ANNUAL REPORT
2022-23

Capgemini Technology Services India Limited

Board of Directors

MR. ASHWIN YARDI
Wholetime Director and Chief Executive Officer

MS. ARUNA JAYANTHI
Non-Executive Director

MR. PAUL HERMELIN
Non-Executive Director

MR. AIMAN EZZAT
Non-Executive Director

MS. MARIA PERNAS
Non-Executive Director

MS. SHOBHA MEERA
Non-Executive Director

MR. RAMASWAMY RAJARAMAN
Non-Executive Director and Independent Director

MS. KALPANA RAO
Non-Executive Director and Independent Director

MS. ANNE LEBEL
Additional Director

MR. SUJIT SIRCAR
Chief Financial Officer

MS. ARMIN BILLIMORIA
Company Secretary

Board Committees

Audit Committee
Ramaswamy Rajaraman: Chairperson
Kalpana Rao
Ashwin Yardi

Stakeholders' Relationship Committee
Ramaswamy Rajaraman: Chairperson
Kalpana Rao
Ashwin Yardi

Nomination and Remuneration Committee
Kalpana Rao: Chairperson
Ramaswamy Rajaraman
Ashwin Yardi

Corporate Social Responsibility Committee
Kalpana Rao: Chairperson
Ramaswamy Rajaraman
Ashwin Yardi
Aruna Jayanthi
Shobha Meera

Auditors
Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration no: 012754N/ N500016
252 Veer Savarkar Marg, Shivaji Park,
Dadar (West)
Mumbai – 400028

Registrar & Share Transfer Agent
Kfin Technologies Limited
(Formerly known as Kfin Technologies Private Limited)
Karvy Selenium Tower B,
Plot No.31-32, Gachibowli, Financial District,
Nanakramguda,
Hyderabad – 500 032

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NOTICE FOR 30TH ANNUAL GENERAL MEETING

Notice is hereby given that Thirtieth Annual General Meeting (AGM) of the Members of Capgemini Technology Services India Limited ("Company") will be held on Tuesday, 26 September 2023 at 3:00 P.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

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

1. A. To consider and adopt: the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March 2023 together with the Reports of the Board of Directors and the Auditor thereon; and

   B. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March 2023 together with the Report of the Auditor therein.

2. To appoint a Director in place of Mr. Ashwin Yardi (DIN: 07799277), Wholetime Director and Chief Executive Officer who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Ms. Aruna Jayanthi (DIN: 00817860), Non-Executive Director who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

4. To appoint a Director in place of Mr. Paul Hermelin (DIN: 07887276), Non-Executive Director who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Mr. Aiman Ezzat (DIN: 08973737), Non-Executive Director who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

6 .To appoint a Director in place of Ms. Maria Pernas (DIN: 09283566), Non-Executive Director who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

7. To appoint a Director in place of Ms. Shobha Meera (DIN: 09512374), Non-Executive Director who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

8. To appoint Ms. Anne Lebel (DIN: 10055907) as a Non-Executive Director of the Company and to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Sections 152, 161 of the Act, and the rules made thereunder and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company, Ms. Anne Lebel (DIN: 10055907), who was appointed as an Additional Director by the Board of Directors of the Company and who holds office until the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying her intention to propose Ms. Anne Lebel as a candidate for the office of the Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation."

   "RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and are hereby severally authorized to sign and submit necessary forms, applications, undertakings, drafts, authorizations, etc., to any statutory authorities or officers and to do all such acts, deeds and things which are necessary to give effect to the aforesaid resolution."

By Order of the Board of Directors
For Capgemini Technology Services India Limited

Date: 28 August 2023
Place: Mumbai

Armin Billimoria
Company Secretary
FCS: 8637

Registered office:
No. 14, Rajiv Gandhi Infotech Park,
Hinjewadi Phase-III, MIDC-SEZ,
Village Man, Taluka Mulshi,
Pune - 411 057

Notes:

1) Pursuant to COVID 19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its circular dated 28 December 2022 read with General Circulars dated 08 April 2020, 13 April 2020, 05 May 2020, 13 January 2021, 14 December 2021 and 05 May 2022 (collectively referred to as “MCA Circulars”) permitted convening of the AGM through VC or OAVM without physical presence of Members at a common venue. In accordance with the provisions of Companies Act, 2013 and MCA Circulars, AGM is being held through VC or OAVM.

2) The explanatory statement pursuant to Section 102(1) of the Act relating to the Special Business to be transacted at the AGM is annexed hereto.

3) A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC or OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

4) Institutional/Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board Resolution to the scrutinizer through E-mail to indapurkarcs@gmail.com with a copy to the Company at cgcompanysecretary.in@capgemini.com.

5) Institutional investors, who are Members of the Company are encouraged to attend and vote at the Thirtieth AGM of the Company through VC or OAVM.

6) Members attending the AGM through VC or OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

7) The business set out in the notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this notice under note no. 21.

8) In terms of Section 152 of the Act, Mr. Ashwin Yardi (DIN: 07799277), Wholetime Director and Chief Executive Officer, Ms. Aruna Jayanthi (DIN: 00817860), Non-Executive Director, Mr. Paul Hermelin (DIN: 07887276), Non-Executive Director, Mr. Aiman Ezzat (DIN: 08973737), Non-Executive Director, Ms. Maria Pernas (DIN: 09283566), Non-Executive Director and Ms. Shobha Meera (09512374), Non-Executive Director are liable to retire at the ensuing AGM as specified under article 14 (8) (a) of the Articles of Association of the Company and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends their re-appointment.

9) In case of joint holders only such joint holder who is higher in the order of names will be entitled to vote.

10) All documents referred to in the notice will be available for electronic inspection without any fee by the Members from the date of circulation of this notice up to the date of AGM, i.e. Tuesday, 26 September 2023. Members seeking to inspect such documents can send an email to cgcompanysecretary.in@capgemini.com.

11) Register of Directors / Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and Register of Contracts in which Directors are interested maintained under Section 189 of the Act will be available for inspection electronically without any fee by the Members during AGM.

12) Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 20 September 2023 to Tuesday, 26 September 2023 (both days inclusive).

13) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advice any change in their address or bank mandates to the Company at cgcompanysecretary.in@capgemini.com or its Registrar and Share Transfer Agent, Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited) (“KfinTech”) at einward.ris@kfintech.com.

14) In compliance with MCA Circulars, notice of the AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with Company’s Registrar and Share Transfer Agent, KfinTech as on Friday, 25 August 2023. The notice of the AGM is also hosted on the website of the Company https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/ and will remain on the website till the date of the AGM.

15) For receiving all communication (including Annual Report) from the Company electronically:

    a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at cgcompanysecretary.in@capgemini.com or its Registrar and Share Transfer Agent, KfinTech at einward.ris@kfintech.com or by logging into https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

    b) Members holding shares in electronic form are requested to register / update their email address with the Depository Participants with whom they are maintaining their demat accounts.

16) Pursuant to section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with KfinTech. In respect of shares held in electronic/demat form, the Members may please contact their respective Depository Participant for registration of nominee.

17) In terms of section 124 of the Act, in case of shares in respect of which dividends have been unclaimed and therefore unpaid for a continuous period of 7 years, such unpaid dividend and corresponding shares have been transferred to the Investor Education and Protection Fund ("IEPF") demat account. To claim the same from IEPF, Members owning such shares must contact the Company at cgcompanysecretary.in@capgemini.com or its Registrar and Share Transfer Agent, KfinTech at einward.ris@kfintech.com or IEPF authority.

18) The recorded transcript of the AGM on Tuesday, 26 September 2023, shall be maintained by the Company and also be made available on the website of the Company at the earliest soon after the conclusion of the Meeting.

19) Since the AGM will be held through VC or OAVM, Route Map is not annexed in this notice.

20) The deemed venue for Thirtieth AGM shall be the Registered Office of the Company at No. 14, Rajiv Gandhi Infotech Park, Hinjewadi Phase-III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune - 411057.

21) Information and other instructions relating to e-voting and joining AGM through VC or OAVM are as under:

(i) E-voting

The Company is pleased to provide an e-voting facility to the Members of the Company to enable them to cast their votes electronically on the items mentioned in this notice.

The Company has appointed Mr. Shailesh Indapurkar, as scrutinizer for conducting the e-voting process in a fair and transparent manner. The e-voting rights of the Members/ beneficiary owners shall be reckoned on the equity shares held by them as on Wednesday, 20 September 2023 being the cut-off date for the purpose. Members of the Company holding shares either in physical or in dematerialized form as on the cut-off date may cast their votes electronically.

INSTRUCTIONS FOR E-VOTING

Step 1: Access to Depositories e-voting system in case of individual Members holding shares in demat mode.

Step 2: Access to KFin e-voting system in case of Members holding shares in physical and non-individual Members in demat mode.

Details on Step 1 are mentioned below:

Login for remote e-voting for individual Members holding equity shares in demat mode:

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	**Existing Internet-based Demat Account Statement ("IDeAS") facility Users:** 1. Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. 2. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. 3. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. 4. Click on Company name i.e. "Capgemini Technology Services India Limited" or e-voting service provider i.e. KFin. 5. Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the AGM. **Those not registered under IDeAS:** 1. Visit https://eservices.nsdl.com for registering. 2. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-voting website of NSDL https://www.evoting.nsdl.com/. 4. 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. 5. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. 6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.

