	906.55	806.5	907.70	805.55
June 2023	945	825	938.00	825.30
July 2023	862.1	765.05	863.95	770.00
August 2023	816.95	757.65	817.00	789.90
September 2023	853.95	775	850.10	780.00
October 2023	1039.85	782	1,039.95	781.30
November 2023	1203.15	1013	1,204.00	1,013.15
December 2023	1162	1051	1,164.50	1,051.00
January 2024	1096.55	945	1,097.00	942.10
February 2024	1117	980.9	1,118.00	980.50
March 2024	1299.85	1032	1,295.00	1,030.55

J. **There was no suspension of trading in securities of the Company during the year under review.**

K. **Registrars and Transfer Agents**

Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad- 500 029.
Tel: (040) 27642217/27638111
Fax: (040) 27632184
Email: info@aarthiconsultants.com

L. **Share Transfer System**

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks. SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer, transmission or transposition of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests.

M. **Shareholding pattern as on 31.03.2024**

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(A)	**Shareholding of Promoter and Promoter Group**				
(1)	**Indian**	**53,85,276**	**19.73**	0	0
a.	Individuals/Hindu Undivided Family	53,85,276	19.73	0	0
b.	Central Government/State Government(s)	--	--	--	--
c.	Bodies Corporate	--	--	--	--
d.	Financial Institutions/Banks	--	--	--	--
	Others :-	--	--	--	--
e.	Mutual Funds	--	--	--	--
f.	Trusts	--	--	--	--
	Sub Total (A)(1)	**5385276**	**19.73**	**0**	**0**
(2)	**Foreign**	**3560019**	**13.04**	**0**	**0**
a.	Individuals (Non Resident Individuals/ Foreign Individuals)	3560019	13.04	0	0
b.	Bodies Corporate	--	--	--	--
c.	Institutions	--	--	--	--
	Others :-	--	--	--	--
d.	Overseas Corporate Bodies	--	--	--	--
	Sub Total (A)(2)	**3560019**	**13.06**	**0**	**0**
	Total Shareholding of Promoter and Promoter Group				
	(A)=(A)(1)+(A)(2)	**8945295**	**32.77**	0	0

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(B)	**Public Shareholding**				
(1)	**Institutions**	**1679918**	**6.15**	**0**	**0**
a.	Mutual Funds/UTI	24638	0.09	0	0
b.	Financial Institutions/Banks	90	0.00	0	0
c.	Central Government/State Government(s)	0	0	0	0
d.	Venture Capital Funds	0	0	0	0
e.	Insurance Companies	0	0	0	0
f.	Foreign Institutional Investors/Foreign Portolio Investors	1655190	6.06	0	0
g.	Foreign Venture Capital Investors	0	0	0	0
h.	Foreign Companies	0	0	0	0
i.	Alternate Investment fund	0	0	0	0
	Sub Total (B)(1)	**1679918**	**6.15**	**0**	**0**
(2)	**Non-Institutions**	**16674871**	**61.08**	**0**	**0**
a.	Bodies Corporate	942899	3.45	0	0
b.	Individuals				
	i)Individual shareholders holding nominal share capital up to Rs2 lakh	6477257	23.73	0	0
	ii)Individual shareholders holding nominal share capital in excess of Rs2 lakh	8567016	31.38	0	0
c.	Any Others : -				
	i) Non Resident Individuals	650839	2.38	0	0
	ii)Key Managerial Personnel	25000	0.09	0	0
	iii)Trusts	11	0	0	0
	iv)Employees	2500	0.01	0	0
	v)Clearing Members	1849	0.01	0	0
	vi)Foreign Nationals	7500	0.03	0	0
	Sub Total (B)(2)	**16674871**	**61.08**	**0**	**0**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**18354789**	**67.23**	**0**	**0**
	Total (A)+(B)	**27300084**	**100**	**0**	**0**
(C)	Shares held by Custodians and against Depository Receipts have been Issued	0	0	**0**	**0**
	Grand Total (A)+(B)+(C)	**27300084**	**100**	**0**	**0**

N. **Distribution of Shareholding as on 31.03.2024**

Range (Rs)	No of Shareholders	% of Total Shareholders	No of Shares	% of Total Shareholding
Upto - 5000	21095	90.38	1380143	5.06
5001 - 10000	835	3.58	653268	2.39
10001 - 20000	491	2.1	722729	2.65
20001 - 30000	191	0.82	482403	1.77
30001 - 40000	111	0.48	393220	1.44
40001 - 50000	101	0.43	475353	1.74
50001 - 100000	223	0.96	1618775	5.93
100001 & Above	293	1.26	21574193	79.03
TOTAL	**23340**	**100**	**27300084**	**100**

O. **Dematerialisation & Liquidity of Shares**

Trading in Company's shares is permitted only in dematerialised form for all investors The ISIN allotted to the Company's scrip is INE675C01017. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Shares of the Company are actively traded in BSE Limited and NSE. Hence the Company's shares have good liquidity. The details of shares in physical and dematerialised form are as given below:

Particulars	No. of Shares	% Share Capital
NSDL	12307279	45.08
CDSL	14980340	54.87
PHYSICAL	12465	0.05
Total	**27300084**	**100**

P. **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

Q. **Commodity price risk or foreign exchange risk and hedging activities:**

The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

R. **Global Delivery Centre**

Plot No#17, Software Units Layout,
The 'V" Ascendas Park, Orion Block,
6th Floor, Madhapur, Hyderabd-500081.
Telangana State, India

S. **Address for Correspondence**

Mrs Naga Vasudha
Company Secretary & Compliance Officer
6th Floor, Orion Block, "The V"(Ascendas),
Plot No#17, Software Units Layout,
Madhapur, Hyderabad-500081

T. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.]-**

Not Applicable as the Company has not issued any debt instruments, any fixed deposit programme or any scheme

10. DISCLOSURES

A. Materially Significant Related Party Transactions

During the year under review, the Company had not entered in to any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. The Audit Committee has issued omnibus approval for the Related party transactions with in the limits. Transactions with the Related Parties as required under Ind AS are disclosed in Note No.35 of the standalone financial statements forming part of this Annual Report.

B. Compliances

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

C. Whistle Blower Policy (Set up in terms of Sec 177 of the Companies Act, 2013 read with Regulation 22 of SEBI LODR Regulations, 2015)

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

E. Policy on Material Subsidiaries

In terms of Regulation 34(3) of the SEBI (LODR) Regulations, 2015 the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website: www.cigniti.com

F. Policy on Related Party Transactions

The Policy on dealing with Related Party Transactions is available on the Company's website: www.cigniti.com

G. Disclosure of commodity price risks and commodity hedging activities. –Not Applicable

H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).etc.

During the year ended 31st March 2024, there were no proceeds from public issues, rights issues, preferential issues etc.

I. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

J. Recommendations of Committees of the Board

There were no instances during the financial year 2023-24 wherein the Board had not accepted the recommendations made by any Committee of the Board.

K. Total fee for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part;

Amount in Rs(INR)

Statutory Audit fees	9,744,000
Limited Review	6,798,000
Certification & other attest services	618,000
Non-audit services	4,956,000
Outlays and Taxes	1,33,000

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

a. Number of complaints filed during the financial year : 0

b. Number of complaints disposed of during the financial year: 0

c. Number of complaints pending as on end of the financial year: 0

M. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount': NOT APPLICABLE

N. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V:

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

O. Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the Internal auditor directly reporting to the Audit Committee.

AA. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation Particulars of Regulations Compliance status (Yes/ No)

17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i) and (t)	Functional Website	Yes

BB. Disclosure with respect to Demat suspense account/unclaimed suspense account

There are no instances with respect to Demat suspense account/unclaimed suspense account.

CC. Compliance with SEBI (listing obligations and disclosure requirements) regulations, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed the following policies which are available on Company's website i.e. www.cigniti.,com

- Board Diversity Policy
- Policy on preservation of Documents
- Policy for Materiality

DD. CODE OF CONDUCT

The Board of Directors has laid down a 'Code of Conduct' (code) for all the Board members and the Senior Management of the Company and this code is posted on the website of the company. Annual declaration is obtained from every person covered by the code.

The Company has a comprehensive Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of un-published price sensitive information, in order to align the same with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

EE. Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules.

FF. Non-Executive Directors' Compensation and Disclosures

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

GG. CEO/ CFO Certification

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]

In terms of regulation 17(8) of the Listing Regulations, the CEO / CFO made a certification to the Board of Directors enclosed as **Annexure IX** to this Annual Report.

On behalf of the Board
Cigniti Technologies Limited

Sd/-
C.V. Subramanyam
Chairman & Non-Executive Director
DIN: 00071378

Place: Hyderabad
Date: 1st May, 2024

Declaration on Code of Conduct for the year 2023-24

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2024 as envisaged in Regulation 26(3) of the Listing Regulations.

On behalf of the Board
Cigniti Technologies Limited

Sd/-
C.V. Subramanyam
Chairman & Non-Executive Director
DIN: 00071378

Place: Hyderabad
Date: 1st May, 2024

Annexure to Corporate Governance Report

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Cigniti Technologies Limited
Address: Suit No.106 &107, 6-3-456/C, MGR Estates
Dwarakapuri Colony Panjagutta, Hyderabad - 500082

We have examined the compliance of the conditions of Corporate Governance by Cigniti Technologies Limited (hereinafter referred to as "the Company") for the year ended **March 31, 2024,** as stipulated in Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

We have conducted our examination of the Corporate Governance Report in accordance with the established systems and procedures selected by us depending on our judgement, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion. Based on the procedures performed by us, as mentioned above and according to the information and explanations provided to us, we are in the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended **March 31, 2024**.

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

For **P S Rao & Associates**,
Company Secretaries

Sd/-
CS P S RAO
Sr. Partner
FCS No.: 10322
C.P. No.: 3829
PR: 710/2020
UDIN: F010322F000285905

Place: Hyderabad
Date: May 01, 2024

CERTIFICATE

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Schedule V(C)(10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Cigniti Technologies Limited
Suit No.106&107,6-3-456/C, MGR Estates
Dwarakapuri Colony Panjagutta,
Hyderabad, Telangana, India, 500082

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Cigniti Technologies Limited having CIN: L72200TG1998PLC030081 and having a registered office situated at Suit No.106&107,6-3-456/C, MGR Estates Dwarakapuri Colony, Panjagutta, Hyderabad, Telangana, India, 500082 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the 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 and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sl. No	Name of the Director	Designation	DIN
1.	Mr. Venkata Subramanyam Chakkilam	Chairman & Non-Executive Director	00071378
2.	Mr. Srikanth Chakkilam	Executive Director & CEO	06441390
3.	Mr. Phaneesh Murthy	Independent Director	00388525
4.	Mr. Ram Krishna Agarwal	Independent Director	00416964
5.	Mr. Srinath Batni	Independent Director	00041394
6.	Ms. Nooraine Fazal	Independent Director	03110948
7.	Mr. Sudhakar Pennam	Non-Executive Director	05350817

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 **P S Rao & Associates,**
Company Secretaries

Sd/-
CS P S RAO
Sr. Partner
FCS No.: 10322
C.P. No.: 3829
PR: 710/2020
UDIN: F010322F000285951

Place: Hyderabad
Date: May 01, 2024

Annexure-VIII

Report on Corporate Social Responsibility (CSR) Activities

(Pursuant to Section 135 of Companies Act 2013read with rules thereunder)

1. **Brief outline on CSR Policy of the Company.**

   The Company recognizes its responsibility as an important stakeholder in the society and strives to work towards the betterment of the society constantly. With this objective, on the recommendation of the CSR Committee the Board of Directors have approved the CSR Policy which is available at: https://www.cigniti.com/investors/Policies/CSR Policy

1. **Composition of CSR Committee: The Company has constituted a CSR committee which provides oversight of CSR policy and guides the CSR activities of the Company.**

Sl.No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year (meeting held on 03.11.2023)	Number of meetings of CSR Committee attended during the year
1.	Ms. Nooraine Fazal	Chairperson Independent Director	1	1
2.	Mr. Srinath Batni	Member Independent Director	1	1
3.	Mr. C. Srikanth	Member Director & CEO	1	1

2. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** The Company has constituted CSR committee, CSR policy in accordance with provisions of Companies Act, 2013 read with Companies(Corporate Social Responsibility) Rues, 2014 as amended there to. The details of Committee, CSR policy and ongoing projects are available at available at: https://www.cigniti.com/investors/Policies/CSR Policy

3. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).** NOT APPLICABLE

4. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** NIL

5. **Average net profit of the company as per section 135(5): Rs 8429.13 Lakhs**

6. **(a) Two percent of average net profit of the company as per section 135(5): Rs 168.58 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): Rs 168.58 Lakhs

7. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs)	Amount Unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
168.58 Lakhs	0	N.A.	N.A.	0	0

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project.		Project duration.	Amount allocated for the project (in Rs lakhs)	Amount spent in the current financial Year (in Rs Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs Lakhs).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in Rs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name.	CSR registration number
1	Project Cignificance	Education- School Intervention program	Yes	Telangana	R.R.District	45.00 Lakhs	No	GMR Varalakshmi Foundation	CSR00000851
2	Project Cignificance	Education- Intervention program	yes	Telangana	R.R.District	Rs 25.00 Lakh	No	Nethra Vidyalaya Institutions	CSR00010532
3	Project Cignificance	Health	Yes	Telangana	Siddipet Dist	Rs 25.00 Lakh	No	Sri Sathya Sai Health & Education Trust	CSR00001048
4	Project Cignificance	Health	Yes	Telangana	RR Dist	Rs 16.55 Lakh	No	Nirmaan org	CSR00000146
5	Project Cignificance	Education & Health	NO	Karnataka	Chikkaballapur	Rs 57.04 Lakh	No	Prasanthi Bala Mandhir Trust	CSR00000226

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs 168.58 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs) lakhs
(i)	Two percent of the average net profit of the company as per section 135(5	168.58
(ii)	Total amount spent for the Financial Year	168.58
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)	Amount spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial yeaRs (in Rs)
			Name of the Fund	Name of the Fund	Amount (in Rs).	Date of transfer.	
1	Nil	-	-		Nil		Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs)	Status of the project - Completed /Ongoing.
1	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 (asset-wise details).** Not Applicable

    (a) Date of creation or acquisition of the capital asset(s).

    (b) Amount of CSR spent for creation or acquisition of capital asset.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

    For FY 23-24, the company has utilized the entire fund of Rs 168.58 lakhs as per table (7c) to support initiatives on Education, Healthcare and Sustainability.

	Sd/-	Sd/-
Place: Hyderabad	C.Srikanth	Nooraine Fazal
Date: May 1, 2024	Director & CEO	Chairperson of CSR Committee
	DIN: 06441390	(DIN:03110948)

Certificate by the CEO AND CFO OF THE COMPANY

To
The Board of Directors
Cigniti Technologies Limited

Dear Sirs,

As required under **Regulation 17(8) of SEBI LODR Regulations, 2015)**, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2024 and to the best of our knowledge and belief;
    a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
    b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
    a) Significant changes in the internal control during the year;
    b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

Yours Sincerely,

	Sd/-	Sd/-
	C. Srikanth	Krishnan Venkatachary
Place : Hyderabad	Director & CEO	Chief Financial Officer
Date : 1st May, 2024	DIN: 06441390	

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Cigniti Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the Consolidated Balance Sheet as at March 31 2024, the Consolidated Statement of Profit and Loss, including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment Assessment of Goodwill (as described in note 3.1 of the Consolidated Financial Statements)	
As at March 31, 2024, the Group has goodwill amounting to Rs. 7,396.83 lakhs on consolidation pertaining to historical and recent acquisition. In accordance with Ind AS, the goodwill is tested annually for impairment using discounted cash flow models of Cash Generating Unit's (CGU) recoverable value compared to the carrying value of the assets. The inputs to the impairment testing model include: - Projected revenue growth, operating margins and operating cash-flows in the years 1-5; - Stable long-term growth rates beyond 5 years and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money. The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. The annual impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over goodwill impairment assessment; • We assessed the Group's methodology and judgements applied in determining the CGUs to which goodwill is allocated and impairment analysis. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of a specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used, in consideration of the current and estimated future economic conditions; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions like projected revenue growth, EBIDTA, etc., used in the cash flow forecasts were suitable; • We tested the arithmetical accuracy of the impairment model; and • We assessed the adequacy of the related disclosures as described in note 3.1 and 35 to the Consolidated Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on consideration of report of the other auditor of the subsidiary company, incorporated in India, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Holding Company and its subsidiaries, incorporated in India so far as it appears from our examination of those books except that daily backups are maintained in servers located outside India as explained in note 46 to the Consolidated Financial Statements and for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; The provisions of section 197 read with Schedule V of the Act are not applicable to its subsidiaries incorporated in India for the year ended March 31, 2024;

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

      i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer note 38(b) to the Consolidated Financial Statements;

      ii. The Group did not have any long-term contracts including derivative contracts during the year ended March 31, 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid during the year by the Holding Company is in accordance with section 123 of the Act.

c) As stated in note 12 to the Consolidated Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

No dividend has been declared or paid during the year by the subsidiary companies, incorporated in India.

vi. Based on our examination which included test checks, and as explained in note 47 to the Consolidated Financial Statements, the Holding Company and its subsidiaries, incorporated in India, have used accounting software, which is operated by a third-party software service provider, for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442

Place of Signature: Hyderabad
Date: May 1, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited (the "Holding Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 of the companies included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442

Place of Signature: Hyderabad
Date: May 1, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited (the "Holding Company")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiaries, which are incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442

Place of Signature: Hyderabad
Date: May 1, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	2,302.36	3,021.10
Other intangible assets	3	684.88	1,232.79
Right-to-use asset	43	1,744.41	1,876.15
Goodwill	3.1	7,396.83	7,396.83
Financial assets			
Investments	4(a)	275.15	164.38
Other financial assets	5	963.78	2,571.37
Deferred tax asset (net)	11	907.88	591.29
		14,275.29	**16,853.91**
Current assets			
Financial assets			
Investments	4(b)	24,714.20	17,563.92
Trade receivables	6	31,863.65	25,515.42
Cash and cash equivalents	7	10,396.45	4,378.79
Bank balances other than cash and cash equivalents	8	5,650.11	6,295.70
Other financial assets	5	10,482.71	11,647.33
Other current assets	10	2,295.46	2,176.22
Current tax assets (net)	9	909.36	169.62
		86,311.94	**67,747.00**
Total assets		**1,00,587.23**	**84,600.91**
Equity and liabilities			
Equity			
Equity share capital	12	2,730.01	2,725.70
Other equity	13	71,077.25	56,209.07
		73,807.26	**58,934.77**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	16	855.79	1,391.66
Other financial liabilities	17	-	520.15
Provisions	18	2,410.57	1,692.82
		3,266.36	**3,604.63**
Current liabilities			
Financial liabilities			
Borrowings	14	3,493.44	3,043.67
Lease liabilities	16	1,374.24	1,141.24
Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		63.82	103.63
- total outstanding dues of creditors other than micro enterprises and small enterprises		11,324.48	11,444.97
Other financial liabilities	17	798.37	805.05
Provisions	18	1,892.45	1,380.47
Other current liabilities	20	2,988.60	2,227.36
Current tax liabilities (net)	19	1,578.21	1,915.12
		23,513.61	**22,061.51**
Total equity and liabilities		**1,00,587.23**	**84,600.91**
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	21	1,81,501.33	1,64,758.08
Other income	22	1,078.84	488.94
Finance income	23	2,228.74	982.82
Total income		**1,84,808.91**	**1,66,229.84**
Expenses			
Employee benefits expense	24	1,12,418.02	96,445.78
Hired contractors costs	25	28,611.94	30,749.57
Other expenses	26	18,295.84	13,792.40
Depreciation and amortization expense	27	3,033.33	2,638.35
Finance costs	28	412.21	439.69
Total expenses		**1,62,771.34**	**1,44,065.79**
Profit before tax		**22,037.57**	**22,164.05**
Tax expenses	29		
Current tax		5,794.86	5,792.58
Deferred tax		(316.49)	(460.59)
Total tax expenses		**5,478.37**	**5,331.99**
Net profit for the year		**16,559.20**	**16,832.06**
Other Comprehensive Income (OCI)			
a) Items to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		387.99	934.83
b) Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on employee defined benefit plans, net of tax	31(I)(E)	11.13	161.31
Total other comprehensive income for the year, net of tax		**399.12**	**1,096.14**
Total comprehensive income for the year, net of tax		**16,958.32**	**17,928.20**
Earnings per share (EPS) (Nominal value of equity share is Rs. 10/- each) (amount in Rs.)	30		
Basic EPS		60.68	61.32
Diluted EPS		60.41	61.21
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity share capital