	7. Click on Company name i.e. Capgemini Technology Services India Limited or e-voting service provider name i.e KFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM. 8. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Members holding securities in demat mode with CDSL	**1. Existing user who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility:** i. Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii. Click on New System Myeasi. iii. Login to Myeasi option under quick login. iv. Login with the registered user ID and password. v. Members will be able to view the e-voting Menu. vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authenciation. **2. User not registered for Easi / Easiest** i. Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering. ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote. **3. Alternatively, by directly accessing the e-voting website of CDSL** i. Visit www.cdslindia.com ii. Provide demat Account Number and PAN iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. Capgemini Technology Services India Limited or select KFin. v. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Members login through their demat accounts / Website of Depository Participant	i. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. ii. Once logged-in, Members will be able to view e-voting option. iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. iv. Click on options available against Capgemini Technology Services India Limited or KFin. v. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for individual Members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-24997000 or 022-48867000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

Login method for e-voting for Members other than individual Members holding shares in demat mode and Members holding securities in physical mode:

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

b) Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.

c) Enter the login credentials i.e., user id and password mentioned on the enclosed form/EMAIL. Your Folio No / DP ID / Client ID will be your user ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your votes.

d) After entering the details appropriately, click on LOGIN.

e) You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile number, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Neither the Company nor the Scrutinizer will be responsible for any consequences of you having shared or disclosed the password (whether original or changed) with or to any person, including your inability to thereafter access the e-voting platform or even cast your vote.

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

g) On successful login, the system will prompt you to select the EVENT i.e., Capgemini Technology Services India Limited – "AGM" and click on "Submit".

h) On the voting page (which will be different for each resolution), enter the number of shares as on the cut-off date, Wednesday, 20 September 2023 under FOR / AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR / AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

i) Members holding multiple folios / Demat accounts shall need to use the voting process separately for each folio / Demat account.

j) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the resolutions.

k) Corporate/Institutional Members (Corporate/FIs/FIIs/Trust/Mutual Funds/Banks etc.,) are required to send a scanned certified true copy (PDF format) of the relevant Board resolution to the scrutinizer through E-mail to indapurkarcs@gmail.com with a copy to cgcompanysecretary.in@capgemini.com. The file(s) containing the scanned image of the Board resolution should be in the naming format "Corporate Name".

l) Once the vote on the resolution is cast by the Member, he shall not be allowed to change it subsequently.

m) The Portal will be open for voting from Saturday, 23 September 2023 at 9.00 a.m. and closes on Monday, 25 September 2023 at 5.00 p.m. (both days inclusive). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on Wednesday, 20 September 2023, may cast their vote electronically. Those Members who have acquired shares after Friday, 25 August 2023 i.e. cut-off date for sending of Annual Report and holding shares as on the e-voting cut-off date i.e. Wednesday, 20 September 2023, may approach the Company/ KfinTech for issuance of the User ID and Password for exercising their right to vote by electronic means and attend the meeting through VC or OAVM.

n) In case of any queries contact KfinTech at Tel No. 1800 309 4001 (toll free).

(ii) Joining AGM through VC or OAVM

The Company will provide VC or OAVM facility to its Members for participating at the AGM. Members will be able to attend the AGM through VC or OAVM or view the live webcast at https://emeetings.kfintech.com/ by using their e-voting login credentials.

1) Members are requested to follow the procedure given below:

   a) Launch internet browser (Chrome/Firefox/Safari/Internet Explorer 11) by typing the URL: https://emeetings.kfintech.com/. Members are encouraged to join the Meeting through laptop with google chrome web browser for better experience.

   b) Enter the login credentials (i.e., User ID and password for e-voting).

   c) After logging in, click on “Video Conference” option.

   d) The link for e-AGM will be available in shareholder/Members login where the EVENT and the name of the Company i.e. Capgemini Technology Services India Limited can be selected.

   e) Members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

   f) 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. Members will be required to grant access to the web-cam to enable two-way video conferencing.

2) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

3) Since many Members will be present through VC or OAVM and to regulate the AGM in efficient manner, Members who would like to express their views or ask questions during the AGM are requested to register themselves by logging on to https://emeetings.kfintech.com/ and clicking on the ‘Speaker Registration’ option available on the screen after log in. The Speaker Registration will be open from Saturday, 23 September 2023 at 9.00 a.m. and closes on Monday, 25 September 2023 at 5.00 p.m. All those Members who are registered will be given preference to express their views or ask questions over other Members depending upon the availability of time for smooth and efficient conduct of the AGM.

4) Only those Members/ shareholders, who will be present in the AGM through VC or OAVM and have not cast their vote through remote e-voting are eligible to vote in the AGM. However, Members who have voted through remote e-voting will be eligible to attend the AGM.

   The facility for voting through electronic voting system will also be made available at the AGM (“Insta Poll”) and Members attending the AGM who have not cast their vote(s) by remote e-voting will be able to vote at the AGM through Insta Poll.

   Instructions for Members for voting during AGM through Insta Poll is as follows:

   a) The e-voting “Thumb sign” on the left hand corner of the video screen shall be activated upon instructions of the chairman during the AGM proceedings. Shareholders shall click on the same to take them to the “Insta Poll” page.

   b) Members to click on the “Insta Poll” icon to reach the resolution page and follow the instructions to vote on the resolutions.

   c) Only those shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through Insta Poll system available during the AGM.

5) Facility to join the VC or OAVM meeting will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the AGM and will be available for 1,000 Members on a first come first-served basis. This rule of entry being provided on a first come first served basis would, however, not apply to participation of shareholders/Members holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.

6) Members who need assistance before or during the AGM, can contact KFinTech on einward.ris@kfintech.com or call on toll free number 1800 309 4001. Kindly quote your name, DP ID-Client ID / Folio no. and e-voting Event Number in all your communications.

22) General Instructions:

   a) The Chairman shall formally propose to the Members participating through VC or OAVM facility to vote on the resolutions as set out in the notice of the Thirtieth AGM and announce the start of the casting of vote through the e-voting system of KfinTech.

   b) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinizers’ report of the total votes cast in favor or against, if any, to the Chairman, who shall countersign the same.

   c) The Scrutinizer shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutinizer’s report shall be placed on the Company’s website https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/ and on the website of KfinTech – http://evoting.kfintech.com. The resolutions shall be deemed to be passed at the e-AGM of the Company.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

Item no. 8

The Board of Directors (based on the recommendation of the Nomination and Remuneration Committee) had appointed Ms. Anne Lebel (DIN: 10055907) as an Additional Director on the Board of the Company with effect from 23 March 2023 to hold office up to the date of the Annual General Meeting.

The Company has received notice in writing pursuant to Section 160 of the Act, from a Member along with a deposit of INR 1,00,000/- proposing the candidature of Ms. Anne Lebel for the office as a Non-Executive Director of the Company.

The Company has received from Ms. Anne Lebel (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Act.

Additional information with respect to Ms. Anne Lebel as required under the secretarial standards is as follows:

Name	Ms. Anne Lebel
Age	57 years
Qualifications	Graduated from Institut d'Etudes Politiques in Strasbourg (France) and the Institut d'administration des entreprises (IAE) Paris
Experience	35 years Ms. Anne Lebel has been Capgemini's Chief Human Resources Officer and a member of the Group Executive Board since 2020. Prior to joining Capgemini, in 2016 Ms. Anne Lebel was appointed by Natixis as Chief Human Resources Officer and Corporate Culture Officer, and a member of the Senior Management Committee. From 2012, Ms. Anne Lebel was the Global Head of Human Resources of Allianz Global Corporate & Specialty. She joined the company in 2008 as Head of Human Resources for France, Italy and Spain, and later for Europe and Asia, after being the Head of Human Resources for Serono France from 2004. Ms. Anne Lebel started her career in September, 1987 at Bossard Consultants, as an organization and change management consultant. In 1997, Ms. Anne Lebel joined Schering Plough France as Human Resources and Training Manager for France before moving to head up HR Organization and Development in Europe. Ms. Anne Lebel is also Lead Independent Director of Nexans' Board of Directors.
Terms & Conditions of appointment / reappointment	As mutually agreed between the Company and Ms. Anne Lebel
Details of remuneration sought to be paid	Nil
Remuneration, if any, last drawn	Nil
Date of first appointment on the Board	23 March 2023
Shareholding in the Company	Nil
Relationship with other Directors, managers and other key managerial personnel of the Company	None
No. of meetings of the Board attended during the year	2
Directorship in other companies	a. Altran (Singapore) Pte. Ltd. b. Capgemini Gouvieux c. Altran UK Limited d. Altran Engineering Solutions Inc. e. Capgemini Suisse SA f. Braincourt (Switzerland) AG g. Altran Israel Limited h. Knowledge Expert SA i. Altran Engineering Solutions Japan Limited j. Capgemini Portugal SA k. Capgemini Services Malaysia Sdn Bhd l. Capgemini (China) Co., Limited
Membership / Chairmanship of committees of other Boards	None

No Director, key managerial personnel or their relatives, except Ms. Anne Lebel to whom the resolution relates, are concerned or interested in the resolution.

The Board recommends the resolution set forth in item no. 8 for approval of the Members.