Equity shares of Rs. 10 each, issued, subscribed and fully paid	No.	Rs.
For the year ended March 31,2024		
As at April 1, 2023	**2,72,56,959**	**2,725.70**
Add: Issued during the year (refer note 12)	43,125	4.31
As at March 31, 2024	**2,73,00,084**	**2,730.01**
For the year ended March 31,2023		
As at April 1, 2022	**2,80,52,509**	**2,805.25**
Add: Issued during the year (refer note 12)	37,500	3.75
Less: Buyback during the year (refer note 12)	(8,33,050)	(83.30)
As at March 31, 2023	**2,72,56,959**	**2,725.70**

b. Other equity

	Other components of equity					Total
	Securities premium	Share based payment reserve	Capital redemption reserve	Retained earnings	Foreign currency translation reserve	
For the year ended March 31,2024						
As at April 1, 2023	**25,737.43**	**419.69**	**83.30**	**30,021.97**	**(53.32)**	**56,209.07**
Profit for the year	-	-	-	16,559.20	-	16,559.20
Dividend	-	-	-	(2,318.96)	-	(2,318.96)
Exchange differences on translation of foreign operations	-	-	-	-	387.99	387.99
Re-measurement gains on employee defined benefit plans	-	-	-	11.13	-	11.13
Issue of equity shares on exercise of options	185.70	(151.20)	-	-	-	34.50
Share-based payment expense	-	194.32	-	-	-	194.32
As at March 31, 2024	**25,923.13**	**462.81**	**83.30**	**44,273.34**	**334.67**	**71,077.25**
For the year ended March 31,2023						
As at April 1, 2022	**29,390.20**	**111.53**	**-**	**14,665.54**	**(988.15)**	**43,179.12**
Profit for the year	-	-	-	16,832.06	-	16,832.06
Dividend	-	-	-	(687.70)	-	(687.70)
Exchange differences on translation of foreign operations	-	-	-	-	934.83	934.83
Re-measurement gains on employee defined benefit plans	-	-	-	161.31	-	161.31
Issue of equity shares on exercise of options	120.71	(34.46)	-	-	-	86.25
Buy-back of equity shares	(3,773.48)	-	-	(865.94)	-	(4,639.42)
Amount transferred to capital redemption reserve upon buyback	-	-	83.30	(83.30)	-	-
Share-based payment expense	-	342.62	-	-	-	342.62
As at March 31, 2023	**25,737.43**	**419.69**	**83.30**	**30,021.97**	**(53.32)**	**56,209.07**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit before tax		22,037.57	22,164.05
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		3,033.33	2,638.35
Finance income		(2,228.74)	(982.82)
Loss on sale of property, plant and equipment, net		(0.08)	-
Liabilities no longer required written back		(65.76)	-
Finance costs		412.21	439.69
Unrealised foreign exchange loss/(gain), net		134.87	(53.82)
Changes in fair value of financial liabilities		(327.85)	212.18
Share-based payment expense		194.32	342.62
Provision for expected credit loss, net		346.08	99.23
Operating profit before working capital changes		**23,535.95**	**24,859.48**
Movements in working capital			
(Decrease)/increase in trade payables		(94.55)	2,664.14
Increase/(decrease) in financial liabilities		307.48	(113.15)
Increase in other liabilities		761.24	306.73
Increase in provisions		1,244.60	871.91
Increase in trade receivables		(6,829.18)	(2,633.94)
Decrease/(increase) in financial assets		1,011.37	(4,693.93)
(Increase)/decrease in other assets		(119.24)	199.38
Cash generated from operations		**19,817.67**	**21,460.62**
Income taxes paid (net of refunds)		(6,875.35)	(5,743.18)
Net cash flows from operating activities	**(A)**	**12,942.32**	**15,717.44**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(557.91)	(1,319.52)
Proceeds from sale of property, plant and equipment		55.82	-
Acquisition of a subsidiary, net of cash acquired (refer note (i) below)		-	(2,114.28)
Payment of contingent consideration pertaining to acquisition of a subsidiary		(684.00)	-
Investment in other entities		(110.77)	(164.38)
Investments in mutual funds and other debt instruments		(13,356.59)	(11,833.41)
Redemption of mutual funds and other debt instruments		8,014.29	6,884.30
Investment in bank deposits		(4,441.33)	(5,946.50)
Redemption of bank deposits		6,855.05	8,552.22
Interest received		413.48	295.39
Net cash flows used in investing activities	**(B)**	**(3,811.96)**	**(5,646.18)**
Cash flows used in financing activities			
Proceeds from shares issued against stock options		38.81	90.00
Buyback of equity shares including transaction cost and tax on buyback		-	(4,722.73)
Repayment of borrowings		-	(98.45)
Payment towards lease liabilities		(1,421.06)	(1,166.76)
Interest, other borrowing cost and factoring charges paid		(262.35)	(251.40)
Dividend paid		(2,305.86)	(674.62)
Bill discounting with bank, net		-	(52.17)
Net cash flows used in financing activities	**(C)**	**(3,950.46)**	**(6,876.13)**
Net increase in cash and cash equivalents	**(A+B+C)**	**5,179.90**	**3,195.13**
Exchange differences on translation of foreign currency balances		387.99	337.72
Cash and cash equivalents at the beginning of the year		1,335.12	(2,197.73)
Cash and cash equivalents at the end of the year		**6,903.01**	**1,335.12**
Components of cash and cash equivalents			
Balances with banks including cash on hand		10,396.45	4,378.79
Cash credit facility		(3,493.44)	(3,043.67)
Total cash and cash equivalents		**6,903.01**	**1,335.12**
Note (i) Net cash outflow on acquisition of business			
Consideration paid in cash for acquisition		-	(2,280.00)
Less: Cash and cash equivalent balances acquired on the acquisition		-	165.72
Net cash outflow on acquisition of business		**-**	**(2,114.28)**

Refer note 8.1 for change in liabilities arising from financing activities and non-cash investing activities

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Corporate information

The Consolidated Financial Statements comprise financial statements of Cigniti Technologies Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") (CIN: L72200TG1998PLC030081) for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Dwarakapuri Colony, Panjagutta, Hyderabad. The Group is principally engaged in providing Digital Assurance and Engineering (Software testing) Services across the world.

The Consolidated Financial Statements were approved for issue in accordance with a resolution of the directors on May 1, 2024.

2. Material accounting policies

2.1 Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Contingent consideration

The Consolidated Financial Statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset /eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Group Information:

Information about subsidiaries

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Place and Country of operation	% equity interest	
			March 31, 2024	March 31, 2023
Cigniti Technologies Inc.	Digital Assurance and Engineering (Software testing) Services	USA	100%	100%
Cigniti Technologies (UK) Limited	Digital Assurance and Engineering (Software testing) Services	UK	100%	100%
Cigniti Technologies (Australia) Pty Ltd	Digital Assurance and Engineering (Software testing) Services	Australia	100%	100%
Cigniti Technologies Canada Inc	Digital Assurance and Engineering (Software testing) Services	Canada	100%	100%
Gallop Solutions Private Limited	Digital Assurance and Engineering (Software testing) Services	India	100%	100%
Cigniti Technologies (SG) Pte. Ltd.	Digital Assurance and Engineering (Software testing) Services	Singapore	100%	100%
Cigniti Technologies (CZ) Limited s.r.o.	Digital Assurance and Engineering (Software testing) Services	Czech Republic	100%	100%
Aparaa Digital Private Limited	Digital Assurance and Engineering (Software testing) Services	India	100%	100%
Roundsqr Inc. (dissolved on January 30, 2023)	Digital Assurance and Engineering (Software testing) Services	USA	-	100%
Roundsqr Pty Ltd.	Digital Assurance and Engineering (Software testing) Services	Australia	100%	100%
Cigniti Technologies CR Limitada	Digital Assurance and Engineering (Software testing) Services	Costa Rica	100%	100%

2.3 Summary of material accounting policies

(a) Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(b) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

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

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(d) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit or loss.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

(e) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(f) Revenue from contracts with customer

The Group derives revenue primarily from Digital Assurance and Engineering (Software testing) Services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has concluded that it is the principal in its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks. Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of contract.

Rendering of services

The method for recognising revenues and costs depends on the nature of services rendered as mentioned below:

- Time and material: Revenue from time and material contracts are recognised as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.
- Fixed price contracts: Revenue from fixed-price contracts is recognised as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition

is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

Contract balances:

- **Contract assets**

  A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

  Revenue in excess of invoicing are classified as unbilled revenue (contract assets).

- **Trade receivables**

  A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

- **Contract liabilities**

  A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Other income

- **Income from Government incentive:**

  Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 is recognised on expected realisable value based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS scrips are classified as 'Other financial assets' as "Export incentive receivable".

- Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

- Earnings and losses from investments is recognised based on changes in fair value of investments during the year and are reported on net basis.

- Foreign currency gains and losses are reported on net basis.

(g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(h) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has made technical assessment of the useful lives of the following classes of assets which coincides with the lives prescribed under Schedule II of the Companies Act, 2013:

Asset	Useful lives estimated by the management (years)
Buildings	60
Electrical equipment	10
Leasehold improvements	Over the period of lease
Furniture and fixtures	10
Office equipments	5
Computer and computer equipments	3
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives
Software licenses	3 years
Customer relationships	3 years
Non-compete fees	3 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

ROU	Useful lives
Office premises	3-5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(k) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Impairment losses of continuing operations are recognised in the statement of profit and loss.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Group's CGU. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss. After impairment, amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(l) Provisions, contingent liabilities and commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

(m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Employee State Insurance are defined contribution schemes. The Group has no obligation, other than the contribution payable to the fund. The Group recognises contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment healthcare benefits to employees in the United States. These healthcare benefits are unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

However, the Group presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(n) Hired contractors cost

Hired contractors cost represents cost of technical sub-contractors for service delivery to the Group's customers. These costs are accrued based on services received from the sub-contractors in line with the terms of the contract.

(o) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(p) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

i. the Group has transferred substantially all the risks and rewards of the asset, or

ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Other financial assets

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense/ income in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, contingent consideration and loans and borrowings including bank overdrafts and cash credits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (Contingent consideration)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(r) Segment information

The Group has only one reportable business segment, which is rendering of Digital Assurance and Engineering (Software testing) Services. Accordingly, the amounts appearing in the financial statements relate to the Group's single business segment.

(s) Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.4 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2023. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the consolidated financial statements of the Group.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

2.5 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

3. Property, plant and equipment and other intangible assets

	Property, plant and equipment							
	Buildings	Electrical equipments	Leasehold improvements	Furniture and fixtures	Office equipments	Computer and computer equipment	Vehicles	Total property, plant and equipment
Cost								
As at April 1, 2022	**193.53**	**536.36**	**317.10**	**578.09**	**361.21**	**3,423.67**	**187.98**	**5,597.94**
Additions	-	1.84	98.61	-	14.62	903.43	52.13	1,070.63
On account of acquisition of subsidiary (refer note 41)	-	-	-	0.38	-	12.88	-	13.26
Exchange differences	-	-	-	20.77	0.61	56.23	3.22	80.83
As at March 31, 2023	**193.53**	**538.20**	**415.71**	**599.24**	**376.44**	**4,396.21**	**243.33**	**6,762.66**
Additions	-	186.78	113.82	15.15	130.55	356.56	-	802.86
Disposals	-	-	-	-	-	-	(229.00)	(229.00)
Exchange differences	-	-	-	3.80	9.78	13.70	-	27.28
As at March 31, 2024	**193.53**	**724.98**	**529.53**	**618.19**	**516.77**	**4,766.47**	**14.33**	**7,363.80**
Depreciation								
As at April 1, 2022	**25.13**	**236.79**	**177.94**	**407.03**	**281.27**	**1,145.12**	**66.24**	**2,339.52**
Charge for the year	4.25	55.27	21.51	27.14	53.59	1,151.75	24.90	1,338.41
Exchange differences	-	-	-	20.55	0.61	39.19	3.28	63.63
As at March 31, 2023	**29.38**	**292.06**	**199.45**	**454.72**	**335.47**	**2,336.06**	**94.42**	**3,741.56**
Charge for the year	4.26	54.30	39.25	27.25	41.61	1,207.97	23.54	1,398.18
Disposals	-	-	-	-	-	-	(104.30)	(104.30)
Exchange differences	-	-	-	3.77	9.76	11.80	0.67	26.00
As at March 31, 2024	**33.64**	**346.36**	**238.70**	**485.74**	**386.84**	**3,555.83**	**14.33**	**5,061.44**
Net book value								
As at March 31, 2023	164.15	246.14	216.26	144.52	40.97	2,060.15	148.91	3,021.10
As at March 31, 2024	159.89	378.62	290.83	132.45	129.93	1,210.64	-	2,302.36

3. Property, plant and equipment and other intangible assets

	Other intangible assets			
	Software license	Customer relationship	Non-compete fee	Total other intangible assets
Cost				
As at April 1, 2022	**246.66**	**-**	**-**	**246.66**
Additions	-	-	-	-
On account of acquisition of subsidiary (refer note 41)		879.74	763.98	1,643.72
Exchange differences	-	-	-	-
As at March 31, 2023	**246.66**	**879.74**	**763.98**	**1,890.38**
Additions	-	-	-	-
Exchange differences	-	-	-	-
As at March 31, 2024	**246.66**	**879.74**	**763.98**	**1,890.38**
Amortisation				
As at April 1, 2022	**246.66**	**-**	**-**	**246.66**
Charge for the year	-	219.93	191.00	410.93
Exchange differences	-	-	-	-
As at March 31, 2023	**246.66**	**219.93**	**191.00**	**657.59**
Charge for the year	-	293.25	254.66	547.91
Exchange differences	-	-	-	-
As at March 31, 2024	**246.66**	**513.18**	**445.66**	**1,205.50**
Net book value				
As at March 31, 2023	-	**659.81**	**572.98**	**1,232.79**
As at March 31, 2024	**-**	**366.56**	**318.32**	**684.88**

3.1 Goodwill

Goodwill acquired through business combinations of Cigniti Inc, Gallop Solutions Inc, Cigniti Software Services Private Limited, Aparaa Digital Private Limited and Gallop Solutions Private Limited has been allocated to its Cash Generating Unit (CGU) for impairment testing which represents the lowest level within the Group at which the Goodwill is monitored.

Carrying amount of goodwill

	March 31, 2024	March 31, 2023
Opening balance	7,396.83	5,486.22
Add: On account of acquisition of subsidiary (refer note 41)	-	1,910.61
Closing balance	**7,396.83**	**7,396.83**

Impairment testing of goodwill

The Group performed its annual impairment test as at March 31, 2024 and March 31, 2023. Based on the approved business plan and valuation assessment, the management of the Group expects growth in operations and sustained profitability. The projections of the business is above the book value of its equity, indicating no signs of impairment of goodwill. Accordingly, these Consolidated Financial Statements do not include any adjustment relating to impairment of goodwill.

The recoverable amount of the CGUs has been determined being higher of fair value less cost of disposal and value in use. Value in use is calculated using cash flow projections from financial budgets approved by the management covering a five-year period and fair value is computed using comparable multiple method. The projected cash flows are based on financial assumptions that are derived from the integrated results of economic outlook, industry outlook, project analysis, historical financial analysis etc. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 9.26%-15.85%(March 31, 2023: 11.32%) and cash flows beyond the five-year period are extrapolated using a 3.1%-3.2% growth rate (March 31, 2023: 5.9%) that is the same as the long-term average growth rate for the industry. It was concluded that fair value less cost of disposal approximates value in use which is higher than the carrying value. As a result of this analysis, management has not recognised any impairment charge for the year ended March 31, 2024.

Key assumptions used for value in use calculations

The calculation of value in use for the units is most sensitive to the following assumptions:

a. Revenue growth and EBITDA Margins based on approved financial budgets

b. Discount rates arrived based on capital structure of peer group in accordance with Ind AS 36

c. Growth rates used to extrapolate cash flows beyond the forecast period, based on the long term average growth rate for the industry.

Sensitivity to changes in assumptions

The Group believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating units.

Financial assets

There are no loans or deposits given, covered under section 186(4) of Companies Act, 2013.

4(a) Non-current investments

	March 31, 2024	March 31, 2023
Investments carried at fair value through other comprehensive income		
Equity instruments of other entities (unquoted)		
Nil (March 31, 2023: 17,774) equity shares of $ 0.00, each fully paid-up in Lambda Testing Inc.*	-	82.19
13,322 (March 31, 2023: 13,332) equity shares of $ 0.01, each fully paid-up in Simnovus Corporation	83.38	82.19
23,200 (March 31, 2023: Nil) equity shares of $0.00, each fully paid-up in Loquat Inc.*	166.77	-
Investments carried at fair value through profit and loss		
Preferred instruments of other entities (unquoted)		
100 (March 31, 2023: Nil) compulsory convertible preference shares of Rs. 10 fully paid-up in Hirexai Private Limited	25.00	-
	275.15	**164.38**
Aggregate value of unquoted investments	**275.15**	**164.38**
Aggregate amount of impairment in value of investments	**-**	**-**

* Investments par value rounded off to nearest two decimal.

Equity instruments designated at fair value through OCI include investments in equity shares of non-listed companies. The Group holds non-controlling interests in these companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

4(b) Current investments

	March 31, 2024	March 31, 2023
Valued at fair value through profit and loss		
Investment in bonds, quoted		
Unsecured, considered good	10,130.75	8,155.41
Investment in debentures, quoted		
Unsecured, considered good	8,569.89	4,122.28
Investment in commercial paper, quoted		
Unsecured, considered good	2,128.89	-
Investment in mutual funds, quoted		
Unsecured, considered good	3,884.67	5,286.23
	24,714.20	**17,563.92**
Aggregate book value of quoted investments	**24,714.20**	**17,563.92**
Aggregate market value of quoted investments	**24,714.20**	**17,563.92**
Aggregate amount of impairment in value of investments	**-**	**-**

		March 31, 2024		March 31, 2023	
		Units	Amount	Units	Amount
Bonds					
Bharat Bond ETF		80,000.00	1,082.06	80,000.00	1,002.20
India Grid Trust		60,000.00	644.89	60,000.00	643.21
Bank of Baroda		49.00	504.60	49.00	504.37
State Bank of India		15.00	626.51	60.00	619.23
Mahindra & Mahindra		500.00	519.97	110.00	1,039.28
Shriram Transport Finance		440.00	4,593.48	220.00	2,271.89
Aditya Birla		50.00	578.73	50.00	531.95
Bajaj Finance		50.00	531.12	50.00	512.60
Kotak Mahindra		500.00	543.50	500.00	500.46
Punjab National Bank		50.00	505.89	-	-
IIFL Home Finance Ltd		-	-	50.00	530.22
	A		**10,130.75**		**8,155.41**
Debentures					
Non-convertible debentures of L & T Finance MLD		200.00	2,214.33	200.00	2,056.27
Non-convertible debentures of HDB Financial Services		50.00	502.24	-	-
Non-convertible debentures of Muthoot Finance Ltd		1,12,000.00	3,200.18	-	-
Non-convertible debentures of ICICI HFCL		100.00	1,109.69	200.00	2,066.01
Non-convertible debentures of Bharti Telecom		1,500.00	1,543.45	-	-
	B		**8,569.89**		**4,122.28**
Commercial Paper					
360 One Wam Limited		460.00	2,128.89	-	-
	C		**2,128.89**		**-**
Mutual Funds					
Kotak Debt hybrid -Growth Regular Plan		12,78,681.66	670.14	12,78,681.66	571.29
Kotak Credit Risk Fund - Growth Regular Plan		24,34,478.82	655.18	24,34,478.82	605.33
Axis Regular Saver Fund - Regular Growth (ISGPG)		-	-	32,80,338.03	803.93
Aditya Birla Sun Life Low Duration Fund - Growth-Direct Plan		1,38,826.44	915.07	1,38,826.43	848.86
Aditya Birla Sun Life Regular Savings Fund Regular Plan Growth		-	-	18,70,167.65	985.74
ICICI Prudential PAMP Asset Allocation Fund (FOF)_Growth		5,08,022.72	524.98	5,08,022.72	432.38
ICICI PLFRAG Medium Term Bond Fund Growth		11,34,765.86	457.86	11,34,765.86	426.21
ICICI Prudential Savings Fund- Direct Plan		1,32,407.63	661.44	1,32,407.63	612.49
	D		**3,884.67**		**5,286.23**
	(A+B+C+D)		**24,714.20**		**17,563.92**

5 Other financial assets

	Non current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Bank deposits with remaining maturity more than twelve months	224.53	1,413.50	-	-
Margin money deposits (having remaining maturity of more than twelve months)	-	579.16	-	-
Unsecured, considered good				
Interest receivable	-	-	317.01	309.71
Other receivables	-	-	912.53	-
Security deposits	739.25	578.71	78.84	76.08
Export incentive receivable (refer note 38(b)(ii))	-	-	1,770.78	1,770.78
Unbilled receivables (refer note 6.2)	-	-	7,403.55	9,490.76
	963.78	**2,571.37**	**10,482.71**	**11,647.33**

6 Trade receivables

	March 31, 2024	March 31, 2023
Trade receivables, considered good - Unsecured	32,577.26	25,879.91
Less: Allowance for expected credit losses	(713.61)	(364.49)
Trade receivables, credit impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
	31,863.65	**25,515.42**

6.1 Movement in the provision for expected credit losses of trade receivables

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	364.49	399.77
Provision made during the year, net	346.08	99.23
Bad debt written-off	-	(151.32)
Exchange differences	3.04	16.81
Balance at the end of the year	**713.61**	**364.49**

6.2 Ageing schedule - Trade receivables and unbilled receivables

As at March 31, 2024

	Unbilled receivables	Trade receivables						Total
		Current, 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	
Undisputed receivables								
Considered good	7,403.55	23,739.49	8,457.22	196.26	86.77	-	97.52	32,577.26
Credit impaired	-	-	-	-	-	-	-	-
Total	**7,403.55**	**23,739.49**	**8,457.22**	**196.26**	**86.77**	**-**	**97.52**	**32,577.26**
Less: Allowance for expected credit losses								**(713.61)**
Balance as at year end	**7,403.55**							**31,863.65**

As at March 31, 2023

	Unbilled receivables	Current, not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed receivables								
Considered good	9,490.76	20,598.81	5,119.77	44.82	12.78	44.01	59.72	25,879.91
Credit impaired		-	-	-	-	-	-	-
Total	**9,490.76**	**20,598.81**	**5,119.77**	**44.82**	**12.78**	**44.01**	**59.72**	**25,879.91**
Less: Allowance for expected credit losses								**(364.49)**
Balance as at year end	**9,490.76**							**25,515.42**

There are no disputed trade receivables in current and previous year.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally with the credit term of 0 to 90 days.

Expected credit losses (ECL): The Company provides for ECL under the simplified approach from 1%-5% for trade receivables outstanding between 0-90 days and freely up to 100% for trade receivables of more than 90 days based on past trends.

7 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Balance with banks		
-On current accounts	10,366.78	4,339.62
-Remittance in transit	-	22.47
Unpaid dividend	29.60	16.50
Cash on hand	0.07	0.20
	10,396.45	**4,378.79**

7.1 For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2024	March 31, 2023
Cash and cash equivalents (refer note 7)	10,396.45	4,378.79
Less: Cash credit facility (refer note 14)	(3,493.44)	(3,043.67)
	6,903.01	**1,335.12**

8 Bank balances other than cash and cash equivalents

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Other deposit accounts				
Bank deposits with original maturity of more than 12 months	224.53	1,413.50	5,650.11	6,295.70
Margin money	-	579.16	-	-
Less: Amount disclosed under other financial assets (refer note 5)	(224.53)	(1,992.66)	-	-
	-	**-**	**5,650.11**	**6,295.70**

Fixed deposits amounting to Rs. 1,810 lakhs (March 31, 2023: Rs. 1,700 lakhs) are subject to charge to fulfil collateral requirements of cash credit facility from bank.

8.1 Change in liabilities arising from financing activities and non-cash investing activities

Financing activities

	April 1, 2023	Addition	Cashflows	Others*	March 31, 2024
Lease liabilities	2,532.90	948.43	(1,421.06)	169.76	2,230.03
Total liabilities from financing activities	**2,532.90**	**948.43**	**(1,421.06)**	**169.76**	**2,230.03**
	April 1, 2022	**Addition**	**Cashflows**	**Others***	**March 31, 2023**
Short-term borrowings (excluding cash credit facility)	52.17	-	(52.17)	-	-
Lease liabilities	3,307.76	276.09	(1,166.76)	115.81	2,532.90
Total liabilities from financing activities	**3,359.93**	**276.09**	**(1,218.93)**	**115.81**	**2,532.90**
*Others includes the interest accrued for lease liabilities and exchange differences.					

Non-cash investing activities

	March 31, 2024	March 31, 2023
Acquisition of Right-of-use assets	948.43	276.09
	948.43	**276.09**

9 Current tax assets (net)

	March 31, 2024	March 31, 2023
Income tax receivable (net of provision for tax)	909.36	169.62
	909.36	**169.62**

10 Other current assets

	March 31, 2024	March 31, 2023
Unsecured, considered good unless stated otherwise		
Advances to vendors	105.81	88.40
Staff advances	55.72	216.36
Prepaid expenses	696.75	609.19
Contract assets	557.74	173.07
Balance with government authorities	879.44	1,089.20
	2,295.46	**2,176.22**

No advances are due from directors or other officers of the Group or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or a member.

11 Deferred tax asset (net)

	March 31, 2024	March 31, 2023
Deferred tax asset		
Provision for employee benefits	1,151.65	829.00
Provision for doubtful debts	135.33	69.55
Right to use assets/lease liabilities	118.82	162.31
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	106.35	-
Gross deferred tax asset	**1,512.15**	**1,060.86**
Deferred tax liability		
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	-	(11.88)
Deferred taxes acquired in business combination (refer note 41)	(172.37)	(310.27)
Revaluations of current investments to fair value	(431.90)	(147.42)
Gross deferred tax liability	**(604.27)**	**(469.57)**
	907.88	**591.29**

March 31, 2024

	Opening balance	Recognised in the statement of profit and loss*	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	(11.88)	(117.16)	1.07	106.35
Provision for employee benefits	829.00	(320.82)	1.83	1,151.65
Provision for doubtful debts	69.55	(64.98)	0.80	135.33
Right to use assets/lease liabilities	162.31	43.63	0.14	118.82
Revaluations of current investments to fair value	(147.42)	284.48	-	(431.90)
Deferred taxes acquired in business combination (refer note 41)	(310.27)	(137.90)	-	(172.37)
	591.29	**(312.75)**	**3.84**	**907.88**

* Includes deferred tax charge of Rs. 3.74 lakhs recognised on re-measurement gains on employee defined benefit plans through other comprehensive income.

March 31, 2023

	Opening balance	Recognised in the statement of profit and loss*	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation/amortisation charged to financial reporting	(36.31)	(23.43)	1.00	(11.88)
Provision for employee benefits	560.77	(255.82)	12.41	829.00
Provision for doubtful debts	88.55	20.77	1.77	69.55
Right to use assets/lease liabilities	189.20	27.57	0.68	162.31
Revaluations of current investments to fair value	(221.97)	(74.55)	-	(147.42)
Deferred taxes acquired in business combination (refer note 41)	-	-	-	(310.27)
	580.24	**(305.46)**	**15.86**	**591.29**

* Includes deferred tax charge of Rs. 51.71 lakhs recognised on re-measurement gains on employee defined benefit plans through other comprehensive income and deferred tax charge of Rs. 103.42 on amortisation of intangible assets acquired as part of the business combination.

12 Equity share capital

	March 31, 2024	March 31, 2023
Authorized share capital		
36,000,000 (March 31, 2023: 36,000,000) equity shares of Rs. 10/- each	3,600.00	3,600.00
Issued, subscribed and fully paid-up shares		
27,300,084 (March 31, 2023: 27,256,959) equity shares of Rs. 10/- each fully paid-up	2,730.01	2,725.70
Total issued, subscribed and fully paid-up share capital	**2,730.01**	**2,725.70**

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

Equity shares

	March 31, 2024		March 31, 2023	
	No's	Amount	No's	Amount
At the beginning of the year	2,72,56,959	2,725.70	2,80,52,509	2,805.25
Shares issued during the year against stock options	43,125	4.31	37,500	3.75
Less: Shares bought back (Refer note : (a)(i))	-	-	(8,33,050)	(83.30)
Outstanding at the end of the year	**2,73,00,084**	**2,730.01**	**2,72,56,959**	**2,725.70**

(a)(i) Buyback of shares

The Board, at its meeting held on May 18, 2022, approved the buyback of the Company's fully paid-up equity shares of face value of Rs. 10 each, from the eligible equity shareholders of the Company, other than promoters, promoter group and persons who are in control of the Company at a price not exceeding Rs. 500 per equity share (maximum buyback price), for an aggregate amount not exceeding Rs.3,800 lakhs (maximum buyback size, excluding buyback tax) from the open market through the stock exchange mechanism, in accordance with the provisions of Companies Act, 2013 and SEBI (Buyback of securities) Regulations, 2018, subject to shareholders' approval in the ensuing Annual General Meeting.

The shareholders approved the proposal of buyback of equity shares recommended by its Board of Directors in the Annual General meeting held on June 19, 2022. The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange was completed on June 29, 2022. During this buyback period, the Company had purchased and completely extinguished a total of 8,33,050 equity shares from the stock exchange at a volume weighted average buyback price of Rs. 456.13 per equity share comprising ~1.66% of the pre buyback paid up equity share capital of the Company. The buyback resulted in a cash outflow of Rs. 3,799.77 lakhs (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013. In accordance with Section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of Rs. 83.30 lakhs equal to the nominal value of the above shares bought back as an appropriation from the retained earnings. The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. The Company has only one class of equity shares and has no debt. Consequent to the above capital structure, there are no externally imposed capital requirements.

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2024		March 31, 2023	
	No's	% holding	No's	% holding
P. Sapna	35.59	13.04%	35.59	13.06%
C. V. Subramanyam	27.98	10.25%	29.35	10.77%
C. Srikanth	25.00	9.16%	25.00	9.17%
Kukunuru Madhava Lakshmi	15.50	5.68%	16.00	5.87%

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

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 32.

(e) Details of shares held by promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	35.59	-	35.59	13.04%	-
C. V. Subramanyam	29.35	(1.37)	27.98	10.25%	-4.67%
C. Srikanth	25.00	-	25.00	9.16%	-
C. Rajeshwari	4.39	(3.52)	0.87	0.32%	-80.22%
P. Sudhakar	0.01	-	0.01	0.00%	-

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	34.59	1.00	35.59	13.06%	2.89%
C. V. Subramanyam	32.35	(3.00)	29.35	10.77%	-9.27%
C. Srikanth	25.00	-	25.00	9.17%	-
C. Rajeshwari	3.14	1.25	4.39	1.61%	39.76%
P. Sudhakar	0.01	-	0.01	0.00%	-

(f) Dividends distribution made and proposed

	March 31, 2024	March 31, 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: Rs. 5.50 per share (March 31, 2022: Rs. 2.50 per share)*	1,499.96	687.70
Interim dividend for the year ended on March 31, 2024: Rs. 3.00 per share (March 31, 2023: Nil)*	819.00	-
	2,318.96	**687.70**
Proposed dividend on equity shares:		
Proposed dividend for the year ended on March 31, 2024: Rs. Nil per share (March 31, 2023: Rs. 5.50 per share)	-	1,499.13
	-	**1,499.13**

*Includes unclaimed dividend amount of Rs. 29.60 lakhs (March 31, 2023: 16.50 lakhs).

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023. The dividend declared/ paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

There are no equity shares issued as bonus and issued for consideration other than cash during the period of five years immediately preceding the reporting date.

13 Other equity

	March 31, 2024	March 31, 2023
Securities premium		
Opening balance	25,737.43	29,390.20
Add: Issue of equity shares on exercise of employee stock options	185.70	120.71
Less: Buy-back of equity shares (refer note 12(a)(i))	-	(3,773.48)
Closing balance	**25,923.13**	**25,737.43**
Capital redemption reserve		
Opening balance	83.30	-
Add: Transfer from retained earnings upon buyback (refer note 12(a)(i))	-	83.30
Closing balance	**83.30**	**83.30**
Share based payment reserve		
Opening balance	419.69	111.53
Less: Issue of equity shares on exercise of employee stock options	(151.20)	(34.46)
Add: Share-based payment expense	194.32	342.62
Closing balance	**462.81**	**419.69**
Retained earnings		
Opening balance	30,021.97	14,665.54
Less: Dividend	(2,318.96)	(687.70)
Add: Profit during the year	16,559.20	16,832.06
Less: Tax on buyback of shares (refer note 12(a)(i))	-	(865.94)
Less: Transfer to capital redemption reserve upon buyback (refer note 12(a)(i))	-	(83.30)
Items recognised directly in other comprehensive income		
Re-measurement gain on employee defined benefit plans (net of tax)	11.13	161.31
	44,273.34	**30,021.97**
Foreign currency translation reserve		
Opening balance	(53.32)	(988.15)
Add: Arisen during the year	387.99	934.83
Closing balance	**334.67**	**(53.32)**
	71,077.25	**56,209.07**

Nature and purpose of reserves

13.1 Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

13.2 Share based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Refer to note 32 for further details of these plans.

13.3 Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

13.4 Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

13.5 Capital redemption reserve

Capital redemption reserve is created for the amount equal to face value of shares bought back in the previous year.

14 Borrowings

	March 31, 2024	March 31, 2023
Secured		
Cash credit from banks (refer note (a) and (b) below)	3,493.44	3,043.67
	3,493.44	**3,043.67**

(a) Cash credit from banks of Rs. 3,493.44 lakhs (March 31, 2023: Rs 3,043.67 lakhs) is secured by hypothecation of trade receivables of the Group and exclusive charge - cash collateral amounting to Rs. 1,810 lakhs (March 31, 2023 : Rs. 1,700 lakhs) in the name of Company . It is repayable on demand and carries floating interest rate of 8.50%p.a. (March 31, 2023: 8.50%p.a). The Company had available Rs. 106.56 lakhs (March 31, 2023: Rs. 556.33 lakhs) of undrawn committed borrowing facilities as at March 31, 2024.

(b) Cash credit from banks obtained by Cigniti Technologies Inc., USA ("CTI") of USD Nil (March 31, 2023: USD Nil) is secured by hypothecation of trade receivables of the Company. It is repayable on demand and carries floating interest rate of LIBOR+2.5% p.a. on utilised amounts and carrying fixed interest rate of 0.25% p.a (March 31, 2023: 0.25%) on un-utilised amounts. CTI had available USD 150.00 lakhs equivalent to Rs. 12,507.50 lakhs (March 31, 2023: USD 150.00 lakhs equivalent to Rs. 12,327.55 lakhs) of undrawn committed borrowing facilities as at March 31, 2024.

Loan covenants

Cash credit from banks obtained by CTI contains certain debt covenants relating to tangible effective net-worth, senior debt to EBIDTA ratio, interest coverage ratio, limitation on indebtedness, distribution of dividend and purchase of its stock.

The Group has not defaulted on any loan covenants.

Cigniti Technologies Limited has taken loans against security of current assets and monthly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

15 Trade payables

		March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises (refer note 42)		63.82	103.63
	A	**63.82**	**103.63**
Outstanding dues to related parties (refer note 34)		973.41	885.01
Outstanding dues to other parties		10,351.07	10,559.96
	B	**11,324.48**	**11,444.97**
	A+B	**11,388.30**	**11,548.60**

Trade payable ageing schedule

As at March 31, 2024

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	37.99	25.83	-	-	-	**63.82**
Others	3,700.62	2,534.59	5,077.52	9.55	-	2.20	**11,324.48**
	3,700.62	**2,572.58**	**5,103.35**	**9.55**	**-**	**2.20**	**11,388.30**

As at March 31, 2023

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	82.80	20.83	-	-	**-**	**103.63**
Others	3,230.40	3,670.42	4,541.26	-	2.89	-	**11,444.97**
	3,230.40	**3,753.22**	**4,562.09**	**-**	**2.89**	**-**	**11,548.60**

There are no disputed trade payables in the current and previous year.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Group's credit risk management processes, refer to note 37.

16 Lease liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Lease liabilities (refer note 43)	855.79	1,391.66	1,374.24	1,141.24
	855.79	**1,391.66**	**1,374.24**	**1,141.24**

Interest payable is normally settled monthly throughout the financial year.

17 Other financial liabilities

	Non-Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
At amortised cost				
Interest accrued but not due on borrowings (refer note below)	-	-	7.87	20.71
Contingent consideration (refer note 41)	-	520.15	154.34	646.04
Capital creditors	-	-	299.07	121.80
Advance from customers	-	-	307.49	-
Unclaimed dividend	-	-	29.60	16.50
	-	**520.15**	**798.37**	**805.05**

Interest payable is normally settled monthly throughout the financial year.

18 Provisions

	Non-Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for employee benefits				
Provision for gratuity (refer note 31)	2,410.57	1,692.82	500.00	500.00
Provision for leave benefits	-	-	1,392.45	880.47
	2,410.57	**1,692.82**	**1,892.45**	**1,380.47**

19 Current tax liabilities (net)

	March 31, 2024	March 31, 2023
Provision for taxation (net of advance tax)	1,578.21	1,915.12
	1,578.21	**1,915.12**

20 Other current liabilities

	March 31, 2024	March 31, 2023
Statutory dues	2,988.60	2,227.36
	2,988.60	**2,227.36**

21 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Digital Assurance and Engineering (Software testing) Services	1,81,501.33	1,64,758.08

21.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Year ended March 31, 2024	Year ended March 31, 2023
Geographical regions		
India	8,866.80	8,311.61
US	1,42,474.11	1,30,516.48
Rest of the world	30,160.42	25,929.99
Total revenue from contracts with customers	**1,81,501.33**	**1,64,758.08**

21.2 Contract balances

	March 31, 2024	March 31, 2023	March 31, 2022
Contract assets			
Trade receivables, net (refer note 6)	31,863.65	25,515.42	22,678.05
Unbilled receivables (refer note 5)	7,403.55	9,490.76	4879.54
Contract assets (refer note 10)	557.74	173.07	59.29
Contract liabilities			
Advance from customers (refer note 17)	307.49	-	3.05

Contract assets

Unbilled receivables: Unbilled receivables are initially recognised for the revenue earned in excess of amounts billed to clients as at the balance sheet date. Upon completion of acceptance by the customer, the amounts recognised as unbilled receivables are reclassified to trade receivables. During the year ended March 31, 2024, Rs. 9,487.40 lakhs of unbilled receivables as at March 31, 2023 has been reclassified to trade receivables on completion of performance obligation. During the year ended March 31, 2023, Rs. 4,863.89 lakhs of unbilled receivables as at March 31, 2022 has been reclassified to trade receivables on completion of performance obligation.

Contract assets: During the year ended March 31, 2024, Rs. 173.07 lakhs of contract assets as at March 31, 2023 has been reclassified to trade receivables on completion of performance obligation. During the year ended March 31, 2023, Rs. 59.29 lakhs of contract assets as at March 31, 2022 has been reclassified to trade receivables on completion of performance obligation.

Advance from customers: Contract liabilities represents the obligation of the Group to perform services for which the entity has received consideration from the customer.

21.3 Performance obligation

The Group has arrangements with the customer which are "time and material" basis. The performance obligation in case of time and material contracts is satisfied over time. Revenue is recognised as and when the services are performed.

The Group also performs work under "fixed-price" arrangements. Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. There is no unrecognised revenue out of fixed-price arrangements.

The payment is due with in 0-90 days from the time the customer accepts the work performed by the Group.

21.4 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contracted price	1,81,647.93	1,65,506.17
Adjustments :		
Discounts	146.60	748.09
Revenue from contracts with customers	**1,81,501.33**	**1,64,758.08**

22 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Exchange differences, net	(153.20)	275.10
Profit on sale of property, plant and equipment	0.08	-
Income towards claim settlement (refer note 38 (c))	838.35	-
Changes in fair value of financial liabilities	327.85	-
Liabilities no longer required written back	65.76	161.75
Reversal of provision for expected credit loss, net	-	52.09
	1,078.84	**488.94**

23 Finance income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on bank deposits	420.76	374.82
Income on fair valuation of investments through profit and loss	1,807.98	601.86
Interest income on income tax refund	-	6.14
	2,228.74	**982.82**

24 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus*	1,07,445.99	92,295.86
Contribution to provident and other funds (refer note 31)	971.99	907.36
Share based payment expense	194.32	342.62
Gratuity expense (refer note 31)	1,057.61	865.11
Staff welfare expenses	2,748.11	2,034.83
	1,12,418.02	**96,445.78**

*Salaries, wages and bonus includes an amount of Rs. 2,031.00 lakhs (March 31, 2023: Rs. Nil) towards accrual of long service rewards for certain employees on completion of 25 years of the Company.