By Order of the Board of Directors
For Capgemini Technology Services India Limited

Armin Billimoria
Company Secretary
FCS: 8637

Date: 28 August 2023
Place: Mumbai

Registered office:
No. 14, Rajiv Gandhi Infotech Park,
Hinjewadi Phase-III, MIDC-SEZ,
Village Man, Taluka Mulshi,
Pune - 411 057

BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Thirtieth Board's Report and the Audited Financial Statements for the year ended 31 March 2023.

FINANCIAL PERFORMANCE

(INR in million)

	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Income				
Revenue from operations	278,428	225,711	278,754	226,288
Other income	5,062	4,320	5,099	4,362
Total income (I)	283,490	230,031	283,853	230,650
Expenses				
Employee benefit expenses	202,598	163,406	202,684	163,492
Other expenses	30,888	25,542	31,040	25,840
Depreciation and amortization expenses	9,830	8,755	9,830	8,755
Finance costs	566	757	566	759
Total expenses (II)	243,882	198,460	244,120	198,846
Profit before tax (I) –(II)	39,608	31,571	39,733	31,804
Tax expenses				
-Current tax	9,760	8,696	9,244	9,268
-Deferred tax	221	(2,011)	(1,259)	(534)
Total tax expenses	9,981	6,685	7,985	8,734
Profit for the year	29,627	24,886	31,748	23,070
Total other comprehensive income/(loss), net of tax	477	(1,565)	562	(1,537)
Total comprehensive income for the year	30,104	23,321	32,310	21,533

Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (Act) and other relevant provisions of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Operational Review:

During the Financial Year 2022-23, the Revenue and Other Income of your Company was INR 283,490 million as against INR 230,031 million in the previous year, showing a growth of 23.24% over the previous year. The Company earned Profit for the year of INR 29,627 million as against INR 24,886 million in the previous year.

Share Capital:

The Authorized Capital of the Company as on 31 March 2023 was INR 19,261,100,000 (Indian Rupees Nineteen Billion Two Hundred Sixty One Million One Hundred Thousand only) divided into 396,210,000 (Three Hundred and Ninety Six Million Two Hundred Ten Thousand) Equity Shares of INR 10/- (Indian Rupees Ten Only) each, 50,000,000 (Fifty Million) Equity Shares of INR 1 (Indian Rupee One only) each, 10,800,000 (Ten Million Eight Hundred Thousand) Compulsorily Convertible Preference Shares of INR 10 (Indian Rupees Ten only) each, 14,000,000 (Fourteen Million) 5% 10 years Redeemable Non-Cumulative Preference Shares of INR 10 (Indian Rupees Ten only) each, 1,500,000,000 (One Billion Five Hundred Million) redeemable optionally convertible non-cumulative 0.001% preference shares of INR 10 (Indian Rupees Ten only) each and 100,000 (One Hundred Thousand) redeemable preference shares of INR 10 (Indian Rupees Ten only) each.

The Issued and Paid-up Capital of the Company as on 31 March 2023 stood at INR 592,712,960 (Indian Rupees Five Hundred Ninety Two Million Seven Hundred Twelve Thousand Nine Hundred Sixty only) divided into 59,271,296 (Fifty Nine Million Two Hundred Seventy One Thousand Two Hundred Ninety Six) Equity Shares of INR 10 (Indian Rupees Ten only) each.

Transfer to General Reserves:

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review.

Dividend:

Keeping in view the future strategic initiatives of the Company, your Directors do not recommend any dividend for the year ended 31 March 2023.

Particulars of Loans, Guarantees and Investments:

The particulars of investments have been disclosed in the financial statements. There have been no loans and guarantees given under Section 186 of the Companies Act, 2013 (Act) during the year under review.

Deposits:

Your Company has not accepted any deposits in accordance with Chapter V of the Companies Act, 2013 and rules made thereunder and as such there were no outstanding principal or interest payments on the Balance Sheet date.

Subsidiaries and Branches:

As on 31 March 2023:

- The Company has two (2) subsidiaries and four (4) branches. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").
- Further, pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

Amalgamation of Aricent Technologies (Holdings) Limited with the Company is completed pursuant to National Company Law Tribunal merger order dated 23 December 2022 and effective from 28 December 2022.

Appropriate filings have been undertaken. As per Section 129 (3) of the Act, the consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, which forms part of this Annual Report. Pursuant to the provisions of the said Section, a statement containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Ventures in Form AOC-1 is annexed as Annexure I in this Annual Report.

There have been no material changes in the nature of the business of the subsidiaries during the Financial Year 2022-23. Acquisitions/ divestments, as applicable have been adequately disclosed in the financial statements.

The annual accounts of the subsidiary companies are available for inspection by Members at the Registered Office of the Company. A copy of the same shall be sent to a Member upon request.

In line with the requirements of Indian Accounting Standard 110 as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act, consolidated financial statements presented by the Company include the financial information of its subsidiaries.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and financials statement for each of its subsidiaries, are available on our website at https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

Related Party Transactions:

Your Company has historically adopted practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length. None of the transactions with related parties fall under the scope of Section 188 (1) of the Act. Particulars of contracts are given in Annexure II in Form AOC-2 and the same forms part of this report.

Business Activities:

Your Company is one of the leading providers of IT services globally. The vision for your Company's business is to earn our clients' trust and maximize value of their businesses by providing solutions that integrate deep industry insights, leading technologies and best in class execution.

Corporate Governance:

The goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical for enhancing and retaining stakeholder trust. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

Investor Education and Protection Fund (IEPF):

In compliance with the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, during the year, there were no outstanding unclaimed and un-encashed dividends which were unclaimed for seven consecutive years as per the requirement of said Rules.

The details of the shares already transferred to the IEPF, and the corresponding shares, transferred are available on our website, at https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web based Form No. IEPF-5 available on www.iepf.gov.in. Member requiring any support in this matter can also contact Registrar and Share Transfer Agent, Kfin Technologies Limited at email id: einward.ris@kfintech.com.

The Company has appointed Nodal Officer under the provisions of IEPF, the details of which are available on website of the Company.

Equity Shares in Unclaimed Suspense Account:

The details of equity shares in unclaimed suspense account as on 31 March 2023 as below:

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year – Nil
- number of shareholders who approached the Company for transfer of shares from suspense account during the year – Nil
- number of shareholders to whom shares were transferred from suspense account during the year – Nil
- aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year – 185 shareholders and 14,769 shares
- that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares – 14,769.

Dematerialization of Shares:

As on 31 March 2023, 99.99% of our shares were held in dematerialized form and the rest in physical form. We request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts and email IDs with the respective Depository Participants to enable us to provide better service.

Green Initiative:

Your Company believes in driving environmental initiatives and also empowering its stakeholders. Shareholders holding shares in dematerialized mode have been requested to register their email address, dividend bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish their email address, bank account details and mobile number with Company at cgcompanysecretary.in@capgemini.com or its Registrar and Share Transfer Agent, Kfin Technologies Limited at einward.ris@kfintech.com. Updating all the relevant information will enable shareholders to receive communications on time. Besides, every year, the Company ensures that electronic copies of the Annual Report and the Notice of Annual General Meeting are sent to all members whose email addresses are registered with the Company / depository participant(s).

Directors and Key Managerial Personnel:

Independent Directors:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors, Ms. Kalpana Rao (DIN: 07093566) and Mr. Ramaswamy Rajaraman (DIN: 00038146) have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Appointments:

During the period under review, Ms. Anne Lebel (DIN: 10055907) was appointed as an Additional Director of the Company on 23 March 2023 and seeks regularization as a Non-Executive Director at the ensuing Annual General Meeting.

Resignations:

During the period under review, Mr. Hubert Giraud (DIN: 00817709), Non-Executive Director resigned on 06 October 2022.

The Board places on record the valuable contributions made by Mr. Hubert Giraud during his tenure.

Reappointment of Directors:

In accordance with the terms of Memorandum and Articles of Association of the Company, Mr. Ashwin Yardi (DIN: 07799277), Wholetime Director and

Chief Executive Officer, Ms. Aruna Jayanthi (DIN: 00817860), Non-Executive Director, Mr. Paul Hermelin (DIN: 07887276), Non-Executive Director, Mr. Aiman Ezzat (DIN: 08973737), Non-Executive Director, Ms. Maria Pernas (DIN: 09283566), Non-Executive Director and Ms. Shobha Meera (DIN: 09512374), Non-Executive Director retire and are eligible for re-appointment.

None of the Directors are related to each other within the meaning of the term “relative” as per Section 2 (77) of the Act.

Pursuant to the provisions of Section 203 of Companies Act, 2013, Mr. Ashwin Yardi, Wholetime Director and Chief Executive Officer, Mr. Sujit Sircar, Chief Financial Officer and Ms. Armin Billimoria, Company Secretary are designated as Key Managerial Personnel of the Company as on 31 March 2023.

Board Meetings:

The Board met six (6) times during the Financial Year 2022-23 i.e. 09 May 2022, 02 August 2022, 24 November 2022, 13 January 2023, 30 January 2023 and 23 March 2023 respectively.

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Committees of the Board and their Composition:

As on 31 March 2023, the Board had four committees i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.

Audit Committee comprises of three Directors namely Mr. Ramaswamy Rajaraman, Ms. Kalpana Rao and Mr. Ashwin Yardi. Audit Committee met six (6) times during the Financial Year 2022-23 i.e. 09 May 2022, 28 June 2022, 02 August 2022, 21 November 2022, 18 January 2023 and 23 March 2023 respectively.