25 Hired contractors cost

	Year ended March 31, 2024	Year ended March 31, 2023
Hired contractors cost	28,611.94	30,749.57
	28,611.94	**30,749.57**

26 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	586.88	472.24
Rent	165.72	198.79
Rates and taxes	479.76	299.76
Insurance	318.69	195.28
Repairs and maintenance - others	29.88	40.69
Advertising, marketing and sales promotion	6,825.60	3,345.72
Office maintenance	587.11	318.94
Travelling and conveyance	3,042.43	2,780.46
Communication costs	484.69	256.95
Legal and professional fees	2,825.64	2,796.32
Payment to auditor	171.90	155.67
Provision for expected credit loss, net	346.08	-
Changes in fair value of financial liabilities	-	212.18
Bad debts written off	-	151.32
Software licensing cost	1,846.70	1,851.84
Printing and stationery	158.10	150.04
Recruitment expenses	241.70	431.28
Corporate social responsibility expenditure	168.58	119.01
Miscellaneous expenses	16.38	15.91
	18,295.84	**13,792.40**

27 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 3)	1,398.18	1,338.41
Amortisation of other intangible assets (refer note 3)	547.91	410.93
Amortisation of right-to-use-assets (refer note 43)	1,087.24	889.01
	3,033.33	**2,638.35**

28 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense	149.79	125.32
Interest on lease liability (refer note 43)	162.69	177.36
Other borrowing costs	18.28	14.87
Factoring and bank charges	81.45	122.14
	412.21	**439.69**

29 Taxes

(a) Income tax expense:

The major components of income tax expenses are:

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	5,794.86	5,792.58
Deferred tax	(316.49)	(460.59)
Total income tax expense recognised in statement of profit and loss relating to current year	**5,478.37**	**5,331.99**

(b) Reconciliation of effective tax rate:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax (A)	22,037.57	22,164.05
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A*B)	5,546.42	5,578.25
Reconciling items:		
On account of difference in tax rates in other subsidiaries	66.34	(19.41)
Tax effect on deductible temporary differences and set off of taxable profits for the year against the carry forward of taxable losses	(32.17)	(300.94)
Tax on expenses/incomes not tax deductible/chargeable	(102.22)	74.09
Total (D)	**5,478.37**	**5,331.99**
Effective tax rate	24.86%	24.06%

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders for basic earnings	16,559.20	16,832.06
Weighted average number of equity shares in computing basic EPS (No. in lakhs)	272.88	274.50
Add: Effect of dilution:		
Employee stock options (No. in lakhs)	1.23	0.50
Weighted Average number of equity shares adjusted for effect of dilution (No. in lakhs)	274.11	275.00
Face value of each equity share (Rs.)	10.00	10.00
Earnings per share		
- Basic (Rs.)	60.68	61.32
- Diluted (Rs.)	60.41	61.21

There have been no other transactions involving equity shares or potential equity shares between the reporting date and date of authorisation of these financial statements.

31 Retirement and other employee benefits

I Defined benefit plan

The Group has a defined benefit gratuity plan, governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The scheme is funded through a policy with LIC. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

A) Net employee benefit expense (recognised in Employee benefits expense)

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	934.98	763.11
Interest cost	216.58	146.89
Expected return on plan assets	(66.19)	(44.89)
Less: Gratuity cost reimbursed by the subsidiary company for employees transferred to the Holding Company	(27.76)	-
Net employee benefit expenses	**1,057.61**	**865.11**
Actual return on plan asset	66.19	44.89

B) Amount recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Defined benefit obligation	3,939.39	2,992.91
Fair value of plan assets	1,028.82	800.09
	2,910.57	**2,192.82**

C) Changes in the present value of the defined benefit obligation

	March 31, 2024	March 31, 2023
Opening defined benefit obligation	2,992.91	2,500.83
Current service cost	934.98	763.11
Interest cost	216.58	146.89
Benefits paid	(162.45)	(195.86)
Net actuarial gain on obligation for the year recognised under OCI	(14.87)	(222.06)
Gratuity liability of transferee employees	(27.76)	-
Closing defined benefit obligation	**3,939.39**	**2,992.91**

D) Change in the fair value of plan assets

	March 31, 2024	March 31, 2023
Opening fair value of plan assets	800.09	707.57
Investment income	66.19	44.89
Employer's contribution	324.99	252.54
Benefits paid	(162.45)	(195.86)
Return on plan assets, excluding amount recognised in net interest expense	-	(9.05)
Closing fair value of plan assets	**1,028.82**	**800.09**

The Company expects to contribute Rs. 500 lakhs to the gratuity fund in the next year (March 31, 2023: Rs. 500 lakhs).

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

	March 31, 2024	March 31, 2023
Investments with LIC	100.00%	100.00%

E) Remeasurement adjustments:

	Year ended March 31, 2024	Year ended March 31, 2023
Experience (gain)/loss on plan liabilities	(75.41)	25.14
Financial loss/(gain) on plan liabilities	60.54	(247.21)
Return on plan assets, excluding amount recognised in net interest expense	-	9.05
Remeasurement gains recognised in other comprehensive income	**(14.87)**	**(213.02)**

Remeasurement gains recognised in the current year are excluding the impact of deferred tax expense of Rs. 3.74 lakhs (March 31,2023 : Rs. 51.71 lakhs).

(i) The principal assumptions used in determining gratuity for the Group's plans are shown below:

	March 31, 2024	March 31, 2023
Discount rate	7.23%	7.51%
Expected rate of return on assets	7.24%	5.95%
Salary rise	12.00%	12.00%
Attrition rate	20.00%	20.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

	March 31, 2024	March 31, 2023
Expected benefit payments for the year ended:		
1 year	455.85	377.04
2-5 years	2,028.60	1,547.06
6-10 years	1,865.83	1,423.48
More than 10 years	2,105.28	1,626.72

The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (March 31, 2023: 5.21-6.43 years).

(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption on defined benefit obligation is as shown below:

	March 31, 2024	March 31, 2023
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(208.35)	(155.27)
- 1% decrease	231.58	172.42
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	199.64	150.96
- 1% decrease	(191.78)	(144.34)
(c) Effect of change by 50% of attrition rate		
- increase by 50% of the attrition rate	(426.99)	(305.25)
- decrease by 50% of the attrition rate	800.09	575.02

II Defined contribution plan

	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident and other funds	971.99	907.36

32 Share based payments

Under the Employee Stock Option Plan, the Group, at its discretion, may grant share options to employees of the Group. The remuneration committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period ranging from 1 to 5 years subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price equal to the face value. The fair value of share options granted is estimated at the date of grant using a Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. It takes into account historical and expected dividends, and the share price fluctuation covariance of the Company and its competitors to predict the distribution of relative share performance.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2024	Year ended March 31, 2023
Expense arising from equity-settled share-based payment transactions	194.32	342.62

Movements during the year: The following table contains movements in share options during the year:

(Numbers in lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Total No. of options under the grant	25.00	5.00	25.00	5.00
Outstanding at April 1	0.75	2.15	0.75	2.55
Exercised during the year	0.28	0.15	-	0.38
Expired during the year	-	-	-	0.03
Outstanding at March 31	0.47	2.00	0.75	2.15
Exercisable at March 31	-	1.00	-	0.65

The weighted average share price at the date of exercise of these options was Rs 803.47 (March 31, 2023: Rs 485.10).

The following table lists the weighted average remaining contractual life for the share options as at March 31, 2024 and as at March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Scheme 2014	5.33	5.58
Scheme 2015	2.33	3.15

The range of exercise prices for the options outstanding at the beginning, forfeited, exercised, expired and outstanding at the end of the year is Rs 10 - Rs 506 (March 31, 2023: Rs 240 - Rs 506).

There are no grants during the current year and previous year. The following tables list the inputs to the model used for the year ended March 31, 2022:

Particulars	March 31, 2022	
	Scheme 2014	Scheme 2015
Dividend yield	0.49%-0.54%	0.49%
Expected volatility	42.98% - 47.40%	43.33% - 49.12%
Risk-free interest rate	4.31% - 6.20%	4.77% - 6.05%
Expected life of options granted in years	2 - 5 years	2 - 5 years
Weighted average share price	494.26	505.90
Model used	Black-Scholes model	

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

33 Segment reporting

The Group has only one reportable business segment, which is rendering of Revenue from Digital Assurance and Engineering (Software testing) Services. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group's single business segment.

Geographical information

a) Revenue	Year ended March 31, 2024	Year ended March 31, 2023
India	8,866.80	8,311.61
US	1,42,474.11	1,30,516.48
Rest of the world	30,160.42	25,929.99

b) Assets: All the significant non-current assets are located in India.

c) No single customer revenue is more than 10% of the group's revenue.

34 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Primentor Inc.	Enterprise over which Key Management Personnel exercise significant influence.
Key Management Personnel	
Mr. C. V. Subramanyam	Director (Chairman & Managing director upto November 3, 2023)
Mr. C. Srikanth	Director & Chief Executive Officer (w.e.f January 20, 2024)
Mr. Krishnan Venkatachary	Chief Financial Officer
Ms. Naga Vasudha	Company Secretary
Mr. Phaneesh Murthy	Independent director
Mr. Ram Krishna Agarwal	Independent director
Mr. Srinath Batni	Independent director
Ms. Nooraine Fazal	Independent director
Mr. K CH Subbarao	Non-Executive Director (upto June 16, 2023)*
Mr. Sudhakar Pennam	Non-executive Director (w.e.f March 07, 2024)

Transactions/balances with the above parties

March 31, 2024

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni	Mr. Sudhakar Pennam
Transactions during the year									
Professional fees	273.20	-	-	-	-	-	-	-	-
Remuneration	-	200.33	656.94	923.71	35.88	43.26	43.26	43.26	-
Gratuity paid	-	20.00	-	-	-	-	-	-	-
Director sitting fees	-	6.00	-	-	-	26.00	24.00	24.00	2.00
Reimbursement of expenses	35.49	-	2.10	-	-	-	-	-	-
Balances receivable/ (payable):									
Remuneration payable	-	(79.24)	(28.42)	(711.57)	(1.50)	(43.26)	(43.26)	(43.26)	-
Trade payables	(22.91)	-	-	-	-	-	-	-	-

March 31, 2023

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions during the year								
Professional fees	265.10	-	-	-	-	-	-	-
Remuneration	-	725.00	582.43	174.09	28.04	48.00	48.00	48.00
Director sitting fees	-	-	-	-	-	24.00	17.00	18.00
Reimbursement of expenses	41.82	-	11.31	-	-	-	-	-
Balances receivable/ (payable):								
Remuneration payable	-	(465.00)	(242.09)	(10.15)	(1.17)	(48.00)	(48.00)	(48.00)
Trade payables	(22.60)	-	-	-	-	-	-	-

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

In the previous year, the key management personnel (Mr. C.V Subramanyam) has given personal guarantees to bankers in connection with cash credit facility whose closing balance on March 31, 2023 was Rs. 3,043.67 lakhs. There is no personal guarantee for the current year ended March 31, 2024.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

*Mr. K CH Subbarao was the director of the Group until June 16, 2023. Accordingly, any transactions of the Company with Mr. K CH Subbarao and the entities (where he is a director/member) have not been disclosed as related party transactions for the period after June 16, 2023.

35 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management Note 39
- Financial risk management objectives and policies Note 37
- Sensitivity analyses disclosures Notes 31 and 37.

Judgements

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within 5 Years	More than 5 Years	Total
Extension Options expected not to be exercised	3,580.98	-	3,580.98

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 3.1.

(ii) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (refer note 29).

(iii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 31.

(iv) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(v) Allowance for credit losses on receivables and unbilled revenue

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

36 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

	Carrying value		Fair value	
	March 31, 2024	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**
Financial assets				
Investments	24,989.35	17,728.30	24,989.35	17,728.30
Trade receivables	31,863.65	25,515.42	31,863.65	25,515.42
Cash and cash equivalents	10,396.45	4,378.79	10,396.45	4,378.79
Bank balances other than cash and cash equivalents	5,650.11	6,295.70	5,650.11	6,295.70
Other financial assets	11,446.49	14,218.70	11,446.49	14,218.70
Financial liabilities				
Borrowings	3,493.44	3,043.67	3,493.44	3,043.67
Trade payables	11,388.30	11,548.60	11,388.30	11,548.60
Lease liabilities	2,230.03	2,532.90	2,230.03	2,532.90
Other financial liabilities	798.37	1,325.20	798.37	1,325.20

The management assessed that the fair value of cash and cash equivalents, bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Valuation technique and key Inputs

Level 1 - Quoted prices (unadjusted) in an active market for identical assets or liabilities.

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Particulars	As at March 31, 2024	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through other comprehensive income (FVTOCI)				
Equity instruments of other entities (unquoted)				
Investment in Simnovus Corporation	83.38	-	-	83.38
Investment in Loquat Inc.	166.77	-	-	166.77
Investments carried at fair value through profit and loss				
Investment in other entities (Unquoted)				
Investment in compulsory convertible preference shares of Hirexai Private Limited	25.00	-	-	25.00
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	10,130.75	10,130.75	-	-
Investment in debentures, quoted	8,569.89	8,569.89	-	-
Investment in mutual funds, quoted	3,884.67	3,884.67	-	-
Investment in commercial papers, quoted	2,128.89	2,128.89	-	-
Liabilities				
Contingent consideration	154.34	-	-	154.34

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	As at March 31, 2023	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through other comprehensive income (FVTOCI)				
Equity instruments of other entities (unquoted)				
Investment in Lambda Testing Inc.	82.19	-	-	82.19
Investment in Simnovus Corporation	82.19	-	-	82.19
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	8,155.41	8,155.41	-	-
Investment in debentures, quoted	4,122.28	4,122.28	-	-
Investment in mutual funds, quoted	5,286.23	5,286.23	-	-
Liabilities				
Contingent consideration	1,166.19	-	-	1,166.19

There have been no transfers among Level 1, Level 2 and Level 3 during the current and previous years.

Reconciliation of fair value measurement of investments classified as FVTOCI assets (level 3) :

The following table represents changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

Particulars	Investment in unquoted equity and preferred instruments
As at April 01, 2023	**164.38**
Purchases	191.77
Re-measurement recognised in other comprehensive income	-
Exchange difference	1.19
Sales	(82.19)
As at March 31, 2024	**275.15**
As at April 01, 2022	-
Purchases	164.38
Re-measurement recognised in other comprehensive income	-
Sales	-
As at March 31, 2023	**164.38**

37 Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. None of the financial instruments of the Group results in material concentration of credit risk, except for trade receivables.

The Group considers a counterparty whose payment is due more than 90 days after the due date as a defaulted party. This is based on considering the market and economic forces in which the entities in the Group are operating. The Group creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 90 days from the due date. In calculating expected credit loss, the Group has also considered historical pattern of credit loss, the likelihood of increased credit risk.

Trade receivables as contract asset:

The customer credit risk is managed by the Group's established policy, procedures and controls relating to customer credit risk management. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

As at March 31, 2024, the Company had 24 customers (March 31, 2023: 23 customers) that owed the Company more than 1% each of total receivable and accounted for approximately 61% (March 31, 2023: 55%) of all the receivables outstanding. There are 4 customers (March 31, 2023: 1) with balance greater than 5% of total receivable and accounted for approximately 26% (March 31, 2023: 7%) of all the receivables outstanding.

The Group has adequate provision as at March 31, 2024 amounting to Rs. 713.61 lakhs (As at March 31, 2023: Rs. 364.49 lakhs) for receivables.

B Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, by availing appropriate borrowing facilities from banks as and when required, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

March 31, 2024:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,493.44	-	-	-	3,493.44
Trade payables	-	11,388.30	-	-	11,388.30
Lease liabilities	-	1,470.44	904.47	-	2,374.91
Other financial liabilities	-	798.37	-	-	798.37
	3,493.44	**13,657.11**	**904.47**	**-**	**18,055.02**

March 31, 2023:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,043.67	-	-	-	3,043.67
Trade payables	-	11,548.60	-	-	11,548.60
Lease liabilities	-	1,256.09	1,451.13	-	2,707.22
Other financial liabilities	-	843.01	684.00	-	1,527.01
	3,043.67	**13,647.70**	**2,135.13**	**-**	**18,826.50**

C Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other market changes. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

C1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's working capital obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on borrowings, as follows:

	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Increase	Decrease
March 31, 2024				
Indian Rupees	0.50%	-0.50%	7.28	(7.28)
March 31, 2023				
Indian Rupees	0.50%	-0.50%	8.53	(8.53)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

C2. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities.

Unhedged foreign currency exposure:

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Group's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD,EUR, AED, SGD, CAD, AUD, NZD, ZAR etc.).

For the year ended March 31, 2024 and March 31, 2023 , every 1% increase /(decrease) of the respective foreign currencies compared to functional currency of the Group would impact profit before tax and equity before tax as follows for the respective currencies:

Currency	March 31, 2024	
	Increase by 1%	Decrease by 1%
USD	61.96	(61.96)
EUR	10.51	(10.51)
ZAR	5.36	(5.36)
AED	31.63	(31.63)
SGD	3.58	(3.58)
CAD	19.31	(19.31)
AUD	1.17	(1.17)
NZD	0.06	(0.06)

Currency	March 31, 2023	
	Increase by 1%	Decrease by 1%
USD	21.78	(21.78)
EUR	6.33	(6.33)
ZAR	1.48	(1.48)
AED	12.10	(12.10)
SGD	1.83	(1.83)
CAD	0.83	(0.83)
AUD	0.06	(0.06)
NZD	0.04	(0.04)

38 Commitments, contingencies and other litigations

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 35.00 lakhs (March 31, 2023: Nil).

b. Contingent liabilities

(i) (a) In the earlier years, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2017-2018 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 6,285.52 lakhs involving tax implication of approximately Rs. 2078.18 lakhs, excluding interest and penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. Subsequently, the Company had received the final order with the proposed adjustment as mentioned in the draft order. Management had filed an appeal with the tax authorities and is currently pending with Commissioner (Appeals) /Dispute Resolution Panel (DRP).

(b) In the earlier years, the Company had received an assessment order for A.Y. 2018-2019 under section 143(3) read with section 144C(13) of Income Tax Act, 1961 proposing an adjustment of Rs. 596.53 lakhs involving tax implication of approximately Rs. 268.56 lakhs, excluding interest and penalty. The adjustments majorly pertains to interest on delayed trade receivables and interest on loans and advances to subsidiaries. Management has filed an appeal with the tax authorities and is currently pending with Income Tax Appellate Tribunal (ITAT).

Management based on internal assessment and its documentation relating to the international transactions, believes that the Company has a strong basis to support its position and that the likelihood of any liability devolving on the Company on account of transfer pricing adjustment is remote. The Company has adequate provision in the books for the potential liability, if any, which may arise out of other adjustments.

(ii) In the earlier years, the Company had received a show cause notice from the Department of Foreign Trade (DGFT) dated August 25, 2020 and from the Directorate of Revenue Intelligence (DRI), Ahmedabad dated December 28, 2020, stating that the services provided by the Company are not covered under technical testing and analysis services and it appears that the Company provides services through subsidiaries in the foreign countries and accordingly the services rendered by the Company fall under the definition of service rendered through commercial presence in a foreign country which is not eligible for Service Exports from India Scheme (SEIS) benefits. The notice calls upon the Company to show cause as to why (a) The Scrips granted amounting to Rs 659.93 lakhs for the year ended March 31, 2017, should not be cancelled/ recovered from the Company and (b) The penalty should not be imposed as per Customs Act, 1962.

The Company had filed responses against the aforesaid show cause notices as per the legal opinion. Based on their internal assessment and legal opinion, Management believes that the software testing services being provided by the Company are eligible under the SEIS and will be able to establish the services will not fall in the category of "Supply of services through commercial presence". In view of the above, the Management believes that the export incentive recognised for the period April 1, 2015 to March 31, 2020 amounting to Rs. 1,770.78 lakhs are fully recoverable (March 31, 2023: Rs. 1,770.78 lakhs).

(iii) (a) In the earlier years, the Company had received a letter from Office of the Joint Director, Enforcement Directorate, Hyderabad, initiating enquiry under the provisions of Foreign Exchange Management Act, 1999 (FEMA) requesting for certain documents. The Joint Director had called for an in person hearing where the Company had submitted the necessary information. Subsequently, the Company has received a show cause notice dated September 4, 2023, from ED to show cause as to why the inquiry should not be held and penalty should not be imposed against the Company for the certain contraventions relating to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents. The Company has submitted responses and has made application to RBI for compounding of delays.

(b) In the earlier years, the Company had made foreign investments aggregating to USD 1,002.00 (equivalent) towards equity capital of three foreign subsidiaries without obtaining overseas direct investment (ODI) certificate from RBI. The Company is in the process of obtaining ODI approval from RBI and is in the process of compounding FEMA related non compliances.

(c) The Company has incorporated subsidiary i.e. Cigniti Technologies CR Limitada in Costa Rica, US, in the previous year and Cigniti Technologies (SG) Pte. Ltd in Singapore and Cigniti Technologies (CZ) Limited s.r.o, in Czech Republic in the earlier years. Investments with respect to share capital subscriptions of such entities is in progress as at balance sheet date as the Company is in the process of making the required filings with Reserve Bank of India.

Management is in the process of addressing the above matters and in view of the administrative/ procedural nature of these non-compliances, believes that they will not have a material impact on the consolidated financial statements.

c. Other litigations

In the earlier years, Cigniti Technologies Inc., USA (Cigniti USA), subsidiary of the Company had filed a lawsuit against it's former employees and an entity related to such employees, for inter alia misappropriation of trade secrets and various breaches of contract and fiduciary duty. Subsequent to the year end, Cigniti USA has entered into a settlement agreement with its former employees and an entity related to such employees, to settle the dispute and withdraw the litigation, for an amount of USD 4.01 million equivalent to ~Rs.3,330.30 lakhs. Further, the subsidiary company has received USD 1.01 million as part of the settlement agreement and the same has been recognised under other income for the year ended March 31,2024.

39 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2024	March 31, 2023
Borrowings	3,493.44	3,043.67
Less: Cash and cash equivalents (refer note 7)	(10,396.45)	(4,378.79)
Bank balances other than cash and cash equivalents (refer note 8)	(5,650.11)	(6,295.70)
Current investments (refer note 4(b))	(24,714.20)	(17,563.92)
Net debt*	-	-
Equity	2,730.01	2,725.70
Other equity	71,077.25	56,209.07
Total capital	**73,807.26**	**58,934.77**
Capital and net debt	**73,807.26**	**58,934.77**
Gearing ratio (Net debt/ Capital and net debt)	0%	0%

* Since the Company has cash surplus, the net debt for the purpose of computation of gearing ratio is taken as zero.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

40. Statutory group information

Name of the entity in the Group	March 31, 2024							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	67.19%	51,078.67	56.04%	9,479.02	100.00%	11.13	56.06%	9,490.15
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.08%	57.09	0.00%	(0.26)	-	-	0.00%	(0.26)
Aparaa Digital Private Limited	0.06%	46.46	-0.42%	(71.05)	-	-	-0.42%	(71.05)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	30.34%	23,066.21	38.12%	6,448.06	-	-	38.10%	6,448.06
Cigniti Technologies (UK) Limited, UK	2.17%	1,649.04	3.99%	674.86	-	-	3.99%	674.86
Cigniti Technologies (Australia) Pty Ltd, Australia	-0.69%	(525.20)	1.09%	183.82	-	-	1.09%	183.82
Cigniti Technologies (Canada) Inc., Canada	1.82%	1,386.52	2.29%	388.08	-	-	2.29%	388.08
Cigniti Technologies (SG) Pte. Ltd, Singapore	-0.17%	(127.85)	-0.03%	(4.28)	-	-	-0.03%	(4.28)
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	-0.69%	(527.72)	-0.61%	(102.71)	-	-	-0.61%	(102.71)
Cigniti Technologies CR Limitada , Costa Rica	-0.11%	(82.70)	-0.47%	(79.22)	-	-	-0.47%	(79.22)
RoundSqr Pty Ltd, Australia	-	-	-	-	-	-	-	-
Gross amounts	**100.00%**	**76,020.52**	**100.00%**	**16,916.32**	**100.00%**	**11.13**	**100.00%**	**16,927.45**
Adjustments arising out of consolidation		(2,213.26)		(357.12)		387.99	-	30.87
Net amounts		**73,807.26**		**16,559.20**		**399.12**		**16,958.32**

Name of the entity in the Group	March 31, 2023							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	71.86%	43,674.35	59.35%	10,172.36	95.27%	153.68	59.69%	10,326.04
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.10%	58.35	0.00%	(0.19)	-	-	0.00%	(0.19)
Aparaa Digital Private Limited	0.16%	98.74	-0.33%	(56.66)	4.73%	7.63	-0.28%	(49.03)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	26.88%	16,334.06	35.54%	6,091.23	-	-	35.19%	6,091.23
Cigniti Technologies (UK) Limited, UK	1.53%	932.65	3.46%	592.84	-	-	3.43%	592.84
Cigniti Technologies (Australia) Pty Ltd, Australia	-1.18%	(717.91)	1.20%	206.28	-	-	1.19%	206.28
Cigniti Technologies (Canada) Inc., Canada	1.62%	982.84	2.09%	357.71	-	-	2.07%	357.71
Cigniti Technologies (SG) Pte. Ltd, Singapore	-0.20%	(123.60)	-0.17%	(28.50)	-	-	-0.16%	(28.50)
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	-0.77%	(466.35)	-1.57%	(269.71)	-	-	-1.56%	(269.71)
Cigniti Technologies CR Limitada , Costa Rica	-	-	-	-	-	-	-	-
RoundSqr Inc., USA (dissolved w.e.f January 30, 2023)	0.00%	-	0.39%	66.72	-	-	0.39%	66.72
RoundSqr Pty Ltd, Australia	0.00%	0.10	0.04%	7.47	-	-	0.04%	7.47
Gross amounts	**100.00%**	**60,773.23**	**100.00%**	**17,139.55**	**100.00%**	**161.31**	**100.00%**	**17,300.86**
Adjustments arising out of consolidation		(1,838.46)		(307.49)		934.83	-	627.34
Net amounts		**58,934.77**		**16,832.06**		**1,096.14**		**17,928.20**

41. Business combination

Aparaa Digital Private Limited

Pursuant to the Share Purchase Agreement (SPA) dated July 1, 2022, the Company had acquired 100% of the issued capital of Aparaa Digital Private Limited ("Aparaa"), for an upfront consideration of Rs. 2,280.00 lakhs and earn out payments based of future performance over the next two years. The Company acquired Aparaa with a strategy to expand digital engineering capacity to provide a greater breadth and depth of services to its clients.

Consequent to the acquisition, Aparaa along with its subsidiaries became wholly owned subsidiaries of the Company with effect from July 1, 2022 upon satisfactory completion of closing conditions under the SPA and had been consolidated with effect from that date. The transaction was accounted in accordance with Ind AS 103 - Business Combination. The group had recognised Rs. 1,323.40 lakhs towards fair value of net assets acquired and Rs. 1,910.61 lakhs towards Goodwill.

The fair value of the purchase consideration of Rs. 3,234.01 lakhs comprise of an upfront consideration of Rs. 2,280.00 lakhs and contingent consideration of Rs. 954.01 lakhs payable subject to the satisfaction of certain conditions. The fair value of the contingent consideration, recognised on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach. The key inputs used for the estimation of fair values are discount rate of 26.16% and probabilities of achievement of financial targets. The fair value of net assets acquired on the acquisition date amounted to Rs. 1,737.09 lakhs. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill.

A reconciliation of fair value measurement of the contingent consideration liability is provided below:

Opening balance as at April 01, 2022	**-**
Liability arising on business combination	954.01
Changes in fair value of financial liabilities	212.18
Consideration paid in the current year	-
Closing balance as at March 31, 2023	**1,166.19**
Changes in fair value of financial liabilities	(327.85)
Consideration paid in the current year	(684.00)
Closing balance as at March 31, 2024	**154.34**

Components	Purchase price allocated
Other intangible assets	
Customer relationship	879.74
Non-compete fee	763.98
Net assets*	
Non-current assets	18.20
Current assets	489.27
Current liabilities	(414.10)
Total	**1,737.09**
Goodwill	1,910.61
Less: Deferred tax liability #	(413.69)
Total purchase consideration	**3,234.01**

*Includes cash and cash equivalents acquired of Rs. 165.72 lakhs.

The deferred tax liability has arisen on the other intangible assets identified as part of the acquisition. Deferred tax liability as at March 31, 2024 is Rs. 172.37 (March 31, 2023 Rs. 310.27) and Rs. 137.90 (March 31, 2023 Rs. 103.42) of deferred tax was reversed during the current year.

The other intangible assets are amortised over a period of three years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The fair value and gross contractual amount for trade receivables acquired is Rs. 248.85 lakhs and is expected to be collectable. The goodwill amounting to Rs. 1,910.61 lakhs is attributable to the value of expected synergies arising from the acquisition, a customer list, which is not separately recognised, workforce and profitability of the acquired business. Due to the contractual terms imposed on acquisition, the customer list is not separable. Therefore, it does not meet the criteria for recognition as an intangible asset under Ind AS 38. Goodwill arising on the acquisition is not deductible for tax purposes.

During the current year, the Company has paid the first earnout of Rs. 684 lakhs upon satisfaction of the targets mentioned in the SPA.

42. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2024	March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	63.82	103.63
Interest due on above	-	-
	63.82	103.63
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

43. Leases

Group as lessee

The Group has entered into lease of its office premises with no restrictions and are renewable at the option of either of the parties for a period of 11 months to 5 years. The escalation rates range from 0% to 10% per annum as per the terms of the lease agreement. There are no sub-leases. The Group also has certain leases spaces including guest houses with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	March 31, 2024	March 31, 2023
Opening balance	1,876.15	2,550.62
Additions	948.43	276.09
Exchange differences	7.07	(61.55)
Amortization	(1,087.24)	(889.01)
Closing balance	**1,744.41**	**1,876.15**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	March 31, 2024	March 31, 2023
Opening balance	2,532.90	3,307.76
Additions	948.43	276.09
Accretion of interest	162.69	177.36
Exchange differences	7.07	(61.55)
Payments	(1,421.06)	(1,166.76)
Closing balance	**2,230.03**	**2,532.90**
Current	1,374.24	1,141.24
Non-current	855.79	1,391.66

The maturity analysis of lease liabilities are disclosed in Note 37.

The effective interest rate for lease liabilities is 5%-8.5% , with maturity between 2024-2028.

The following are the amounts recognised in statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Amortization of right to use asset	1,087.24	889.01
Interest on lease liabilities	162.69	177.36
Expense relating to short term and low value leases (refer note 26)	165.72	198.79
	1,415.65	**1,265.16**

The Group had total cash outflows for leases of Rs. 1,421.06 lakhs in the current year (March 31,2023: Rs. 1,166.76 lakhs). The entire amount is in the nature of fixed lease payments. The Group has Rs. 948.43 lakhs (March 31, 2023: Rs. 276.09 lakhs) of non-cash additions to right-of-use assets.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension option is reasonably certain to be exercised (refer note 35).

44. Other statutory information

(i) No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Group does not have any transactions with companies struck off.

(viii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

45. The Holding Company and its subsidiaries, incorporated in India maintains its books of account on the cloud, which is managed by a global service provider based in the USA. The service provider has confirmed that they ensure that a daily backup is taken of such data as required under law, which is stored on a separate server in the USA but not in India. The Company is currently in discussions with the service provider to establish a mechanism to ensure that a copy of such backup is taken in India as well on a daily basis.

46. The Holding Company and its subsidiaries, incorporated in India has used an accounting software which is operated by a third-party software service provider, for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, management is unable to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

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

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cigniti Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of non-current investment in subsidiaries carried at cost (as described in note 4 of the Standalone Financial Statements)	
As at March 31, 2024, the Company has investments of Rs. 8,783.50 lakhs in subsidiaries which is tested for impairment annually, using discounted cash-flow models of subsidiaries' recoverable value compared to the carrying value. The determination of recoverable amounts of the Company's investments in the subsidiaries relies on management's estimates of forecast of future cash flows and their judgment with respect to the forecast of the subsidiaries future performance. The inputs to the impairment testing model include: • Projected revenue growth, operating margins and operating cash-flows in the years 1-5; • Stable long-term growth rates beyond five years and in perpetuity; and • Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money. The impairment testing includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. The impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balance to the Standalone Financial Statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over investment impairment assessment; • We assessed the methodology applied by the Company in its impairment analysis. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of a specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used, in consideration of the current and estimated future economic conditions; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We discussed potential changes in key drivers as compared to previous year/ actual performance with management in order to evaluate whether the inputs and assumptions like projected revenue growth, EBIDTA, etc. used in the cash flow forecasts were suitable; • We tested the arithmetical accuracy of the impairment model; and • We assessed the adequacy of the related disclosures as described in note 4 to the Standalone Financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in I.ndia, including the Indian Accounting

Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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 Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that daily backups are maintained in servers located outside India as explained in note 45 to the Standalone Financial Statements and for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (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 – Refer note 41(b) to the Standalone Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

      iv. a) The management has represented that, to the best of its knowledge and belief, , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The management has represented that, to the best of its knowledge and belief, , no funds have been received by the Company from any person or entity, including foreign entities ("Funding

Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such 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 (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

c) As stated in note 13 to the Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, and as explained in note 46 to the Standalone Financial Statements, the Company, has used an accounting software, which is operated by a third-party software service provider, for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENJ3365

Place of Signature: Hyderabad
Date: May 1, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Financial Statements of Cigniti Technologies Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(a)(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not involve inventories. Accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the Standalone Financial Statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The monthly statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have any working capital limits sanctioned from financial institutions.

(iii) During the year, the investments made in companies are not prejudicial to the Company's interest. During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.

(iv) Investments in respect of which provisions of section 186 of the Act are applicable have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax and other statutory dues applicable to it. The provisions relating to service tax, sales tax, duty of excise, value added tax and cess are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee' state insurance, income-tax, duty of customs, goods and service tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, provident fund, employees' state insurance, duty of customs and other statutory dues which have not been deposited on account of any dispute.

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	268.56	FY 17-18	Income Tax Appellate Tribunal
		24.46	FY 20-21	Deputy Commissioner of Income Tax

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or borrowing or in payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e)

(f) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi company as per the provisions of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

(xiv) (a)

(b) The Company has an internal audit system commensurate with the size and nature of its business.

The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 43 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 27 to the Standalone Financial Statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 27 to the Standalone Financial Statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

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per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENJ3365

Place of Signature: Hyderabad
Date: May 1, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Cigniti Technologies Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Cigniti Technologies Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

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per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENJ3365

Place of Signature: Hyderabad
Date: May 1, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	2,149.27	2,745.46
Other intangible assets	3	-	-
Right-to-use asset	42	1,327.36	1,342.24
Financial assets			
Investments	4	10,147.60	10,175.51
Other financial assets	6	963.78	1,992.21
Deferred tax asset (net)	12	743.74	700.79
		15,331.75	**16,956.21**
Current assets			
Financial assets			
Investments	5	24,714.20	17,563.92
Trade receivables	7	14,227.47	9,977.47
Cash and cash equivalents	8	1,618.47	1,907.70
Bank balances other than cash and cash equivalents	9	5,631.57	6,278.17
Other financial assets	6	4,064.03	4,119.46
Other current assets	11	1,282.99	1,479.24
Current tax assets (net)	10	803.89	138.05
		52,342.62	**41,464.01**
Total Assets		**67,674.37**	**58,420.22**
Equity and Liabilities			
Equity			
Equity share capital	13	2,730.01	2,725.70
Other equity	14	48,348.66	40,948.65
		51,078.67	**43,674.35**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	17	513.53	927.81
Other financial liabilities	18	-	520.15
Provisions	19	2,410.57	1,665.07
		2,924.10	**3,113.03**
Current liabilities			
Financial liabilities			
Borrowings	15	3,493.44	3,043.67
Lease liabilities	17	1,245.87	1,024.55
Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		63.82	103.63
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,550.98	1,876.74
Other financial liabilities	18	2,082.02	2,660.24
Provisions	19	1,359.98	996.54
Other current liabilities	21	1,013.64	723.37
Current tax liabilities (net)	20	861.85	1,204.10
		13,671.60	**11,632.84**
Total Equity and Liabilities		**67,674.37**	**58,420.22**
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	**22**	78,872.73	69,664.29
Other income	**23**	346.73	353.80
Finance income	**24**	2,227.58	981.35
Total income		**81,447.04**	**70,999.44**
Expenses			
Employee benefits expense	**25**	58,769.00	47,211.75
Hired contractors costs	**26**	1,586.10	2,279.89
Other expenses	**27**	6,047.19	5,645.58
Depreciation and amortization expense	**28**	2,191.63	1,941.71
Finance costs	**29**	215.45	207.79
Total expenses		**68,809.37**	**57,286.72**
Profit before tax		**12,637.67**	**13,712.72**
Tax expenses	**30**		
Current tax		3,205.34	3,803.08
Deferred tax		(46.69)	(262.72)
Total tax expenses		**3,158.65**	**3,540.36**
Net profit for the year		**9,479.02**	**10,172.36**
Other comprehensive income (OCI)			
Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on employee defined benefit plans, net of tax		11.13	153.68
Total other comprehensive income for the year, net of tax	32(I)(E)	**11.13**	**153.68**
Total comprehensive income for the year, net of tax		**9,490.15**	**10,326.04**
Earnings per share (EPS) (Nominal value of equity share is Rs. 10/- each) (amount in Rs.)	**31**		
Basic EPS		34.74	37.06
Diluted EPS		34.58	36.99
Summary of material accounting policies	**2.2**		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

a. Equity share capital

Equity shares of Rs. 10 each, issued, subscribed and fully paid	No.	Rs.
For the year ended March 31,2024		
As at April 1, 2023	**2,72,56,959**	**2,725.70**
Add: Issued during the year (refer note 13)	43,125	4.31
Less: Buyback during the year	-	-
As at March 31, 2024	**2,73,00,084**	**2,730.01**
For the year ended March 31,2023		
As at April 1, 2022	**2,80,52,509**	**2,805.25**
Add: Issued during the year (refer note 13)	37,500	3.75
Less: Buyback during the year (refer note 13)	(8,33,050)	(83.30)
As at March 31, 2023	**2,72,56,959**	**2,725.70**

b. Other equity

	Other components of equity				
	Securities premium	Share based payment reserve	Capital redemption reserve	Retained earnings	Total reserves
For the year ended March 31,2024					
As at April 1, 2023	**25,737.43**	**419.69**	**83.30**	**14,708.23**	**40,948.65**
Profit for the year	-	-	-	9,479.02	9,479.02
Dividend	-	-	-	(2,318.96)	(2,318.96)
Re-measurement gains on employee defined benefit plans	-	-	-	11.13	11.13
Issue of equity shares on exercise of employee stock options	185.70	(151.20)	-	-	34.50
Share-based payment expense	-	194.32	-	-	194.32
As at March 31, 2024	**25,923.13**	**462.81**	**83.30**	**21,879.42**	**48,348.66**
For the year ended March 31,2023					
As at April 01, 2022	**29,390.20**	**111.53**	**-**	**6,019.13**	**35,520.86**
Profit for the year	-	-	-	10,172.36	10,172.36
Dividend	-	-	-	(687.70)	(687.70)
Re-measurement gains on employee defined benefit plans	-	-	-	153.68	153.68
Issue of equity shares on exercise of employee stock options	120.71	(34.46)	-	-	86.25
Buy back of equity shares	(3,773.48)	-	-	(865.94)	(4,639.42)
Amount transferred to capital redemption reserve upon buyback	-	-	83.30	(83.30)	-
Share-based payment expense	-	342.62	-	-	342.62
As at March 31,2023	**25,737.43**	**419.69**	**83.30**	**14,708.23**	**40,948.65**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

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

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit before tax		12,637.67	13,712.72
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		2,191.63	1,941.71
Finance income		(2,227.58)	(981.35)
Loss on sale of property, plant and equipments		7.91	-
Changes in fair value of financial liabilities		(327.85)	212.18
Provision for diminution in the value of investment		52.91	-
Finance costs		215.45	207.79
Unrealised foreign exchange gain, net		(111.99)	(55.00)
Share-based payment expense		-	1.18
Provision for expected credit loss, net		0.26	(10.03)
Operating profit before working capital changes		**12,438.41**	**15,029.20**
Movements in working capital			
Increase in trade payables		1,556.15	729.11
Increase in other liabilities		290.27	179.57
Increase in provisions		1,123.81	813.98
(Decrease)/increase in other financial liabilities	`	(82.56)	398.99
Increase in trade receivables		(4,059.99)	(1,204.15)
Decrease/(increase) in other assets		196.25	436.99
(Increase)/decrease in other financial assets		(98.40)	(926.33)
Cash generated from operations		**11,363.94**	**15,457.36**
Income taxes paid (net of refunds)		(4,213.43)	(3,378.39)
Net cash flows from operating activities	**(A)**	**7,150.51**	**12,078.97**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(462.78)	(1,165.92)
Acquisition of a subsidiary, net of cash acquired		-	(2,280.19)
Payment of contingent consideration pertaining to acquisition of a subsidiary		(684.00)	-
Investment in other entities		(25.00)	-
Investments in mutual funds and other debt instruments		(13,356.59)	(11,833.41)
Redemption of mutual funds and other debt instruments		8,014.29	6,884.30
Investment in bank deposits		(4,441.33)	(5,962.50)
Redemption of bank deposits		6,276.90	8,534.69
Interest received		412.89	294.48
Net cash flows used in investing activities	**(B)**	**(4,265.62)**	**(5,528.55)**
Cash flows used in financing activities			
Proceeds from shares issued against stock options		38.81	90.00
Buyback of equity shares including transaction cost and tax on buyback		-	(4,722.73)
Dividend paid		(2,305.86)	(674.62)
Interest and other borrowing cost paid		(78.75)	(55.88)
Payment towards lease liabilities		(1,278.09)	(1,060.54)
Net cash flows used in financing activities	**(C)**	**(3,623.89)**	**(6,423.77)**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	(739.00)	126.65
Cash and cash equivalents at the beginning of the year		(1,135.97)	(1,262.62)
Cash and cash equivalents at the end of the year		**(1,874.97)**	**(1,135.97)**
Components of cash and cash equivalents			
Balances with banks including cash on hand		1,618.47	1,907.70
Cash credit facility		(3,493.44)	(3,043.67)
Total cash and cash equivalents		**(1,874.97)**	**(1,135.97)**

Refer note 9.1 for change in liabilities arising from financing activities and non-cash investing activities

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

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

per Harish Khemnani
Partner
Membership No. 218576

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Place: Hyderabad
Date: May 1, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Corporate information

Cigniti Technologies Limited ("the Company") (CIN: L72200TG1998PLC030081) is a public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Dwarakapuri Colony, Panjagutta, Hyderabad. The Company is principally engaged in providing Digital Assurance and Engineering (Software testing) Services across the world.