Nomination and Remuneration Committee comprises of three Directors namely Ms. Kalpana Rao, Mr. Ramaswamy Rajaraman and Mr. Ashwin Yardi. Nomination and Remuneration Committee met three (3) times during the Financial Year 2022-23 i.e. 21 July 2022, 21 November 2022 and 17 March 2023 respectively.

Corporate Social Responsibility Committee comprises of five Directors namely Ms. Kalpana Rao, Mr. Ramaswamy Rajaraman, Mr. Ashwin Yardi, Ms. Aruna Jayanthi and Ms. Shobha Meera. Corporate Social Responsibility Committee met five (5) times during the Financial Year 2022-23 i.e. 02 May 2022, 05 July 2022, 17 October 2022, 11 November 2022 and 15 March 2023 respectively.

Stakeholders Relationship Committee comprises of three Directors namely Mr. Ramaswamy Rajaraman, Ms. Kalpana Rao and Mr. Ashwin Yardi. Stakeholders Relationship Committee met once (1) during the Financial Year 2022-23 i.e. 21 December 2022.

Annual Evaluation of the Performance of the Board, its Committees and of Individual Directors:

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 Companies Act, 2013.

The performance of the Board as a whole was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as board structure and composition, formation and delegation of responsibilities to Committees, Board processes and their effectiveness, degree of effective communication with the stakeholders.

The performance of the Board Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, structure, effectiveness of Committee Meetings.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and the Board as a whole was evaluated, taking into account the views of Executive Director and Non-Executive Directors.

Performance evaluation of Independent Directors was done by the entire Board excluding the Independent Directors being evaluated.

Directors’ Appointment and Remuneration Policy:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Senior Management and their remuneration. The Directors’ Appointment and Remuneration Policy is annexed as Annexure III.

Risk Management Policy:

The Company has established a Risk Management Policy (Policy) which sets out the Company’s principles and processes with regard to identification, analysis and management of applicable risks. The Policy mandates the ways in which respective risks are expected to be mitigated and monitored.

Vigil Mechanism:

The Company has established a Code of Ethics and Business Conduct (Code) which is applicable to its Employees and Directors in accordance with the provisions of Section 177(9) and (10) of the Act. The Code also extends to its suppliers and partners. Regular dissemination of the code and trainings are conducted to reinforce the concepts and ensure that any changes are communicated. The Company's vigil mechanism deals with reporting and dealing with instances of fraud and mismanagement and forms part of the Code. The Company has in place a confidential reporting mechanism for any whistle blower to report a matter. Whistle blower policy is uploaded on website of the Company https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

Secretarial Standards:

The Company has complied with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

Directors' Responsibility Statement:

Pursuant to the requirements of Section 134 (5) of the Act, the Directors hereby confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards has been followed and there are no material departures;

ii. 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 of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls, which are adequate and are operating effectively;

vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Human Resources:

Your Company maintains a healthy and productive environment and offers clean and ergonomic workspaces. Human resources are key assets of your Company and your Company invests continuously in imparting latest technology skills together with a range of soft skills to help them in their roles. Your Company has a strong talent management processes to nurture employee careers, groom future leaders and create a high performance workforce. Your Company follows global best HR practices. Your Company's total manpower as on 31 March 2023 was 163,289.

Particulars of Employees:

Information pursuant to Section 197(12) of the Act read with the provisions of Rule 5(2) of Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to Unlisted Companies and therefore not enclosed. However, these details will be provided to shareholders on request.

Auditors:

a) Internal Auditor

The Internal Auditors, Deloitte Touche Tohmatsu India LLP, Mumbai conducts internal audits periodically and submit their reports to the Audit Committee. Their Reports have been reviewed by the Audit Committee from time to time.

b) Statutory Auditor

Price Waterhouse Chartered Accountants LLP (Registration No. 012754N/N500016) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on 25 September 2020 for a term of five years until the conclusion of 32nd Annual General Meeting of the Company to be held in the year 2025.

The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer.

c) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Kaushik M. Jhaveri & Co., Practising Company Secretary (CP: 2592), to undertake Secretarial Audit of the Company for the year ended 31 March 2023.

The Secretarial Auditors' Report is enclosed as Annexure IV to the Board's report in this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark, or disclaimer.

Annual Return:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2023 is available on Company's website at https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

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 Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Internal Financial Controls:

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Accordingly, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices and key business areas.

Corporate Social Responsibility:

The Company has always been committed to Corporate Social Responsibility (CSR) and CSR has been one of the commitments to the society. The Company has been carrying out CSR activities in line with the focus areas. Presently, CSR is being regulated by law and the Management is determined to strengthen the commitment to further the CSR initiatives in accordance with law.

The brief report on CSR activities during the year are set out in Annexure V of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Policy is available on the website of the Company - https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

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

As prescribed under sub-section (3) (m) of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given below.

a) Conservation of Energy

The operations of the Company are not energy intensive. However, significant measures are being taken to reduce energy consumption. The Company has ambitious emission reduction targets and has taken some key transformation actions. Significant measures taken to upgrade the utility infrastructure to energy efficient technologies. Company has reduced energy consumption by ensuring consuming systems such as Air conditioning, lighting and data center equipment are designed with energy efficient technologies. Company has invested in Energy monitoring and Equipment Automation for optimal energy usage through Energy Command Center (ECC) in Bangalore. ECC harnesses a data-driven approach and digitalization to monitor and control the performance of various energy assets and aid in sustainability initiatives across its owned campuses. Company has received Energy certifications such as Net-zero Energy, ISO50001, and green building certifications.

Company has recently installed a state-of-the-art 'Battery Energy Storage Solution' (BESS) with a capacity of 2.5 MWh in the Noida campus and 3.5 MWh in the Mumbai campus. The solution allows the Company to store excess renewable energy generated from solar plants during the day and use it during the evening peak hours. This, in turn, significantly reduces the greenhouse gas (GHG) emissions from peaker power plants and decreases the energy cost, carbon footprint and stress on the grid during the peak hours.

The BESS solution is equipped with an intelligent Energy Management System (EMS) to orchestrate and manage the electrons from solar, battery storage, utility supply, and load. This, integrated with Capgemini's Energy Command Center (ECC), enables real-time monitoring and control of energy supply. The EMS is equipped with artificial intelligence (AI) analytics for effective management of energy tariff and utilization of BESS to store and release energy during the non-peak and peak hours, respectively. This process helps in managing 'Peak Shaving' efficiently.

Company has installed 11.7 MWp of on-premises solar plants across all campuses in India. Some campuses have energy surplus which they are exporting to their respective state electricity boards. Company's campuses in Bengaluru, Hyderabad, and Chennai (MIPL and SIPCOT) have been exporting surplus renewable energy back to the state electricity grid using the 'net-metering program'. Since the beginning of the year, 450 MWh of renewable electricity has been exported to the electricity grid from the four offices, making the campuses net positive on energy use in 2023.

All facilities in India are operating on 100 percent renewable energy (RE), achieving a new sustainability milestone. This allows the Company to avoid over 70,000 tonnes of carbon emissions per annum. The Company transitioned to 100 percent renewable energy through onsite renewable energy generation, offsite renewable energy purchase through power purchase agreements, and green power purchasing through utility programs, all contributing to 83 percent of renewable energy. The balance of 17 percent is sourced from renewable energy certificates.

b) Technology Absorption

The Company does not have any technical collaboration arrangements with any business partners, the issue of absorption of such technologies therefore, does not arise. The expenditure on Research & Development is Nil.

c) Foreign Exchange Earnings and Outgo

The Company earned INR 248,435 million in foreign exchange as against INR 201,090 million in the previous year. Exchange outgo, including capital goods was INR 8,984 million as against INR 14,525 million in the previous year.

Other Disclosures:

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

The Company vide agreement dated 07 June 2023, acquired 100% of the equity shares of Altran Technologies India Private Limited for a total consideration of INR 18,519 million from Altran (Singapore) Pte. Ltd. and Capgemini SE.

Significant and Material Orders:

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

Postal Ballot:

During the year under review, your Company had conducted Postal Ballot seeking approval from the shareholders, the details of which are mentioned herein below:

On 05 August 2022, the Company issued a postal ballot notice to all the shareholders in accordance with the various circulars issued by the Ministry of Corporate Affairs on account of threat posed by Covid-19. The said postal ballot notice contained the following matter:

Approval to provide for money and/or loan/financing assistance to employees to subscribe to Capgemini SE Employee Stock Ownership Plan, 2022 ("CAPGEMINI ESOP 2022").

Above-mentioned resolution was passed with the requisite majority by the shareholders of the Company.

Ballot is available on the website at https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

Reporting of Frauds by Auditors:

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Corporate Insolvency Resolution Process Initiated Under the Insolvency and Bankruptcy Code, 2016 (IBC):

The Company has not made any application nor any proceedings are pending under the Insolvency and Bankruptcy Code 2016 during the year, hence, no information is required to be reported in this regard as required under the Companies (Accounts) Rules, 2014.

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:

During the year under review, no loan was taken from the Banks or Financial Institutions.

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Company has a zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the Financial Year 2022-23, the Company had received 14 complaints on sexual harassment. All such complaints were investigated and disposed of with appropriate action taken and no complaint remained pending as on 31 March 2023.