The Standalone Financial Statements were approved for issue in accordance with a resolution of the directors on May 1, 2024.

2. Material accounting policies

2.1 Basis of preparation

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statements.

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Contingent consideration

The Standalone Financial Statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Summary of material accounting policies

(a) Use of estimates and judgements

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the Standalone Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(c) Foreign currencies

The Company's Standalone Financial Statements are presented in INR, which is the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

(d) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue from contracts with customer

The Company derives revenue primarily from Digital Assurance and Engineering (Software testing) Services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has concluded that it is the principal in its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks. Revenue is net of volume discounts/ price incentives which are estimated and accounted for based on the terms of contract.

Rendering of services

Revenue from Digital Assurance and Engineering (Software testing) Services rendered to its subsidiary companies is recognised on accrual basis for services rendered and billed as per the terms of specific contract.

The method for recognizing revenues and costs depends on the nature of services rendered to others as mentioned below:

- Time and material: Revenue from time and material contracts are recognised as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

- Fixed price contracts: Revenue from fixed-price contracts is recognised as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Revenue in excess of invoicing are classified as unbilled revenue (contract assets).

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Other income

- **Income from Government incentive:**

  Income from Services Exports from India Scheme ('SEIS') incentives under

Government's Foreign Trade Policy 2015-20 is recognised on expected realisable value based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS scrips are classified as 'Other financial assets' as "Export incentive receivable"

- Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.
- Earnings and losses from investments is recognised based on changes in fair value of investments during the year and are reported on net basis.
- Foreign currency gains and losses are reported on net basis.

(f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(g) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has made technical assessment of the useful lives of the following classes of assets which coincides with the lives prescribed under Schedule II of the Companies Act, 2013:

Asset	Useful lives estimated by the management (years)
Buildings	60
Electrical equipment	10
Leasehold improvements	Over the period of lease
Furniture and fixtures	10
Office equipments	5
Computer and computer equipments	3
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives
Software licenses	3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

ROU	Useful lives
Office premises	3-5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery /and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(j) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Impairment losses of continuing operations are recognised in the statement of profit and loss.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company's CGU. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss. After impairment, amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(k) Provisions, contingent liabilities and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when it cannot be measured reliably.

- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(l) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Employee State Insurance is a defined contribution schemes. The Company has no obligation, other than the contribution payable to the fund. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

However, the Company presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(m) Hired contractors cost

Hired contractors cost represents cost of technical sub-contractors for service delivery to the Company's customers. These costs are accrued based on services received from the sub-contractors in line with the terms of the contract.

(n) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Share-Based Payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(o) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

   i. the Company has transferred substantially all the risks and rewards of the asset, or

   ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Other financial assets

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense/ income in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, contingent consideration and loans and borrowings including bank overdrafts and cash credits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (Contingent consideration)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortized cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of standalone cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(q) Segment information

The Company has only one reportable business segment, which is rendering of Digital Assurance and Engineering (Software testing) Services. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

(r) Dividend

The Company recognises a liability to pay dividend to its equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to its equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.3 New and amended standards.

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2023. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the standalone financial statements of the Company.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

2.4 Standards notified but not yet effective.

There are no standards that are notified and not yet effective as on the date.

3. Property, plant and equipment and other intangible assets

	Property, plant and equipment								Other intangible assets	
	Buildings	Electrical equipments	Leasehold improvements	Furniture and fixtures	Office equipments	Computer and computer equipment	Vehicles	Total property, plant and equipment	Software license	Total other intangible assets
Cost										
As at April 1, 2022	**193.53**	**536.43**	**317.10**	**331.95**	**352.33**	**3,090.91**	**176.10**	**4,998.35**	**246.66**	**246.66**
Additions	-	1.84	98.61	2.53	14.62	816.63	-	934.23	-	-
As at March 31, 2023	**193.53**	**538.27**	**415.71**	**334.48**	**366.95**	**3,907.54**	**176.10**	**5,932.58**	**246.66**	**246.66**
Additions	-	186.78	113.82	15.12	129.41	265.27	-	710.40	-	-
Disposals	-	-	-	-	-	-	(176.10)	(176.10)	-	-
As at March 31, 2024	**193.53**	**725.05**	**529.53**	**349.60**	**496.36**	**4,172.81**	**-**	**6,466.88**	**246.66**	**246.66**
Depreciation, amortisation and impairment										
As at April 1, 2022	**25.13**	**236.86**	**177.94**	**164.71**	**272.38**	**1,081.04**	**54.34**	**2,012.40**	**246.66**	**246.66**
Charge for the year	4.27	55.27	21.50	26.06	53.60	992.30	21.72	1,174.72	-	-
As at March 31, 2023	**29.40**	**292.13**	**199.44**	**190.77**	**325.98**	**2,073.34**	**76.06**	**3,187.12**	**246.66**	**246.66**
Charge for the year	4.26	54.30	39.25	26.33	40.63	1,041.78	21.77	1,228.32	-	-
Disposals	-	-	-	-	-	-	(97.83)	(97.83)	-	-
As at March 31, 2024	**33.66**	**346.43**	**238.69**	**217.10**	**366.61**	**3,115.12**	**-**	**4,317.61**	**246.66**	**246.66**
Net book value										
As at March 31, 2023	164.13	246.14	216.27	143.71	40.97	1,834.20	100.04	2,745.46	-	-
As at March 31, 2024	**159.87**	**378.62**	**290.84**	**132.50**	**129.75**	**1,057.69**	-	**2,149.27**	-	-

Financial assets

There are no loans or deposits given, covered under section 186(4) of Companies Act, 2013.

4. Investments

	March 31, 2024	March 31, 2023
Trade investments (Valued at cost unless stated otherwise)		
Investment in equity instruments		
Investment in subsidiaries (Unquoted)		
(a) 1,000 (March 31, 2023 : 1,000) equity shares of $ 1 each, fully paid-up in Cigniti Technologies Inc., USA (refer note 41 (b) (iii b))	5549.49	5549.49
(b) 10,000 (March 31, 2023 : 10,000) equity shares of Rs. 10 each, fully paid-up in Gallop Solutions Private Limited, India	110.00	110.00
(c) 1 (March 31, 2023 : 1) equity shares of CAD 1 each, fully paid-up in Cigniti Technology Canada Inc., Canada (refer note 41 (b) (iii b))*	0.00	0.00
(d) 855,001 (March 31, 2023 : 855,001) equity shares of GBP 1 each, fully paid-up in Cigniti Technologies (UK) Limited, UK	839.57	839.57
(e) 865,001 (March 31, 2023: 865,001) equity shares of AUD 1 each, fully paid-up in Cigniti Technologies (Australia) Pty Ltd., Australia	442.25	442.25
(f) 1 (March 31, 2023: 1) equity shares of NZD 1 each, fully paid-up in Cigniti Technologies (NZ) Limited, New Zealand (refer note 41 (b) (iii b))*	0.00	0.00
(g) 1 (March 31, 2023 : 1) equity shares of SGD 1 each, fully paid-up in Cigniti Technologies (SG) Pte. Ltd, Singapore (refer note 41 (b) (iii c))*	0.00	0.00
(h) 5,000 (March 31, 2023 : 5000) equity shares of CZK 1 each, fully paid-up in Cigniti Technologies (CZ) Limited, Czech Republic (refer note 41 (b) (iii c))	0.17	0.17
(i) 44,248 (March 31, 2023 : 44,248) equity shares of Rs 10 each, fully paid-up in Aparaa Digital Private Limited, India	3234.01	3,234.01
(j) 120 (March 31, 2023 : 120) equity shares of CRC 100 each, fully paid-up in Cigniti Technologies CR Limitada, Costa Rica (refer note 41 (b) (iii c))	0.02	0.02
Less: Provision for diminution in value of investment in Cigniti Technologies (NZ) Limited, New Zealand* (refer note a)	(0.00)	(0.00)
Provision for diminution in value of investment in Gallop Solutions Private Limited, India (refer note b)	(52.91)	-
Preferred instruments of other entities (Unquoted)		
Investments carried at fair value through profit and loss		
100 (March 31, 2023: Nil) compulsory convertible preference shares of Rs. 10 fully paid-up in Hirexai Private Limited	25.00	-
Total	**10,147.60**	**10,175.51**
Aggregate value of unquoted investments	**10,147.60**	**10,175.51**
Aggregate amount of impairment in value of investments	**(52.91)**	**(0.00)**

Notes:

a) Cigniti Technologies (NZ) Limited, New Zealand, wholly owned subsidiary of the Company, was wound up effective January 30, 2019. The Company has made provision for the investment in the subsidiary in earlier years.

b) Gallop Solutions Private Limited, wholly owned subsidiary of the Company based on networth of the subsidiary has made provision for diminution in value of investments amounting to Rs. 52.91 lakhs (March 31, 2023: Rs. Nil).

c) Investment impairment testing: The carrying amount of the investment is tested annually for impairment using discounted cash-flow models of subsidiary's recoverable value compared to the carrying value and comparable multiple method. A deficit between the recoverable value and the carrying value of investment would result in impairment. The inputs to the impairment testing model which have the most significant impact on recoverable value include:

   - Projected revenue growth, operating margins and operating cash-flows in the years 1-5;
   - Stable long-term growth rates beyond five years and in perpetuity; and
   - Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money.

   The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate.

   Based on the approved business plan and valuation assessment, the management of the Company expects growth in operations and sustained profitability. The projections of the business is above the book value of its investments except for those in (a) & (b) above, indicating no signs of impairment. Accordingly, these financial statements do not include any adjustment relating to impairment of investments.

   * Investments value rounded off in lakhs.

5 Current investments

	March 31, 2024	March 31, 2023
Valued at fair value through profit and loss		
Investment in bonds, quoted		
Unsecured, considered good	10,130.75	8,155.41
Investment in debentures, quoted		
Unsecured, considered good	8,569.89	4,122.28
Investment in commercial paper, quoted		
Unsecured, considered good	2,128.89	-
Investment in mutual funds, quoted		
Unsecured, considered good	3,884.67	5,286.23
	24,714.20	**17,563.92**
Aggregate book value of quoted investments	**24,714.20**	**17,563.92**
Aggregate market value of quoted investments	**24,714.20**	**17,563.92**
Aggregate amount of impairment in value of investments	**-**	**-**

		March 31, 2024		March 31, 2023	
		Units	Amount	Units	Amount
Bonds					
Bharat Bond ETF		80,000.00	1,082.06	80,000.00	1,002.20
India Grid Trust		60,000.00	644.89	60,000.00	643.21
Bank of Baroda		49.00	504.60	49.00	504.37
State Bank of India		15.00	626.51	60.00	619.23
Mahindra & Mahindra		500.00	519.97	110.00	1,039.28
Shriram Transport Finance		440.00	4,593.48	220.00	2,271.89
Aditya Birla		50.00	578.73	50.00	531.95
Bajaj Finance		50.00	531.12	50.00	512.60
Kotak Mahindra		500.00	543.50	500.00	500.46
Punjab National Bank		50.00	505.89	-	-
IIFL Home Finance Ltd		-	-	50.00	530.22
	(A)		**10,130.75**		**8,155.41**
Debentures					
Non-convertible debentures of L & T Finance MLD		200.00	2,214.33	200.00	2,056.27
Non-convertible debentures of HDB Financial Services		50.00	502.24	-	-
Non-convertible debentures of Muthoot Finance Ltd		1,12,000.00	3,200.18	-	-
Non-convertible debentures of ICICI HFCL		100.00	1,109.69	200.00	2,066.01
Non-convertible debentures of Bharti Telecom		1,500.00	1,543.45	-	-
	(B)		**8,569.89**		**4,122.28**
Commercial Paper					
360 One Wam Limited		460.00	2,128.89	-	-
	(C)		**2,128.89**		**-**
Mutual Funds					
Kotak Debt hybrid -Growth Regular Plan		12,78,681.66	670.14	12,78,681.66	571.29
Kotak Credit Risk Fund - Growth Regular Plan		24,34,478.82	655.18	24,34,478.82	605.33
Axis Regular Saver Fund - Regular Growth (ISGPG)		-	-	32,80,338.03	803.93
Aditya Birla Sun Life Low Duration Fund - Growth-Direct Plan		1,38,826.44	915.07	1,38,826.43	848.86
Aditya Birla Sun Life Regular Savings Fund Regular Plan Growth		-	-	18,70,167.65	985.74
ICICI Prudential PAMP Asset Allocation Fund (FOF)_Growth		5,08,022.72	524.98	5,08,022.72	432.38
ICICI PLFRAG Medium Term Bond Fund Growth		11,34,765.86	457.86	11,34,765.86	426.21
ICICI Prudential Savings Fund- Direct Plan		1,32,407.63	661.44	1,32,407.63	612.49
	(D)		**3,884.67**		**5,286.23**
	(A+B+C+D)		**24,714.20**		**17,563.92**

6 Other financial assets

	Non current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Bank deposits (having remaining maturity of more than twelve months)	224.53	1,413.50	-	-
Unsecured, considered good				
Interest receivable	-	-	315.85	309.14
Export incentives receivable (refer note 41 (b) (ii))	-	-	1,770.78	1,770.78
Advances/reimbursements receivable from related parties (refer note below)	-	-	374.50	796.91
Security deposits	739.25	578.71	-	-
Other receivables	-	-	70.36	-
Unbilled receivables (refer note 7.2)	-	-	1,532.54	1,242.63
	963.78	**1,992.21**	**4,064.03**	**4,119.46**

Advances/ reimbursements receivable from related parties (refer note 35)	March 31, 2024	March 31, 2023
Cigniti Technologies Inc.	255.02	556.84
Cigniti Technologies (UK) Limited	-	53.72
Cigniti Technologies Canada Inc.	-	66.57
Cigniti Technologies (Australia) Pty Limited	-	5.37
Cigniti Technologies (SG) Pte. Ltd.	119.48	114.41
	374.50	**796.91**

7 Trade receivables

	March 31, 2024	March 31, 2023
Unsecured, considered good		
Trade receivables from related parties (refer note 35)	10,668.74	7,859.25
Trade receivables from other parties	3,745.94	2,304.26
Less: Allowance for expected credit losses	(187.21)	(186.04)
Unsecured, credit impaired		
Trade receivables from related parties (refer note 35)	-	-
Trade receivables from other parties	-	-
Less: Allowance for credit impairment	-	-
	14,227.47	**9,977.47**

7.1 Movement in the provision for expected credit losses of trade receivables

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	186.04	191.89
Provision made/(reversed) during the year	0.26	(10.03)
Exchange difference	0.91	4.18
Balance at the end of the year	**187.21**	**186.04**

7.2 Ageing schedule- Trade receivables and unbilled receivables

As at March, 31 2024

	Unbilled receivables	Trade receivables						
		Current, not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed receivables								
Considered good	1,532.54	10,663.83	3,603.98	28.91	-	-	117.96	14,414.68
Credit impaired	-	-	-	-	-	-	-	-
Total	**1,532.54**	**10,663.83**	**3,603.98**	**28.91**	-	-	**117.96**	**14,414.68**
Less: Allowance for expected credit losses								**(187.21)**
Balance as at year end	**1,532.54**							**14,227.47**

As at March, 31 2023

	Unbilled receivables	Trade receivables Current, not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed receivables								
Considered good	1,242.63	9,342.88	675.45	8.24	33.21	44.01	59.72	10,163.51
Credit impaired	-	-	-	-	-	-	-	-
Total	**1,242.63**	**9,342.88**	**675.45**	**8.24**	**33.21**	**44.01**	**59.72**	**10,163.51**
Less: Allowance for expected credit losses								**(186.04)**
Balance as at year end	**1,242.63**							**9,977.47**

There are no disputed trade receivables in the current and previous year.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Company has recorded an allowance for credit loss of Rs. 20.44 lakhs on receivables relating to amounts owed by related party (March 31, 2023: Rs. 20.44 lakhs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Trade receivables are generally with the credit term of 0 to 90 days and are non interest bearing.

Expected credit losses (ECL): The Company provides for ECL under the simplified approach from 1%-5% for trade receivables outstanding between 0-90 days and freely upto 100% for trade receivables of more than 90 days based on past trends.

8 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Balance with banks		
- On current accounts	1,588.87	1,868.60
- Remittance in transit	-	22.47
Unpaid dividend	29.60	16.50
Cash on hand	-	0.13
	1,618.47	**1,907.70**

8.1 For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2024	March 31, 2023
Cash and cash equivalents (refer note 8)	1,618.47	1,907.70
Less: Cash credit facility (refer note 15)	(3,493.44)	(3,043.67)
	(1,874.97)	**(1,135.97)**

9 Bank balances other than cash and cash equivalents

	Non- Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Other deposit accounts				
Bank deposits with original maturity of more than 12 months	224.53	1,413.50	5,631.57	6,278.17
Less: Amount disclosed under other financial assets (refer note 6)	(224.53)	(1,413.50)	-	-
	-	**-**	**5,631.57**	**6,278.17**

Fixed deposits amounting to Rs. 1,810 lakhs (March 31, 2023: Rs. 1,700 lakhs) are subject to charge to fulfill collateral requirements of cash credit facility from bank.

9.1 Change in liabilities arising from financing activities and non-cash investing activities

Financing activities

	April 1, 2023	Addition	Cash flows	Others*	March 31, 2024
Lease liabilities	1,952.36	948.43	(1,278.09)	136.70	1,759.40
Total liabilities from financing activities	**1,952.36**	**948.43**	**(1,278.09)**	**136.70**	**1,759.40**

	April 1, 2022	Addition	Cash flows	Others*	March 31, 2023
Lease liabilities	2,861.00	-	(1,060.55)	151.91	1,952.36
Total liabilities from financing activities	**2,861.00**	**-**	**(1,060.55)**	**151.91**	**1,952.36**

*Others includes the interest accrued for lease liabilities and exchange differences.

Non-cash investing activities

	March 31, 2024	March 31, 2023
Acquisition of Right-of-use assets	948.43	-
	948.43	**-**

10 Current tax assets (net)

	March 31, 2024	March 31, 2023
Income tax receivable (net of provision for tax)	803.89	138.05
	803.89	**138.05**

11 Other current assets

	March 31, 2024	March 31, 2023
Unsecured, considered good unless stated otherwise		
Advances to vendors	32.93	6.45
Staff advances	33.45	140.14
Prepaid expenses	369.58	301.95
Balance with government authorities	847.03	1,030.70
	1,282.99	**1,479.24**

No advances are due from directors or other officers of the company or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or a member.

12 Deferred tax asset (net)

	March 31, 2024	March 31, 2023
Deferred tax asset		
Provision for employee benefits	948.97	669.87
Provision for doubtful debts	47.12	46.82
Right to use assets/lease liabilities	108.74	153.55
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/amortization charged to financial reporting	70.81	-
Gross deferred tax asset	**1,175.64**	**870.24**
Deferred tax liability		
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/amortization charged to financial reporting	-	(22.03)
Revaluations of investments to fair value	(431.90)	(147.42)
Gross deferred tax liability	**(431.90)**	**(169.45)**
	743.74	**700.79**

March 31, 2024

	Opening balance	Recognised in the statement of profit and loss*	Closing balance
Deferred tax assets/(liabilities) in relation to :			
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortization charged to financial reporting	(22.01)	92.82	70.81
Provision for employee benefits	669.87	279.10	948.97
Provision for doubtful debts	46.82	0.30	47.12
Right to use assets/lease liabilities	153.55	(44.81)	108.74
Revaluations of current investments to fair value	(147.44)	(284.46)	(431.90)
	700.79	**42.95**	**743.74**

* Includes deferred tax credit of Rs. 3.74 lakhs recognised through other comprehensive income on re-measurement gains on employee defined benefit plans.

March 31, 2023

	Opening balance	Recognised in the statement of profit and loss*	Closing balance
Deferred tax assets/(liabilities) in relation to:			
Property, plant and equipment and intangible asset, the impact of difference between tax depreciation/ amortization charged to financial reporting	(29.44)	7.43	(22.01)
Provision for employee benefits	503.69	166.18	669.87
Provision for doubtful debts	48.30	(1.48)	46.82
Right to use assets/lease liabilities	189.20	(35.65)	153.55
Revaluations of current investments to fair value	(221.97)	74.53	(147.44)
	489.78	**211.01**	**700.79**

* Includes deferred tax credit of Rs. 51.71 lakhs recognised through other comprehensive income on re-measurement gains on employee defined benefit plans.

13 Equity share capital

	March 31, 2024	March 31, 2023
Authorized share capital		
36,000,000 (March 31, 2023: 36,000,000) equity shares of Rs. 10/- each	3,600.00	3,600.00
Issued, subscribed and fully paid-up shares		
27,300,084 (March 31, 2023: 27,256,959) equity shares of Rs. 10/- each fully paid-up	2,730.01	2,725.70
Total issued, subscribed and fully paid-up share capital	**2,730.01**	**2,725.70**

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

Equity shares

	March 31, 2024		March 31, 2023	
	No's	Amount	No's	Amount
At the beginning of the year	2,72,56,959	2,725.70	2,80,52,509	2,805.25
Shares issued during the year against stock options	43,125	4.31	37,500	3.75
Less: Shares bought back (refer note a(i))	-	-	(8,33,050)	(83.30)
Outstanding at the end of the year	**2,73,00,084**	**2,730.01**	**2,72,56,959**	**2,725.70**

(a)(i) Buy-back of shares

The Board, at its meeting held on May 18, 2022, approved the buyback of the Company's fully paid-up equity shares of face value of Rs. 10 each, from the eligible equity shareholders of the Company, other than promoters, promoter group and persons who are in control of the Company at a price not exceeding Rs. 500 per equity share (maximum buyback price), for an aggregate amount not exceeding Rs.3,800 lakhs (maximum buyback size, excluding buyback tax) from the open market through the stock exchange mechanism, in accordance with the provisions of Companies Act, 2013 and SEBI (Buyback of securities) Regulations, 2018, subject to shareholders' approval in the ensuing Annual General Meeting. The shareholders approved the proposal of buyback of equity shares recommended by its Board of Directors in the Annual General meeting held on June 19, 2022. The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange was completed on June 29, 2022. During this buyback period, the Company had purchased and completely extinguished a total of 8,33,050 equity shares from the stock exchange at a volume weighted average buyback price of Rs. 456.13 per equity share comprising ~1.66% of the pre buyback paid up equity share capital of the Company. The buyback resulted in a cash outflow of Rs. 3,799.77 lakhs (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013. In accordance with Section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of Rs. 83.30 lakhs equal to the nominal value of the above shares bought back as an appropriation from the retained earnings. The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. The Company has only one class of equity shares and has no debt. Consequent to the above capital structure, there are no externally imposed capital requirements.

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2024		March 31, 2023	
	No's	% holding	No's	% holding
P. Sapna	35.59	13.04%	35.59	13.06%
C. V. Subramanyam	27.98	10.25%	29.35	10.77%
C. Srikanth	25.00	9.16%	25.00	9.17%
Kukunuru Madhava Lakshmi	15.50	5.68%	16.00	5.87%

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

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 33.

(e) Details of shares held by promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	35.59	-	35.59	13.04%	-
C. V. Subramanyam	29.35	(1.37)	27.98	10.25%	-4.67%
C. Srikanth	25.00	-	25.00	9.16%	-
C. Rajeshwari	4.39	(3.52)	0.87	0.32%	-80.22%
P. Sudhakar	0.01	-	0.01	0.00%	-

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	34.59	1.00	35.59	13.06%	2.89%
C. V. Subramanyam	32.35	(3.00)	29.35	10.77%	-9.27%
C. Srikanth	25.00	-	25.00	9.17%	-
C. Rajeshwari	3.14	1.25	4.39	1.61%	39.76%
P. Sudhakar	0.01	-	0.01	0.00%	-

(f) **Dividends distribution made and proposed**

	March 31, 2024	March 31, 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: Rs. 5.50 per share (March, 31 2022: Rs. 2.50 per share)*	1,499.96	687.70
Interim dividend for the year ended on March 31, 2024: Rs. 3.00 per share (March, 31 2023: Rs. Nil)*	819.00	-
	2,318.96	**687.70**
Proposed dividend on equity shares:		
Proposed dividend for the year ended on March 31, 2024: Rs. Nil (March 31, 2023: Rs. 5.50 per share)	-	1,499.13
	-	**1,499.13**

*Includes unclaimed dividend amount of Rs. 29.60 lakhs (March 31, 2023: 16.50 lakhs).

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023. The dividend declared/ paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

There are no equity shares issued as bonus and issued for consideration other than cash during the period of five years immediately preceding the reporting date.

14 Other equity

	March 31, 2024	March 31, 2023
Securities premium		
Opening balance	25,737.43	29,390.20
Add: Issue of equity shares on exercise of employee stock options	185.70	120.71
Less: Buyback of equity shares (refer note 13(a)(i))	-	(3,773.48)
Closing balance	**25,923.13**	**25,737.43**
Capital redemption reserve		
Opening balance	83.30	-
Transfer from retained earnings upon buyback (refer note 13(a)(i))	-	83.30
Closing balance	**83.30**	**83.30**

	March 31, 2024	March 31, 2023
Share based payment reserve		
Opening balance	419.69	111.53
Less: Issue of equity shares on exercise of employee stock options	(151.20)	(34.46)
Add: Share-based payment expense	194.32	342.62
Closing balance	**462.81**	**419.69**
Retained earnings		
Opening balance	14,708.23	6,019.13
Less: Dividend	(2,318.96)	(687.70)
Add: Profit during the year	9,479.02	10,172.36
Less: Tax on buyback of shares (refer note 13(a)(i))	-	(865.94)
Less: Transfer to capital redemption reserve upon buyback (refer note 13(a)(i))	-	(83.30)
Items recognised directly in other comprehensive income		
Re-measurement gain on employee defined benefit plans, net of tax	11.13	153.68
Closing balance	**21,879.42**	**14,708.23**
	48,348.66	**40,948.65**

Nature and purpose of reserves

14.1 Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

14.2 Share based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Refer note 33 for further details of these plans.

14.3 Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

14.4 Capital redemption reserve

Capital redemption reserve is created for the amount equal to face value of shares bought back during the previous year.

15 Borrowings

	March 31, 2024	March 31, 2023
Secured		
Cash credit from banks (refer note below)	3,493.44	3,043.67
	3,493.44	**3,043.67**

(a) Cash credit from banks of Rs. 3,493.44 lakhs (March 31, 2023: Rs 3,043.67 lakhs) is secured by hypothecation of trade receivables of the Company and exclusive charge - cash collateral amounting to Rs. 1,810 lakhs (March 31, 2023 : Rs. 1,700 lakhs) in the name of Company. It is repayable on demand and carries floating interest rate of 8.50%p.a. (March 31, 2023: 8.50%p.a). The Company had available Rs. 106.56 lakhs (March 31, 2023: Rs. 556.33 lakhs) of undrawn committed borrowing facilities as at March 31, 2024.

The Company has taken loans against security of current assets and monthly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

16 Trade payables

		March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises (refer note 34)		63.82	103.63
	A	**63.82**	**103.63**
Outstanding dues to related parties (refer note 35)		924.35	620.32
Outstanding dues to other parties		2,626.63	1,256.42
	B	**3,550.98**	**1,876.74**
	A+B	**3,614.80**	**1,980.37**

Trade payable ageing schedule

As at March 31, 2024

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	37.99	25.83	-	-	-	**63.82**
Others	531.44	259.16	2,757.71	0.47	2.20	-	**3,550.98**
	531.44	**297.15**	**2,783.54**	**0.47**	**2.20**	**-**	**3,614.80**

As at March 31, 2023

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	82.80	20.83	-	-	-	**103.63**
Others	1,020.92	200.23	652.70	2.89	-	-	**1,876.74**
	1,020.92	**283.03**	**673.53**	**2.89**	**-**	**-**	**1,980.37**

There are no disputed trade payables in the current and previous year.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

For explanations on the Company's credit risk management processes, refer to note 38.

17 Lease liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Lease liabilities (refer note 42)	513.53	927.81	1,245.87	1,024.55
	513.53	**927.81**	**1,245.87**	**1,024.55**

Interest payable is normally settled monthly throughout the financial year.

18 Other financial liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
At amortised cost				
Advances from related parties (refer note 35)	-	-	1,599.01	1,875.89
Contingent consideration	-	520.15	154.34	646.04
Capital creditors	-	-	299.07	121.81
Unclaimed dividend	-	-	29.60	16.50
	-	**520.15**	**2,082.02**	**2,660.24**

19 Provisions

	Non-Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for employee benefits				
Provision for gratuity (refer note 32)	2,410.57	1,665.07	500.00	500.00
Provision for leave benefits	-	-	859.98	496.54
	2,410.57	**1,665.07**	**1,359.98**	**996.54**

20 Current tax liabilities (net)

	March 31, 2024	March 31, 2023
Provision for taxation (net of advance tax)	861.85	1,204.10
	861.85	**1,204.10**

21 Other current liabilities

	March 31, 2024	March 31, 2023
Statutory dues	1,013.64	723.37
	1,013.64	**723.37**

22 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Digital Assurance and Engineering (Software testing) Services	78,872.73	69,664.29

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Year ended March 31, 2024	Year ended March 31, 2023
Related parties (refer note 35)	70,233.97	62,199.21
Others	8,638.76	7,465.08
Total revenue from contracts with customers	**78,872.73**	**69,664.29**

22.2 Contract balances

	March 31, 2024	March 31, 2023	March 31, 2022
Contract assets			
Trade receivables, net (refer note 7)	14,227.47	9,977.47	8,709.47
Unbilled receivables (refer note 6)	1,532.54	1,242.63	928.52

Contract assets

Unbilled receivables: Unbilled receivables are initially recognised for the revenue earned in excess of amounts billed to clients as at the balance sheet date. Upon completion of acceptance by the customer, the amounts recognised as unbilled receivables are reclassified to trade receivables. During the year ended March 31, 2024, Rs. 1,239.27 lakhs of unbilled receivables as at March 31, 2023 has been reclassified to trade receivables on completion of performance obligation. During the year ended March 31, 2023, Rs. 912.87 lakhs of unbilled receivables as at March 31, 2022 has been reclassified to trade receivables on completion of performance obligation.

22.3 Performance obligation

The Company has arrangements with the customer which are "time and material" basis. The performance obligation in case of time and material contracts is satisfied over time. Revenue is recognised as and when the services are performed.

The Company also performs work under "fixed-price" arrangements. Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. There is no unrecognised revenue out of fixed-price arrangements.

The payment is due with in 0-90 days from the time the customer accepts the work performed by the Company.

22.4 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contracted price	78,872.73	69,664.29
Adjustments :		
Discounts	-	-
Revenue from contracts with customers	**78,872.73**	**69,664.29**

23 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Exchange differences, net	18.88	334.57
Change in fair value of financial liabilities	327.85	9.20
Reversal of provision for expected credit loss, net	-	10.03
	346.73	**353.80**

24 Finance income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on bank deposits	419.60	373.35
Income on fair valuation of investments through profit and loss	1,807.98	601.86
Interest income on income tax refund	-	6.14
	2,227.58	**981.35**

25 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus*	55,855.26	44,931.88
Contribution to provident and other funds (refer note 32(II))	693.11	655.39
Share-based payment expense	-	1.18
Gratuity expense (refer note 32(I))	1,057.61	854.02
Staff welfare expenses	1,163.02	769.28
	58,769.00	**47,211.75**

*Salaries, wages and bonus includes an amount of Rs. 2,031.00 lakhs (March 31, 2023: Rs. Nil) towards accrual of long service rewards for certain employees on completion of 25 years of the Company.

26 Hired contractors costs

	Year ended March 31, 2024	Year ended March 31, 2023
Hired contractors costs	1,586.10	2,279.89
	1,586.10	**2,279.89**

27 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	516.50	410.24
Rent	82.08	87.37
Repairs and maintenance - others	544.78	294.67
Advertising, marketing and sales promotion	775.67	359.30
Travelling and conveyance	1,240.95	1,410.67
Communication costs	319.82	161.97
Software licensing cost	1,285.71	1,384.01
Legal and professional fees	469.63	663.18
Rates and taxes	226.87	127.62
Insurance	34.42	23.72
Printing and stationery	67.96	87.00
Recruitment expenses	87.42	153.18
Payment to auditor (refer note below)	165.72	147.67
Provision for expected credit loss, net	0.26	-
Changes in fair value of financial liabilities	-	212.18
Corporate social responsibility expenditure (refer note below)	168.58	119.01
Provision for diminution in the value of investment	52.91	-
Loss on sale of fixed assets (net)	7.91	-
Miscellaneous expenses	-	3.79
	6,047.19	**5,645.58**

Payment to Auditor

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Audit fee	94.35	78.00
Limited review	67.98	60.00
In other capacity		
Certification services	2.06	7.00
Reimbursement of expenses	1.33	2.67
	165.72	**147.67**

Details of Corporate social responsibility expenditure

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Gross amount required to be spent by the Company during the year:	168.58	119.01
(b) Amount approved by the Board to be spent during the year	168.58	119.01
(c) Amount spent during the year	**Paid in cash**	**Paid in cash**
i) Construction/Acquisition of any asset	-	-
ii) On purposes other than (i) above	168.58	119.01
(d) Details related to spent/unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	168.58	119.01
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

Nature of CSR Activities: Promoting education, healthcare initiatives and other social projects.

There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

28 Depreciation and amortization expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	1,228.32	1,174.72
Amortization of right-to-use asset (refer note 42)	963.31	766.99
	2,191.63	**1,941.71**

29 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense	51.53	21.96
Interest on lease liabilities (refer note 42)	136.70	151.91
Other borrowing costs	18.25	14.87
Factoring and bank charges	8.97	19.05
	215.45	**207.79**

30 Tax expense

(a) Income tax expense:

The major components of income tax expenses are :

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	3,205.34	3,803.08
Deferred tax	(46.69)	(262.72)
Total income tax expense recognised in statement of profit and loss relating to current year	**3,158.65**	**3,540.36**

(b) Reconciliation of effective tax rate:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax (A)	12,637.67	13,712.72
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A * B)	3,180.65	3,451.22
Reconciling items:		
Tax effect on deductible temporary differences and set off of taxable profits for the year against the carry forward of taxable losses	18.09	59.19
Tax on expenses not tax deductible	(40.09)	29.95
Total tax expense	**3,158.65**	**3,540.36**
Effective tax rate	24.99%	25.82%

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

31 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders for basic earnings	9,479.02	10,172.36
Weighted average number of equity shares in computing basic EPS (No. in lakhs)	272.88	274.50
Add: Effect of dilution:		
Employee stock options (No. in lakhs)	1.23	0.50
Weighted Average number of equity shares adjusted for effect of dilution (No. in lakhs)	274.11	275.00
Face value of each equity share (Rs.)	10.00	10.00
Earnings per share		
- Basic (Rs.)	34.74	37.06
- Diluted (Rs.)	34.58	36.99

There have been no other transactions involving equity shares or potential equity shares between the reporting date and date of authorisation of these financial statements.

32 Retirement and other employee benefits

I Defined benefit plan

The Company has a defined benefit gratuity plan, governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The scheme is funded through a policy with LIC. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

A) Net employee benefit expense (recognised in Employee benefits expense)

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	934.98	753.82
Interest cost	216.58	145.09
Expected return on plan assets	(66.19)	(44.89)
Less: Gratuity cost reimbursed by the subsidiary company for employees transferred to the Company	(27.76)	-
Net employee benefit expenses	**1,057.61**	**854.02**
Actual return on plan asset	66.19	44.89

B) Amount recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Defined benefit obligation	3,939.39	2,965.16
Fair value of plan assets	1,028.82	800.09
	2,910.57	**2,165.07**

C) Changes in the present value of the defined benefit obligation

	March 31, 2024	March 31, 2023
Opening defined benefit obligation	2,965.16	2,476.53
Current service cost	934.98	753.82
Interest cost	216.58	145.09
Benefits paid	(162.45)	(195.86)
Net actuarial gain on obligation for the year recognised under OCI	(14.87)	(214.42)
Closing defined benefit obligation	**3,939.39**	**2,965.16**

D) Change in the fair value of plan assets

	March 31, 2024	March 31, 2023
Opening fair value of plan assets	800.09	707.57
Investment income	66.19	44.89
Employer's contribution	324.99	252.54
Benefits paid	(162.45)	(195.86)
Return on plan assets, excluding amount recognised in net interest expense	-	(9.05)
Closing fair value of plan assets	**1,028.82**	**800.09**

The Company expects to contribute Rs. 500 lakhs to the gratuity fund in the next year (March 31, 2023: Rs. 500 lakhs).

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

	March 31, 2024	March 31, 2023
Investments with LIC	100.00%	100.00%

E) Remeasurement adjustments:

	Year ended March 31, 2024	Year ended March 31, 2023
Experience (gain)/ loss on plan liabilities	(75.41)	32.43
Financial loss/ (gain) on plan liabilities	60.54	(246.87)
Return on plan assets, excluding amount recognised in net interest expense	-	9.05
Remeasurement gains recognised in other comprehensive income	**(14.87)**	**(205.39)**

Remeasurement gains recognised in the current year are excluding the impact of deferred tax expense of Rs. 3.74 lakhs (March 31,2023 : Rs 51.71 lakhs).

(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2024	March 31, 2023
Discount rate	7.23%	7.51%
Expected rate of return on assets	7.24%	5.95%
Salary rise	12.00%	12.00%
Attrition rate	20.00%	20.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

	March 31, 2024	March 31, 2023
Expected benefit payments for the year ended:		
1 year	455.85	373.68
2-5 years	2,028.60	1,529.62
6-10 years	1,865.83	1,410.58
More than 10 years	2,105.28	1,619.07

The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (March 31, 2023: 6.43 years).

(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption on defined benefit obligation is as shown below:

	March 31, 2024	March 31, 2023
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(208.35)	(154.10)
- 1% decrease	231.58	171.15
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	199.64	149.51
- 1% decrease	(191.78)	(142.98)
(c) Effect of change by 50% of attrition rate		
- increase by 50% of the attrition rate	(426.99)	(305.25)
- decrease by 50% of the attrition rate	800.09	575.02

II Defined contribution plan

	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident and other funds	693.11	655.39

33 Share based payments

Under the Employee Stock Option Plan, the Company, at its discretion, may grant share options to employees of the Company. The remuneration committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period ranging from 1 to 5 years subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price equal to the face value. The fair value of share options granted is estimated at the date of grant using a Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. It takes into account historical and expected dividends, and the share price fluctuation covariance of the Company and its competitors to predict the distribution of relative share performance.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2024	Year ended March 31, 2023
Expense arising from equity-settled share-based payment transactions*	194.32	342.62

*The above expense include expense arising from equity-settled share-based payment transactions of the subsidiaries amounting to Rs. 194.32 lakhs (March 31, 2023: Rs 341.44 lakhs).

Movements during the year: The following table illustrates movements in share options during the year:

(Numbers in lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Total No. of options under the scheme	25.00	5.00	25.00	5.00
Outstanding at April 1	0.75	2.15	0.75	2.55
Exercised during the year	0.28	0.15	-	0.38
Expired during the year	-	-	-	0.03
Outstanding at March 31	0.47	2.00	0.75	2.15
Exercisable at March 31	-	1.00	-	0.65

The weighted average share price at the date of exercise of these options was Rs 803.47 (March 31, 2023: Rs 485.10)

The following table lists the weighted average remaining contractual life for the share options as at March 31, 2024 and as at March 31, 2023

	March 31, 2024	March 31, 2023
Scheme 2014	5.33	5.58
Scheme 2015	2.33	3.15

The range of exercise prices for the options outstanding at the beginning, forfeited, exercised, expired and outstanding at the end of the year is Rs 10 - Rs 506 (March 31, 2023: Rs 240 - Rs 506).