Acknowledgements and Appreciation:

Your Directors take this opportunity to thank the customers, shareholders, bankers, business partners/associates, financial institutions and the Central and State governments for their constant support and encouragement to the Company. Your Directors also convey their sincere appreciation to all the employees of the Company for their hard work and commitment.

For and on behalf of the Board of Directors
Capgemini Technology Services India Limited

	Kalpana Rao	**Ashwin Yardi**
	Independent Director	*Wholetime Director & Chief Executive Officer*
	DIN: 07093566	DIN: 07799277
Date: 24 July 2023	Place: Bengaluru	Place: Mumbai

ANNEXURE I

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Sr. no.	Name of subsidiary	Country	Reporting currency	Exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
1	Annik Inc., USA	USA	USD	82.24	1	1,079	1,154	74	-	399	107	26	81	-	100%
2	Liquidhub Pte. Ltd.	Singapore	SGD	61.28	2	41	50	7	-	106	17	3	14	-	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations- Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year- Not Applicable

For and on behalf of Board of Directors
Capgemini Technology Services India Limited

Kalpana Rao
Independent Director
DIN: 07093566
Place : Bengaluru

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place : Mumbai

Armin Billimoria
Company Secretary
FCS: 8637
Place : Mumbai

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Date: 24 July 2023

ANNEXURE II

Form AOC-2

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

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

a) Name of related party and nature of relationship

Name of related party	Nature of relationship	Duration of contract	Salient terms
Capgemini SE	Ultimate Holding Company	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini North America, Inc.	Holding Company	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini America, Inc.	Entity with Significant influence over the Company	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Annik, Inc.	Subsidiary Company	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
LiquidHub Pte. Ltd.	Subsidiary Company	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran (Singapore) PTE LTD	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Australia PTY Ltd	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Connected Solutions S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Deutschland SAS & Co. Kg	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Engineering Solutions Inc	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Innovacion (Spain)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Israel Ltd. (Formerly known as Aricent Israel Ltd.)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Japan Ltd	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Lab S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Nederland B.V.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Prototypes Automobiles SAS	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Technologies India Pvt. Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Technologies SAS	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran Technology & Engineering Center S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Altran UK	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Aricent Spain SA	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Aricent Technologies Cayman (merged into Capgemini America, Inc. w.e.f. 28 July 2022)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Aricent Technologies Malaysia Snd. Bhd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Aricent Technologies Mauritius Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Aricent Technologies Sweden AB	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Cambridge Consultants (Uk)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini (China) Co. Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini (Kun Shan) Co., Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Asia Pacific Pte Ltd. - Taiwan Branch	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Australia (New Zealand Branch)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Australia PTY Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Belgium NV/S.A.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Brasil S.A.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Business Services (China) Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Business Services Brasil - Assessoria Empresarial Ltda.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines

Name of related party	Nature of relationship	Duration of contract	Salient terms
Capgemini Canada Inc.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Colombia SAS	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Consulting Österreich AG	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Consulting S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Czech Republic s.r.o	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Danmark A/S	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Deutschland GmbH	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Deutschland Holding GmbH	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Educational Services B.V.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Egypt LLC	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Engineering Act S.A.S (formerly known as Altran ACT)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Engineering Research and Development S.A.S. (formerly known as Capgemini DEMS France SAS)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Engineering Sverige AB (formerly known as Altran Sverige AB)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini España S.L.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Finance Tech S.R.L.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Finland Oy	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini France S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Government Solutions LLC	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Hong Kong Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Ireland Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini IT Solutions India Pvt. Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Italia spA	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Japan K.K.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Magyarorszag Kft.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Mexico S. de R.L de C.V.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Nederland B.V.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini New Zealand Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Norge A/S	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Outsourcing Services GmbH	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Philippines Corp.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Polska Sp. z.o.o	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Portugal S.A.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Saudi Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Service Romania s.r.l.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Service S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Services Malaysia SDN BHD	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd. - Dubai Branch	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Solutions Canada Inc.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines

Name of related party	Nature of relationship	Duration of contract	Salient terms
Capgemini Suisse S.A.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Sverige AB	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Technologies LLC	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Technology Services S.A.S.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini UK plc	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini UK Plc - South Africa Branch	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Capgemini Vietnam Co Ltd	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Frog Business Consultancy Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Frog Design BV	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Frog Design Europe Gmbh	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Frog Design Group UK Ltd	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Frog Design, Inc.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Global Edge Software Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Inergi Inc.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Information Risk Management Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
LLC Lohika Ltd	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Matiq A/S	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
New Horizons Systems Solutions Inc	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
RADI Software Do Brasil Ltda.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Societe en commandite Capgemini Quebec - Capgemini Quebec LP	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Sogeti Deutschland GmbH	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Sogeti Luxembourg S.A.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Sogeti Nederland B.V.	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Sogeti Sverige AB	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Sogeti UK Limited	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines
Tessella Limited (UK)	Fellow subsidiary	01 April 2022 to 31 March 2023	Based on transfer pricing guidelines

b) Aggregate value of the above contracts or arrangements or transactions is Rs. 247,675 Million during the year.

For and on behalf of the Board of Directors

Capgemini Technology Services India Limited

Kalpana Rao
Independent Director
DIN: 07093566
Place : Bengaluru
Date : 24 July 2023

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

ANNEXURE III

Remuneration Policy

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of the company ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Key principles governing this remuneration policy are as follows:

- **Remuneration for Independent Directors and Non-Independent Non-Executive Directors**
  - Independent Directors ("ID") may be paid sitting fees (for attending the Meetings of the Board and of committees of which they may be members)
  - Quantum of sitting fees may be subject to review on a periodic basis, as required.

  In addition to the sitting fees, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board Committee meetings, General Meetings, Court Convened Meetings, Meetings with shareholders/creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

- **Remuneration for Whole – Time Director ("WTD")/ Executive Directors ("ED")/ KMP/ rest of the employees**
  The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
  - ◊ Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
  - ◊ Driven by the role played by the individual
  - ◊ Reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay
  - ◊ Consistent with recognized best practices and
  - ◊ Aligned to any regulatory requirements.

- **In terms of remuneration mix or composition,**
  - ◊ The remuneration mix for the WTD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
  - ◊ Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
  - ◊ In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also offers social security coverage as applicable. Other benefits offered are Medical Insurance coverage, life, accidental and disability coverage. We also run Wellness Program for our employees under which doctors come and talk to them on topics such as lifestyle and health related issues, well-being etc.
  - ◊ The Company provides retirement benefits as applicable.

- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides WTD/EDs such remuneration by way of an annual incentive remuneration/performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

- **Policy implementation**
  The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

ANNEXURE IV

Form MR-3

Secretarial Audit Report

For the Financial Year ended 31St March, 2023

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

To,
The Members,
Capgemini Technology Services India Limited
Plot No. 14, Rajiv Gandhi Infotech Park,
Hinjewadi Phase-III, MIDC-SEZ, Village Man,
Taluka Mulshi, Pune – 411057, Maharashtra

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Capgemini Technology Services India Limited (CIN: U85110PN1993PLC145950)** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information to the extent provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company during the audit period.**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company during the audit period.**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable to the Company during the audit period.**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021; **Not applicable to the Company during the audit period.**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company during the audit period.**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company during the audit period.**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company during the audit period.**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company during the audit period.**

(i) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the audit period.**

The Management of the Company has identified and confirmed the following other specifically Acts/ Laws applicable to the Company as per **Annexure-A.**

I have also examined compliance with the applicable clauses of the following:

i Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable to the Company during the audit period.**

The Management of the Company is responsible to ensure compliance with the requirements of the Act and the rules. My responsibility is to express an opinion based on my audit.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above.

I report that:

As on 31st March, 2023 the Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were generally carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, the decisions were carried unanimously and no dissenting views were observed, while reviewing the minutes.

I further report that there are adequate systems and processes in the company which commensurate with the size, scale and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period following events took place that had a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above:

1. That during the period under review the Company through Special Resolution passed under Section 67 of Companies Act, 2013 via Postal Ballot Meeting of Members held on 06th September, 2022 approved to provide for money and/or loan/financial assistance to employees to subscribe to "Capgemini SE" Shares through Employee Stock Ownership Plan, 2022 (CAPGEMINI ESOP 2022).

2. That during the period under review "Aricent Technologies (Holdings) Limited" was amalgamated with the Company via National Company Law Tribunal (NCLT) merger/amalgamation order dated 23rd December, 2022.

3. That during the period under review consequent to sanction of the scheme of amalgamation the Company had issued and allotted 1,31,796 Equity shares of Rs.10/- each amounting to Rs. 13,17,960/- on face value basis to the existing shareholders of "Aricent Technologies (Holdings) Limited" in the ratio of 1:17 pursuant to arrangement provided in scheme of amalgamation.

For Kaushik M. Jhaveri & Co.,

Kaushik M. Jhaveri
Practising Company Secretary
FCS No.: 4254
CP No.: 2592
UDIN: F004254E000535367

Date: 03/07/2023
Place: Mumbai

Annexure - A to Secretarial Audit Report of

Capgemini Technology Services India Limited for the year ended 31st March, 2023

List of other Acts/Laws as amended time to time applicable to the Company:

1. Information Technology Act, 2000
2. The Shops and Establishments Act
3. Special Economic Zones Act, 2005.
4. Software Technology Parks of India and its regulations
5. The Employees' Provident Acts & Misc. Provisions Act, 1952
6. The Equal Remuneration Act, 1976
7. The Maternity Benefit Act, 1961
8. The Payment of Gratuity Act, 1972
9. The Minimum Wages Act, 1948
10. The Employees' State Insurance Act, 1963
11. The Apprentices Act, 1961
12. The Sexual Harassment of Women at Workplace (Prevention, Prohibition Redressal) Act, 2013.
13. The Contract Labour (Regulation and Abolition) Act,1970.

This Report is to be read with my letter of even date which is annexed as ***Annexure B*** *and forms an integral part of this report.*

Annexure-B to Secretarial Audit Report of
Capgemini Technology Services India Limited for the year ended 31st March, 2023

To,
The Members,
Capgemini Technology Services India Limited
Plot No.14, Rajiv Gandhi Infotech Park,
Hinjewadi Phase-III, MIDC-SEZ, Village Man,
Taluka Mulshi, Pune – 411057, Maharashtra

The 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Kaushik M. Jhaveri & Co.,

Kaushik M. Jhaveri
Practising Company Secretary
FCS No.: 4254
CP No.: 2592
UDIN: F004254E000535367

Date: 03/07/2023
Place: Mumbai

ANNEXURE V

Annual Report on CSR activities to be included in the Board's Report

1. **Brief outline on CSR Policy of the Company:**

Introduction:

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

CTSIL in India is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

CTSIL believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. CTSIL commits itself to contribute to the society in ways possible for the organization and has set up its core CSR team, as a means for fulfilling this commitment.

Aims & Objectives

(i) To develop a long-term vision and strategy for CTSIL's CSR objectives.

(ii) Establish relevance of potential CSR activities to CTSIL's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.

(iii) CTSIL shall promote projects that are:

(a) Sustainable and create a long term change;

(b) Have specific and measurable goals in alignment with CTSIL philosophy;

(c) Address the most deserving cause or beneficiaries.

(iv) To establish process and mechanism for the implementation and monitoring of the CSR activities for CTSIL.

2. **Composition of CSR Committee:**

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Kalpana Rao	Independent Director, Woman Director and Chairperson of CSR Committee	5	5
2	Ashwin Yardi	Member and Wholetime Director	5	5
3	Ramaswamy Rajaraman	Member and Independent Director	5	5
4	Aruna Jayanthi	Member and Director	5	3
5	Shobha Meera	Member and Director	4	4

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not Applicable

5.

(a) Average net profit of the company as per sub-section (5) of section 135	24,791,720,733
(b) Two percent of average net profit of the company as per sub-section (5) of section 135	495,834,415
(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years.	0
(d) Amount required to be set off for the financial year, if any	0
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	495,834,415

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	551,159,265
(b) Amount spent in Administrative Overheads	27,557,963
(c) Amount spent on Impact Assessment, if applicable	1,637,912
(d) Total amount spent for the financial year [(a)+(b)+(c)]	580,355,140

(e) 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 sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
580,355,140	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	495,834,415
(ii)	Total amount spent for the financial year	580,355,140
(iii)	Excess amount spent for the financial year [(ii)-(i)]	84,520,725
(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)]	84,520,725

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the financial year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY 1	0	0					
2	FY 2	0	0					
3	FY 3	0	0					

8.

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:	
Yes or No	No
If Yes, enter the number of Capital assets created/ acquired	Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable		

9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135	Not Applicable

For and on behalf of Board of Directors

Capgemini Technology Services India Limited

Kalpana Rao
Independent Director & Chairperson of CSR Committee
DIN: 07093566
Place: Bengaluru

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Date : 24 July 2023

Independent Auditors' Report

To the Members of Capgemini Technology Services India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Capgemini Technology Services India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income) , changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 opinion.

Emphasis of Matter

4. We draw your attention to Note 34(b) to the Standalone Financial Statements which describes that the Hon'ble National Company Law Tribunal (NCLT) has approved a Scheme of Amalgamation of a wholly owned subsidiary, namely Aricent Technologies (Holdings) Limited with the Company vide its order dated December 23, 2022. The amalgamation has been given effect to in the standalone financial statements from the beginning of the preceding period, i.e. April 1, 2021, as required under Appendix C to Ind AS 103 'Business Combinations' and as prescribed in the NCLT approved Scheme.

   Our Opinion is not modified in respect of the above matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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 the 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 financial statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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

8. 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.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

Report on other legal and regulatory requirements

12. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. 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 the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 13 (b) above that the back-up of the books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 (B) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 25 to the standalone financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

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(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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 that we 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. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 048125
UDIN: 23048125BGWQUN1922

Place: Mumbai
Date: July 24, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Capgemini Technology Services India Limited on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Capgemini Technology Services India Limited ("the Company") as of March 31, 2023 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

2. 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 contr.ols that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the acco/unting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 048125
UDIN: 23048125BGWQUN1922

Place: Mumbai
Date: July 24, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Capgemini Technology Services India Limited on the standalone financial statements for the year ended March 31, 2023

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(b) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value as at March 31, 2023 (Amount in INR millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold land	120	Patni Computer Systems Ltd	No	10-Feb-09	Said land at Hyderabad - Kokapeth was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.
Leasehold land	2	Data Cube Solutions Pvt Ltd	No	10-Apr-15	Said land at Bhubaneshwar was acquired by Data Cube Solutions Pvt Ltd., subsequently the name of Data Cube Solutions Pvt Ltd was changed to Tcube Software Solutions Ltd which was merged with Capgemini Technology Services India Limited.
Leasehold land	75	Capgemini India Pvt Ltd	No	01-Jul-15	Said land at Pune was originally held in name of Capgemini India Pvt Ltd. which was merged with IGATE Global Solutions Ltd and subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.
Building	72	Patni Computer Systems Ltd	No	12-Mar-18	Said guest house at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd. Subsequently, the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.
Building	121	Patni Computer Systems Ltd	No	15-May-11	Said three guest houses at Mumbai were acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd. Subsequently, the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.
Leasehold Land	130	Patni Computer Systems Ltd	No	12-Apr-07	Said land at Kolkata was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.

Description of property	Gross carrying value as at March 31, 2023 (Amount in INR millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Building	142	Patni Computer Systems Ltd	No	16-Jun-00	Said property at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd. Subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.
Building	336	Patni Computer Systems Ltd	No	12-Jun-01	Said property at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd. Subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

(ii) (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

(iii) (a) The Company has made investments in thirty seven mutual fund schemes. (Also refer Note 11 to the standalone financial statements).

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

(c) The Company has not granted secured/ unsecured loans/ advances in nature of loans. Therefore, the reporting under clause 3(iii)(c) of the Order are not applicable to the Company.

(d) The Company has not granted secured/ unsecured loans/ advances in nature of loans. Therefore, the reporting under clause 3(iii)(d) of the Order are not applicable to the Company.

(e) There were no loans/ advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

(f) There were no loans/advances in nature of loans which were granted during the year, including to promoters/related parties.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, provident fund and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, income tax, service tax, duty of customs, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2023, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs. in million)	Period to which the amount relates	Due date	Date of Payment
Employees provident fund scheme 1952	Provident fund	0.04	Jul-21	14-Aug-21	18-Apr-23
		0.03	Aug-21	14-Sep-21	18-Apr-23
		0.03	Sep-21	15-Oct-21	18-Apr-23
		0.00*	Oct-21	14-Nov-21	18-Apr-23
		0.01	Nov-21	15-Dec-21	18-Apr-23
		0.02	Dec-21	15-Jan-22	18-Apr-23
		0.03	Jan-22	15-Feb-22	18-Apr-23
		0.03	Feb-22	15-Mar-22	18-Apr-23
		0.00*	Mar-22	15-Apr-22	06-Apr-23
		0.03	Mar-22	15-Apr-22	18-Apr-23
		0.01	Apr-22	15-May-22	06-Apr-23
		0.00*	Apr-22	15-May-22	08-Apr-23
		0.06	Apr-22	15-May-22	18-Apr-23
		0.01	May-22	15-Jun-22	06-Apr-23
		0.00*	May-22	15-Jun-22	08-Apr-23
		0.06	May-22	15-Jun-22	18-Apr-23
		0.01	Jun-22	15-Jul-22	06-Apr-23
		0.00*	Jun-22	15-Jul-22	08-Apr-23
		0.06	Jun-22	15-Jul-22	18-Apr-23
		0.01	Jul-22	15-Aug-22	06-Apr-23
		0.06	Jul-22	15-Aug-22	18-Apr-23
		0.01	Aug-22	15-Sep-22	06-Apr-23
		0.00*	Aug-22	15-Sep-22	08-Apr-23
		0.06	Aug-22	15-Sep-22	18-Apr-23
		13.57	Period from April 2021 to March 2022	15th of subsequent months	Yet to be Paid
		10.64	Apr-22	15-May-22	Yet to be Paid
		3.77	May-22	15-Jun-22	Yet to be Paid
		13.61	Jun-22	15-Jul-22	Yet to be Paid
		9.73	Jul-22	15-Aug-22	Yet to be Paid
		9.35	Aug-22	15-Sep-22	Yet to be Paid
		12.49	Sep-22	15-Oct-22	Yet to be Paid