There are no grants during the current year and previous year. The following tables list the inputs to the model used for the year ended March 31, 2022:

	March 31, 2022	
	Scheme 2014	Scheme 2015
Dividend yield	0.49% - 0.54%	0.49%
Expected volatility	42.98% - 47.40%	43.33% - 49.12%
Risk-free interest rate	4.31% - 6.20%	4.77% - 6.05%
Expected life of options granted in years	2 - 5 years	2 - 5 years
Weighted average share price	494.26	505.90
Model used	Black-Scholes model	

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2024	March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	63.82	103.63
Interest due on above	-	-
	63.82	**103.63**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
	-	**-**

35 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Subsidiaries	
Cigniti Technologies Inc., USA	Wholly owned subsidiary
Cigniti Technologies Canada Inc., Canada	Wholly owned subsidiary
Cigniti Technologies (UK) Limited, UK	Wholly owned subsidiary
Cigniti Technologies (Australia) Pty Ltd, Australia	Wholly owned subsidiary
Cigniti Technologies (NZ) Ltd, New Zealand	Wholly owned subsidiary
Cigniti Technologies (SG) Pte. Ltd., Singapore	Wholly owned subsidiary
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	Wholly owned subsidiary
Cigniti Technologies CR Limitada,Costa Rica	Wholly owned subsidiary
Gallop Solutions Private Limited, India	Wholly owned subsidiary
Aparaa Digital Private Limited, India	Wholly owned subsidiary
RoundSqr, Inc.,USA	Step down subsidiary (dissolved on January 30, 2023)
RoundSqr Pty Ltd.,Australia	Step down subsidiary
Key Management Personnel	
Mr. C. V. Subramanyam	Director (Chairman & Managing director upto November 3, 2023)
Mr. C. Srikanth	Director & Chief Executive Officer (w.e.f January 20, 2024)
Mr. Krishnan Venkatachary	Chief Financial Officer
Ms. Naga Vasudha	Company Secretary
Mr. Ram Krishna Agarwal	Independent director
Mr. Phaneesh Murthy	Independent director
Ms. Nooraine Fazal	Independent director
Mr. Srinath Batni	Independent director
Mr. Sudhakar Pennam	Non-Executive Director (w.e.f March 07, 2024)
Mr. K CH Subbarao	Non-Executive Director (upto June 16, 2023)*

Transactions/ balances with above parties

March 31, 2024

Subsidiaries	Cigniti Technologies Inc., USA	Cigniti Technologies Canada Inc., Canada	Cigniti Technologies (UK) Limited, UK	Cigniti Technologies (Australia) Pty Ltd, Australia	Cigniti Technologies (NZ) Limited, New Zealand	Gallop Solutions Private. Ltd, India	Aparaa Digital Private. Ltd, India	Cigniti Technologies (SG) Pte. Ltd., Singapore	Cigniti Technologies (CZ) Limited s.r.o., Czech Republic	Cigniti Technologies CR Limitada, Costa Rica
Transactions during the year										
Rendering of Digital Assurance and Engineering (Software testing) Services	59,104.91	2,782.55	7,432.36	697.85	-	-	216.30	-	-	-
Reimbursement of expenses incurred by CTL India	266.93	17.99	7.34	5.26	-	0.08	102.25	3.50	-	-
Reimbursement of expenses incurred by CT Inc. USA	(67.75)	-	-	-	-	-	-	-	-	-
Provision for diminution in the value of investment	-	-	-	-	-	52.91	-	-	-	-
Balances receivable/ (payable)										
Trade receivables (including unbilled revenue)	6,183.18	983.59	3,912.63	111.60	20.44	-	233.61	-	-	-
Allowance for expected credit losses	-	-	-	-	(20.44)	-	-	-	-	-
Advances receivable	255.02	-	-	-	-	-	-	119.48	-	-
Advances payable	(1,546.27)	-	-	-	-	(52.56)	-	-	(0.17)	-
Investments	5,549.49	0.00	839.57	442.25	0.00	110.00	3,234.01	0.00	0.17	0.02
Provision for diminution in the value of investment	-	-	-	-	-	(52.91)	-	-	-	-

Key Management Personnel (KMP)

	Mr. C. V. Subramanyam	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni	Mr. C. Srikanth	Mr. Sudhakar Pennam
Transactions during the year								
Remuneration	200.33	923.71	35.88	43.26	43.26	43.26	9.86	-
Gratuity paid	20.00	-	-	-	-	-	-	-
Director sitting fees	6.00	-	-	26.00	24.00	24.00	-	2.00
Balances receivable/(payable)								
Remuneration payable	(79.24)	(711.57)	(1.50)	(43.26)	(43.26)	(43.26)	(2.28)	-

March 31, 2023

Subsidiaries	Cigniti Technologies Inc., USA	Cigniti Technologies Canada Inc., Canada	Cigniti Technologies (UK) Limited, UK	Cigniti Technologies (Australia) Pty Ltd, Australia	Cigniti Technologies (NZ) Limited, New Zealand	Gallop Solutions Pvt. Ltd, India	Aparaa Digital Private. Ltd, India	Cigniti Technologies (SG) Pte. Ltd., Singapore	Cigniti Technologies (CZ) Limited s.r.o., Czech Republic	Cigniti Technologies CR Limitada, Costa Rica
Transactions during the year										
Rendering of Digital Assurance and Engineering (Software testing) Services	54,013.15	2,395.39	5,311.35	479.32	-	-	-	-	-	-
Hired contractors cost	-	-	-	-	-	-	728.83	-	-	-
Reimbursement of expenses incurred by CTL India	419.46	39.38	20.08	2.18	-	-	727.29	23.87	-	-
Reimbursement of expenses incurred by CT Inc. USA	(43.55)	-	-	-	-	-	-	-	-	-
Balances receivable/ (payable)										
Trade receivables (including unbilled revenue)	4,905.84	570.27	2,082.63	123.12	20.44	-	-	-	-	-
Advances receivable	556.84	66.57	53.72	5.37	-	-	-	114.41	-	-
Advances payable	(1,821.99)	-	-	-	-	(52.64)	(1.09)	-	(0.17)	-
Investments	5,549.49	0.00	839.57	442.25	0.00	110.00	3,234.01	0.00	0.17	0.02

Key Management Personnel (KMP)

	Mr. C. V. Subramanyam	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions during the year						
Remuneration	725.00	174.09	28.04	48.00	48.00	48.00
Director sitting fees	-	-	-	24.00	17.00	18.00
Balances receivable/(payable)						
Remuneration payable	(465.00)	(10.15)	(1.17)	(48.00)	(48.00)	(48.00)

In the previous year, the key management personnel (Mr. C.V Subramanyam) has given personal guarantees to bankers in connection with cash credit facility whose closing balance on March 31, 2023 was Rs. 3,043.67 lakhs. There is no personal guarantee for the current year ended March 31, 2024.

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

*Mr. K CH Subbarao was the director of the Group until June 15, 2023 and resigned w.e.f June 16, 2023. Accordingly, any transactions of the Company with Mr. K CH Subbarao and the entities (where he is a director/member) have not been disclosed as related party transactions for the period after June 15, 2023.

36 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 40
- Financial risk management objectives and policies Note 38
- Sensitivity analyses disclosures Notes 32 and 38.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal . After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within 5 Years	More than 5 Years	Total
Extension options expected not to be exercised	3,580.98	-	3,580.98

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (Refer note 30).

(ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 32.

(iii) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(iv) Allowance for credit losses on receivables and unbilled revenue

The Company has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered historical pattern of credit loss, the likelihood of increased credit risk.

37 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
Investments	24,739.20	17,563.92	24,739.20	17,563.92
Trade receivables	14,227.47	9,977.47	14,227.47	9,977.47
Cash and cash equivalents	1,618.47	1,907.70	1,618.47	1,907.70
Bank balances other than cash and cash equivalents	5,631.57	6,278.17	5,631.57	6,278.17
Other financial assets	5,027.81	6,111.67	5,027.81	6,111.67
Financial liabilities				
Borrowings	3,493.44	3,043.67	3,493.44	3,043.67
Lease liabilities	1,759.40	1,952.36	1,759.40	1,952.36
Other financial liabilities	2,082.02	3,180.39	2,082.02	3,180.39
Trade payables	3,614.80	1,980.37	3,614.80	1,980.37

The management assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Valuation technique and key inputs

Level 1 - Quoted prices (unadjusted) in an active market for identical assets or liabilities.

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Particulars	As at March 31, 2024	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through profit and loss				
Investment in other entities (Unquoted)				
Investment in compulsory convertible preference shares of Hirexai Private Limited	25.00	-	-	25.00
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	10,130.75	10,130.75	-	-
Investment in debentures, quoted	8,569.89	8,569.89	-	-
Investment in commercial paper, quoted	2,128.89	2,128.89	-	-
Investment in mutual funds, quoted	3,884.67	3,884.67	-	-
Liabilities				
Contingent consideration	154.34	-	-	154.34

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	As at March 31, 2023	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	8,155.41	8,155.41	-	-
Investment in debentures, quoted	4,122.28	4,122.28	-	-
Investment in mutual funds, quoted	5,286.23	5,286.23	-	-
Liabilities				
Contingent consideration	1,166.19	-	-	1,166.19

There have been no transfers among Level 1, Level 2 and Level 3 during the current and previous years.

Reconciliation of fair value measurement of investments classified as FVTOCI assets (level 3) :

The following table represents changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

Particulars	Investment in unquoted equity and preferred instruments
As at April 01, 2023	**-**
Purchases	25.00
Re-measurement recognised in other comprehensive income	-
Sales	-
As at March 31, 2024	**25.00**
As at April 01, 2022	-
Purchases	-
Re-measurement recognised in other comprehensive income	-
Sales	-
As at March 31, 2023	**-**

38 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

The Company considers a counterparty whose payment is due more than 90 days after the due date as a defaulted party. This is based on considering the market and economic forces in which the entities in the Company are operating. The Company creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 90 days from the due date. In calculating expected credit loss, the Company has also considered historical pattern of credit loss, the likelihood of increased credit risk.

Trade receivables as contract assets

The customer credit risk is managed by the Company's established policy, procedures and controls relating to customer credit risk management. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Company's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

As at March 31, 2024, the Company had 16 customers (March 31, 2023: 18 customers) that owed the Company more than 1% each of total receivable from parties other than related parties and accounted for approximately 94% (March 31, 2023: 94%) of receivables. There were 3 customers (March 31, 2023: 6 customers) with balances greater than 5% accounting for approximately 62% (March 31, 2023: 68%) of total amounts receivable from parties other than related parties.

The Company has adequate provision as at March 31, 2024 amounting to Rs.187.21 lakhs (As at March 31, 2023: Rs. 186.04 lakhs) for receivables.

B Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, by availing appropriate borrowing facilities from banks as and when required, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

March 31, 2024:	On demand	Upto 1 year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,493.44	-	-	-	**3,493.44**
Lease liabilities	-	1,322.05	542.36	-	**1,864.41**
Trade payables	-	3,612.13	2.67	-	**3,614.80**
Other financial liabilities	-	2,082.02	-	-	**2,082.02**
	3,493.44	**7,016.20**	**545.03**	**-**	**11,054.67**

March 31, 2023:	On demand	Upto 1 year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,043.67	-	-	-	**3,043.67**
Lease liabilities	-	1,113.62	947.98	-	**2,061.60**
Trade payables	-	1,980.37	-	-	**1,980.37**
Other financial liabilities	-	2,698.20	684.00	-	**3,382.20**
	3,043.67	**5,792.19**	**1,631.98**	**-**	**10,467.84**

C Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other market changes. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

C1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's working capital obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on borrowings, as follows:

	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Increase	Decrease
March 31, 2024				
Indian Rupees	0.50%	-0.50%	2.77	(2.77)
March 31, 2023				
Indian Rupees	0.50%	-0.50%	1.42	(1.42)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

C2 .Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Unhedged foreign currency exposure:

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Company's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD, AED, AUD, ZAR, GBP, CAD, EUR, SGD etc.).

For the year ended March 31, 2024 and March 31, 2023 , every 1% increase /(decrease) of the respective foreign currencies compared to functional currency of the company would impact profit before tax and equity before tax as follows for the respective currencies:

Currency	March 31, 2024	
	Increase by 1%	Decrease by 1%
USD	59.13	(59.13)
EUR	1.43	(1.43)
ZAR	5.36	(5.36)
AED	31.55	(31.55)
SGD	3.58	(3.58)
CAD	9.84	(9.84)
AUD	1.12	(1.12)
GBP	39.13	(39.13)

Currency	March 31, 2023	
	Increase by 1%	Decrease by 1%
USD	59.19	(59.19)
EUR	2.20	(2.20)
ZAR	1.48	(1.48)
AED	15.25	(15.25)
SGD	1.83	(1.83)
CAD	6.37	(6.37)
AUD	1.28	(1.28)
GBP	21.36	(21.36)

39 Segment reporting

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2024	March 31, 2023
Borrowings	3,493.44	3,043.67
Less: Cash and cash equivalents (refer note 8)	(1,618.47)	(1,907.70)
Bank balances other than cash and cash equivalents (refer note 9)	(5,631.57)	(6,278.17)
Current investments (refer note 5)	(24,714.20)	(17,563.92)
Net debt*	-	-
Equity	2,730.01	2,725.70
Other equity	48,348.66	40,948.65
Total capital	**51,078.67**	**43,674.35**
Capital and net debt	**51,078.67**	**43,674.35**
Gearing ratio (Net debt/ Capital and net debt)	0%	0%

* Since the Company has cash surplus, the net debt for the purpose of computation of gearing ratio is taken as zero.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

41 Commitments, contingencies and other litigations

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2024 is Rs. 19.88 lakhs (March 31, 2023 : Rs. Nil).

b. Contingent liabilities

(i) (a) In the earlier years, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2017-2018 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 6,285.52 lakhs involving tax implication of approximately Rs. 2078.18 lakhs, excluding interest and penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. Subsequently, the Company had received the final order with the proposed adjustment as mentioned in the draft order. Management had filed an appeal with the tax authorities and is currently pending with Commissioner (Appeals) /Dispute Resolution Panel (DRP).

(b) In the earlier years, the Company had received an assessment order for A.Y. 2018-2019 under section 143(3) read with section 144C(13) of Income Tax Act, 1961 proposing an adjustment of Rs. 596.53 lakhs involving tax implication of approximately Rs. 268.56 lakhs, excluding interest and penalty. The adjustments majorly pertains to interest on delayed trade receivables and interest on loans and advances to subsidiaries. Management has filed an appeal with the tax authorities and is currently pending with Income Tax Appellate Tribunal (ITAT).

Management has assessed the order and based on expert advice and its documentation relating to the international transactions, believes that the Company has a strong basis to support its position and that the likelihood of any liability devolving on the Company on account of transfer pricing adjustment is remote. The Company has adequate provision in the books for the potential liability, if any, which may arise out of other adjustments.

(ii) In the earlier years, the Company had received a show cause notice from the Department of Foreign Trade (DGFT) dated August 25, 2020 and from the Directorate of Revenue Intelligence (DRI), Ahmedabad dated December 28, 2020, stating that the services provided by the Company are not covered under technical testing and analysis services and it appears that the Company provides services through subsidiaries in the foreign countries and accordingly the services rendered by the Company fall under the definition of service rendered through commercial presence in a foreign country which is not eligible for Service Exports from India Scheme (SEIS) benefits. The notice calls upon the Company to show cause as to why (a) The Scrips granted amounting to Rs 659.93 lakhs for the year ended March 31, 2017, should not be cancelled/ recovered from the Company and (b) The penalty should not be imposed as per Customs Act, 1962.

The Company had filed responses against the aforesaid show cause notices as per the legal opinion. Based on their internal assessment and legal opinion, Management believes that the software testing services being provided by the Company are eligible under the SEIS and will be able to establish the services will not fall in the category of "Supply of services through commercial presence". In view of the above, the Management believes that the export incentive recognised for the period April 1, 2015 to March 31, 2020 amounting to Rs. 1,770.78 lakhs are fully recoverable (March 31, 2023: Rs. 1,770.78 lakhs).

(iii) (a) In the earlier years, the Company had received a letter from Office of the Joint Director, Enforcement Directorate, Hyderabad, initiating enquiry under the provisions of Foreign Exchange Management Act, 1999 (FEMA) requesting for certain documents. The Joint Director had called for an in person hearing where the Company had submitted the necessary information. Subsequently, the Company has received a show cause notice dated September 4, 2023, from ED to show cause as to why the inquiry should not be held and penalty should not be imposed against the Company for the certain contraventions relating to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents. The Company has submitted responses and has made application to RBI for compounding of delays.

(b) In the earlier years, the Company had made foreign investments aggregating to USD 1,002.00 (equivalent) towards equity capital of three foreign subsidiaries without obtaining overseas direct investment (ODI) certificate from RBI. The Company is in the process of obtaining ODI approval from RBI and is in the process of compounding FEMA related non compliances.

(c) The Company has incorporated subsidiary i.e. Cigniti Technologies CR Limitada in Costa Rica, US, in the previous year and Cigniti Technologies (SG) Pte. Ltd in Singapore and Cigniti Technologies (CZ) Limited s.r.o, in Czech Republic in the earlier years. Investments with respect to share capital subscriptions of such entities is in progress as at balance sheet date as the Company is in the process of making the required filings with Reserve Bank of India.

Management is in the process of addressing the above matters and in view of the administrative/ procedural nature of these non-compliances, believes that they will not have a material impact on the consolidated financial statements.

c. Other litigations:

In the earlier years, Cigniti Technologies Inc., USA (Cigniti USA), subsidiary of the Company had filed a lawsuit against it's former employees and an entity related to such employees, for inter alia misappropriation of trade secrets and various breaches of contract and fiduciary duty. Subsequent to the year end, Cigniti USA has entered into a settlement agreement with its former employees and an entity related to such employees, to settle the dispute and withdraw the litigation, for an amount of USD 4.01 million equivalent to ~Rs.3,330.30 lakhs. Further, the subsidiary company has received USD 1.01 million as part of the settlement agreement and the same has been recognised under other income for the year ended March 31,2024.

42 Leases

Company as lessee

The Company has entered into leases of office premises with no restrictions and are renewable at the option of either of the parties for a period of 11 months to 5 years. The escalation rates range from 0% to 10% per annum as per the terms of the lease agreement. There are no sub-leases. The Company also has certain leases spaces including guest houses with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	March 31, 2024	March 31, 2023
Opening balance	1,342.24	2,109.24
Additions	948.43	-
Amortization	-963.31	(766.99)
Closing balance	**1,327.36**	**1,342.24**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	March 31, 2024	March 31, 2023
Opening balance	1,952.36	2,861.00
Additions	948.43	-
Accretion of interest	136.70	151.91
Payments	(1,278.09)	(1,060.55)
Closing balance	**1,759.40**	**1,952.36**
Current	1,245.87	1,024.55
Non-current	513.53	927.81

The maturity analysis of lease liabilities are disclosed in note 38.

The effective interest rate for lease liabilities is 6.5%, with maturity between 2024-2027.

The following are the amounts recognised in statement of profit and loss:

	March 31, 2024	March 31, 2023
Amortization of right to use asset	963.31	766.99
Interest on lease liabilities	136.70	151.91
Short term lease expense (refer note 27)	82.08	87.37
Expense relating to short term and low value leases	**1,182.09**	**1,006.27**

The Company had total cash outflows for leases of Rs. 1,278.09 lakhs in current year (March 31, 2023: Rs. 1,060.54 lakhs). The entire amount is in the nature of fixed lease payments. The Company has Rs. 948.43 lakhs (March 31, 2023: Rs. Nil) of non-cash additions to right-of-use assets.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension option are reasonably certain to be exercised (refer note 36).

43 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio	Current assets	Current liabilities	3.83	3.56	7%	
Debt- Equity Ratio	Total debt*	Shareholder's equity	0.10	0.11	-10%	
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Finance cost	Debt service = Interest & Lease Payments + Principal repayments	9.59	11.76	-18%	
Return on equity ratio	Net profits after taxes	Average shareholder's equity	20%	25%	-19%	
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	6.52	7.46	-13%	
Trade payable turnover ratio	Other expenses + Employee benefit expense + Hired contractors cost	Average trade payables	23.74	34.12	-30%	Note (a)
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.04	2.34	-13%	
Net profit ratio	Net profit after taxes	Net sales = Total sales - sales return	12%	15%	-18%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total debt	23%	29%	-20%	
Return on investment#	Finance income	Time weighted average investment	9%	4%	110%	Note (b)

*Debt includes lease liabilities.

Mutual funds, ETFs, bonds and debentures are considered for the purpose of computing return on investments.

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Notes:

a) Change in ratio is due to increase in trade payables on account of accrual of long service rewards during the current year.

b) Change in ratio is due to increase in returns from investments in current year.

44 Other Statutory Information

(i) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vi) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

(vii) The Company does not have any transactions with companies struck off.

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

45 The Company maintains its books of account on the cloud, which is managed by a global service provider based in the USA. The service provider has confirmed that they ensure that a daily backup is taken of such data as required under law, which is stored on a separate server in the USA but not in India. The Company is currently in discussions with the service provider to establish a mechanism to ensure that a copy of such backup is taken in India as well on a daily basis.

46 The Company has used an accounting software which is operated by a third-party software service provider, for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, management is unable to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

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

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Cigniti

World's Leading AI & IP-Led Digital Assurance
& Digital Engineering Services Company