*amount is below the rounding off

Also, refer note 40B(ii) to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of excise and works contract tax as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of income tax, goods and service tax, sales tax, service tax, duty of customs and value added tax referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Demand Amount (Rs. in million)	Amount paid under protest (Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Income-Tax Act, 1961	Income Tax	2,464	-	AY 2002-03 till AY 2009-10	Supreme Court
Income-Tax Act, 1961	Income Tax	16	10	AY 2007-08 & AY 2008-09	High Court Andhra Pradesh
Income-Tax Act, 1961	Income Tax	3,592	112	AY 2002-03, AY 2006-07 to AY 2012-13	High Court Bombay
Income-Tax Act, 1961	Income Tax	58	-	AY 2005-06	High Court Delhi
Income-Tax Act, 1961	Income Tax	441	13	AY 2003-04, AY 2007-08 and AY 2016-17	Income tax Appellate Tribunal Delhi
Income-Tax Act, 1961	Income Tax	17	23	AY 2010-11	Income Tax Appellate Tribunal, Hyderabad
Income-Tax Act, 1961	Income Tax	47,817	9,853	AY 2012-13 to AY 2018-19	Income Tax Appellate Tribunal, Pune
Income-Tax Act, 1961	Income Tax	751	0 *	AY 2006-07 to AY 2011-12, AY 2013-14, AY 2016-17 to AY 2018-19, AY 2020-21 & AY 2021-22	Commissioner Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	8	-	AY 2012-13	Commissioner Income Tax (Appeals), Hyderabad
Income-Tax Act, 1961	Income Tax	10	10	AY 2005-06 & AY 2006-07	Commissioner Income Tax (Appeals), Mumbai
Income-Tax Act, 1961	Income Tax	552	398	AY 2013-14, AY 2015-16, AY 2016-17 & AY 2020-21	Commissioner Income Tax (Appeals), Pune
Income-Tax Act, 1961	Income Tax	3,454	1,717	AY 2009-10 to AY 2013-14, AY 2015-16	Deputy Commissioner Income Tax, Pune
Income-Tax Act, 1961	Income Tax	14	0 *	AY 2007-08 to AY 2010-11	Assistant Commissioner Income Tax, Chennai
Income-Tax Act, 1961	Income Tax	10	-	AY 2016-17 & AY 2020-21	Assistant Commissioner Income Tax, Hyderabad
Income-Tax Act, 1961	Income Tax	2,029	76	AY 2004-05, AY 2007-08 till AY 2009-10, AY 2012-13 till AY 2014-15, AY 2016-17 and AY 2020-21	Assistant Commissioner of Income tax Delhi
Income-Tax Act, 1961	Income Tax	20	18	AY 2005-06 & AY 2013-14	Income tax officer, Hyderabad
West Bengal VAT	Sales tax	226	-	FY 2008-09 to FY 2009-10	Appellate and revisional board
Maharashtra VAT / CST	Sales tax	242	20	FY 2006-07 to FY 2010-11 and FY 2013-14	Pune Bench of Mumbai Tribunal
Maharashtra VAT / CST	Sales tax	902	93	FY 2011-12 to FY 2013-14 and FY 2015-16	Mumbai Tribunal
Maharashtra VAT / CST	Sales tax	796	42	FY 2014-15 and FY 2016-17	Deputy Commissioner Sales Tax (Appeal)
Maharashtra VAT / CST	Sales tax	786	25	FY 2013-14 to FY 2017-18	Joint Commissioner (Appeal)
Delhi VAT/CST	Sales tax	3	-	FY 2012-13 to FY 2014-15	Commissioner (Appeal)
UP VAT/ CST	Sales tax	40	9	FY 2010-11 and FY 2014-15 to FY 2016-17	Additional Commissioner (Appeal)
Finance Act 1994	Service tax #	4,194	53	FY 2006-07 to FY 2017-18	Custom excise & Service Tax Appellate Tribunal (CESTAT)
Finance Act 1994	Service tax	264	10	FY 2006-07 to FY 2014-15	Commissioner
Finance Act 1994	Service tax	24	-	FY 2011-12	Commissioner (Appeal)

Name of the statute	Nature of dues	Demand Amount (Rs. in million)	Amount paid under protest (Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Central Goods and Service Tax and Karnataka Goods and Service Tax Acts	Goods and Service Tax	9	-	FY 2018-19	Joint Commissioner of Commercial Taxes
Karnataka VAT/CST	Sales tax	7	4	FY 2009-10	Karnataka Appellate Tribunal
Customs Act, 1962	Customs duty	4	4	FY 1992-93	High Court, Bombay

Demand of Rs. 3,756 million for FY 2006-07 to FY 2013-14 has been stayed till disposal of appeals

* Amount is below the rounding off

(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions 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, that has not been recorded in the books of account.

(ix) (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The company did not have any joint ventures or associate companies during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The company did not have any joint ventures or associate companies during the year.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under 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 or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 048125
UDIN: 23048125BGWQUN1922

Place: Mumbai
Date: July 24, 2023

Balance Sheet as at 31 March 2023

(Currency : INR in million)

	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	**27,533**	29,952
Right-of-use assets	4	**7,706**	8,217
Capital work-in-progress	5	**232**	234
Goodwill	6	**8,050**	8,050
Other Intangible assets	6	**484**	517
Financial assets			
Investments	7	**475**	670
Others	8	**2,558**	1,557
Deferred tax assets (net)	9	**5,279**	8,750
Income tax assets (net)	33	**16,741**	14,209
Other non-current assets	10	**1,630**	2,250
Total non-current assets		**70,688**	74,406
Current assets			
Financial assets			
Investments	11	**81,147**	57,610
Trade receivables	12	**51,556**	48,021
Cash and cash equivalents	13	**9,095**	6,915
Bank balances other than cash and cash equivalents	14	**1**	1
Others	15	**932**	499
Other current assets	16	**10,434**	7,555
Total current assets		**153,165**	120,601
TOTAL ASSETS		**223,853**	195,007
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**593**	591
Other equity	18	**178,352**	148,527
Total equity		**178,945**	149,118
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	19	**5,146**	5,959
Provisions	20	**5,420**	6,973
Total non-current liabilities		**10,566**	12,932
Current liabilities			
Financial liabilities			
Trade and other payables	21		
- total outstanding dues of micro enterprises and small enterprises		**391**	396
- total outstanding dues of creditors other than micro enterprises and small enterprises		**8,519**	7,873
Lease liabilities	22	**2,235**	1,928
Others	23	**4,238**	4,405
Other current liabilities	24	**5,873**	5,815
Provisions	25	**11,335**	10,122
Income tax liabilities (net)	33	**1,751**	2,418
Total current liabilities		**34,342**	32,957
Total liabilities		**44,908**	45,889
TOTAL EQUITY AND LIABILITIES		**223,853**	195,007

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Kalpana Rao
Independent Director
DIN: 07093566
Place: Bengaluru

Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Statement of Profit and Loss for the year ended 31 March 2023

(Currency : INR in million)

	Note	**31 March 2023**	31 March 2022
Revenue from operations	26	**278,428**	225,711
Other income	27	**5,062**	4,320
Total income		**283,490**	230,031
Expenses			
Employee benefit expense	28	**202,598**	163,406
Finance costs	29	**566**	757
Depreciation and amortisation expense	30	**9,830**	8,755
Other expenses	31	**30,888**	25,542
Total expenses		**243,882**	198,460
Profit before tax		**39,608**	31,571
Income tax expense	33		
Current tax		**9,760**	8,696
Deferred tax		**221**	(2,011)
Profit for the year		**29,627**	24,886
Other comprehensive income / (loss)	32		
(i) Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**789**	(2,114)
Income tax relating to above item		**(312)**	638
(ii) Items that will be reclassified to profit or loss			
Net (loss) on cash flow hedges		**(3)**	(138)
Income tax relating to above item		**3**	49
Total other comprehensive income / (loss) for the year, net of tax		**477**	(1,565)
Total comprehensive income for the year		**30,104**	23,321
Earnings per equity share			
Basic earnings per share of face value of Rs.10/- each (in INR)		**499.85**	419.87
Diluted earnings per share of face value of Rs.10/- each (in INR)		**499.85**	419.87

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
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DIN: 07799277
Place: Mumbai

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Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Statement of Cash Flows for the year ended 31 March 2023

(Currency : INR in million)

		31 March 2023	31 March 2022
A.	**Cash flows from operating activities**		
	Profit before tax	**39,608**	31,571
	Adjustments for:		
	Depreciation and amortisation expenses	**9,830**	8,755
	Profit on sale of non - current investments	**(13)**	(65)
	Income on mutual funds	**(3,770)**	(2,255)
	Provisions no longer required written back	**(18)**	(151)
	Provision for doubtful trade receivables written back	**(57)**	(304)
	Provision for doubtful security deposits	**(2)**	(14)
	Bad trade receivables written off	**2**	334
	Profit on sale / disposal of assets (net)	**(206)**	(171)
	Gain on sale of net assets of branches	**-**	(749)
	Interest on deposits with banks	**(409)**	(108)
	Other interest income (including interest on income tax refunds)	**(367)**	(18)
	Interest expense on income tax	**-**	110
	Interest on lease obligations	**544**	642
	Interest under MSMED Act, 2006	**22**	2
	Employee stock compensation expense	**1,772**	1,374
	Unrealised foreign currency loss/(gain) (net)	**196**	(128)
	Other miscellaneous income	**-**	(53)
	Operating profit before working capital changes	**47,132**	38,772
	Changes in working capital		
	Increase in trade and other payables	**543**	2,126
	Increase / (decrease) in other current financial liabilities	**100**	(136)
	Increase in other current and non-current liabilities	**99**	1,504
	Increase in other non-current liabilities	**-**	3
	Increase in provisions	**433**	1,717
	(Increase) in trade receivables	**(3,527)**	(13,607)
	Decrease in non-current assets	**844**	78
	(Increase) in other current assets	**(2,881)**	(1,742)
	Decrease in other financial assets	**90**	405
	Cash generated from operations	**42,833**	29,120
	Taxes paid, net	**(9,650)**	(10,102)
	Net cash generated from operating activities	**33,183**	19,018
B.	**Cash flows from investing activities**		
	Purchase of tangible and intangible assets	**(5,579)**	(9,037)
	Proceed from sale of tangible and intangible assets	**281**	112
	Purchase of non-current investments	**-**	(804)
	Receipt of excess purchase consideration (refer note 34(a))	**9**	-
	Proceed from partial redemption of non current investments	**208**	182
	Consideration received on sale of net assets of branches	**22**	1,602
	Purchase of current investments	**(248,784)**	(194,209)
	Proceed from sale of current investments	**229,016**	185,643
	Interest received on fixed deposits	**296**	193
	Amount invested in fixed deposits	**(1,443)**	-
	Net cash used in investing activities	**(25,974)**	(16,318)

Statement of Cash Flows for the year ended 31 March 2023 (continued)

(Currency : INR in million)

		31 March 2023	31 March 2022
C.	**Cash flows from financing activities**		
	Interest on lease obligations	**(544)**	(642)
	Payment of lease liabilities	**(2,357)**	(2,334)
	Payment towards share based payment liability	**(2,049)**	(1,487)
	Payment to minority shareholders (refer note 34(b))	**(19)**	-
	Net cash used in financing activities	**(4,969)**	(4,463)
	Net decrease in cash and cash equivalents (A+B+C)	**2,240**	(1,763)
	Effect of exchange differences on translation of foreign currency cash and cash equivalent	**(60)**	61
	Add: effect of merger of ATHL (refer note 34(b))	**-**	1,1,390
	Less: transfer of cash and cash equivalent as a part of slump sale of net assets of branches	**-**	(456)
	Cash and Cash equivalents at the beginning of the year	**6,915**	7,683
	Cash and Cash equivalents at the end of the year (refer note 13)	**9,095**	6,915
Notes :			
1)	**Reconciliation of cash and cash equivalents:**		
	Cash and cash equivalents comprise of:		
	Current accounts	**1,308**	2,862
	EEFC accounts	**772**	780
	Deposit accounts	**6,390**	3,273
	Remittances in transit	**625**	-
	Cash and Cash equivalents at the end of the year	**9,095**	6,915

2) Purchase of tangible and intangible include payments for items in capital work in progress, capital creditors and advance for purchase of such tangible and intangible assets.

3) For non-cash investing activity, refer additions to right-of-use assets in note 4.

4) Previous year's figures have been regrouped, wherever necessary to conform to the current year's classification.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Kalpana Rao
Independent Director
DIN: 07093566
Place: Bengaluru

Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2023

(Currency : INR in million)

(a) Equity share capital

	31 March 2023	31 March 2022
Equity share capital balance at the beginning	**591**	591
Movement during the year (refer note 34(b))	**2**	-
Equity share capital balance at the end	**593**	591

(b) Other equity

Particulars	Attributable to the equity holders of the Company											
	Share capital pending allotment	Reserves and surplus								Other reserves		Total Other equity
		Capital reserve	Building revaluation reserve	Securities premium	Capital redemption reserve	General reserve	Share based payment reserve	Special Economic Zone re-investment reserve	Retained earnings	Cash flow hedging reserve	Remeasurements of post-employment benefit obligations	
Balance as at 1 April 2021	**-**	**5**	**1**	**913**	**336**	**1,585**	**2,669**	**663**	**136,871**	**-**	**(786)**	**142,257**
Share capital pending allotment (refer note 34(b))	858	-	-	-	-	-	-	-	-	-	-	858
Addition on account of merger of Aricent Technologies (Holdings) Ltd (ATHL) (refer note 34(b))	-	(1,708)	-	491	3,482	-	-	-	21,954	102	-	24,321
Settlement made to minority shareholders	-	-	-	-	-	-	-	-	(421)	-	-	(421)
Capital reserve recognised on account of merger of ATHL (refer note 34(b))	-	(41,696)	-	-	-	-	-	-	-	-	-	(41,696)
Debit balance of capital reserve net off with retained earnings as per Ind AS 103	-	43,404	-	-	-	-	-	-	(43,404)	-	-	-
Balance as at 1 April 2021	858	5	1	1,404	3,818	1,585	2,669	663	115,000	102	(786)	125,319
Employee stock compensation expense for the year (refer note 43)	-	-	-	-	-	-	1,374	-	-	-	-	1,374
Recharge of share based payment from ultimate parent company	-	-	-	-	-	-	(556)	-	(931)	-	-	(1,487)
Utilisation from Special Economic Zone re-investment reserve	-	-	-	-	-	-	-	(182)	182	-	-	-
Transferred to Special Economic Zone Re-investment Reserve	-	-	-	-	-	-	-	664	(664)	-	-	-
Profit for the year (a)	-	-	-	-	-	-	-	-	24,886	-	-	24,886
Other comprehensive income for the year (b)	-	-	-	-	-	-	-	-	-	(89)	(1,476)	(1,565)
Total comprehensive income for the year (a+b)	-	-	-	-	-	-	-	-	24,886	(89)	(1,476)	23,321
Balance at 31 March 2022	858	5	1	1,404	3,818	1,585	3,487	1,145	138,473	13	(2,262)	148,527

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2023 (continued)

(Currency : INR in million)

Particulars	Attributable to the equity holders of the Company											
	Share capital pending allotment	Reserves and surplus								Other reserves		Total Other equity
		Capital reserve	Building revaluation reserve	Securities premium	Capital redemption reserve	General reserve	Share based payment reserve	Special Economic Zone re-investment reserve	Retained earnings	Cash flow hedging reserve	Remeasurements of post-employ-ment benefit obligations	
Balance as at 1 April 2022	**858**	**5**	**1**	**1,404**	**3,818**	**1,585**	**3,487**	**1,145**	**138,473**	**13**	**(2,262)**	**148,527**
Issue of equity share capital (refer note 34(b))	(858)	-	-	856	-	-	-	-	-	-	-	(2)
Employee stock compensation expense for the year (refer note 43)	-	-	-	-	-	-	1,772	-	-	-	-	1,772
Recharge of share based payment from ultimate parent company	-	-	-	-	-	-	(1,141)	-	(908)	-	-	(2,049)
Utilisation from Special Economic Zone re-investment reserve	-	-	-	-	-	-	-	(1,054)	1,054	-	-	-
Transferred to Special Economic Zone Re-investment Reserve	-	-	-	-	-	-	-	771	(771)	-	-	-
Profit for the year (a)	-	-	-	-	-	-	-	-	29,627	-	-	29,627
Other comprehensive income for the year (b)	-	-	-	-	-	-	-	-	-	-	477	477
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29,627**	**-**	**477**	**30,104**
Balance at 31 March 2023	**-**	**5**	**1**	**2,260**	**3,818**	**1,585**	**4,118**	**862**	**167,475**	**13**	**(1,785)**	**178,352**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

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Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Notes forming part of standalone financial statements

(Currency : INR in million)

1 Corporate overview

Capgemini Technology Services India Limited ("the Company" or "CTSIL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in providing Information Technology ("IT") and IT - enabled operations, offshore outsourcing solutions, software product development services, software consulting services and BPO (business process outsourcing) services to large and medium-sized organizations using an offshore/onsite model. The Company has its subsidiaries and branches in Singapore, United States of America, Germany, Belgium, Finland, South Korea and Canada. IT services and IT-enabled operations offshore outsourcing solutions are delivered using the offshore centres located in Bengaluru, Bhubaneshwar, Chennai, Delhi, Gandhinagar, Gurugram, Hyderabad, Kolkata, Mumbai, Noida, Pune, Salem and Trichy in India.

2 Significant accounting policies

2.1 Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act read with the Companies (Indian Accounting Standards) Rules as amended from time to time. These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Scheme of Amalgamation of Aricent Technologies (Holdings) Limited with the Company was approved by the National Company Law Tribunal, Mumbai (NCLT) on 23rd December 2022. These financial statements include the impact of the aforementioned Scheme of Amalgamation as further explained in note 34(b).

During the previous year, the Scheme of Amalgamation of Solcen Technologies Private Limited (STPL) with the Company was approved by the National Company Law Tribunal, Mumbai (NCLT) on 11 March 2022. These financial statements include the impact of the aforementioned Scheme of Amalgamation as further explained in note 34(a).

New and amended standards adopted by the Company:

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective:

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

2.2 Functional currency and presentation currency

These financial statements are prepared in Indian Rupees (INR) which is also the Company's functional currency. All amounts included in the financial statements are reported in millions of Indian rupees (INR in million) except share and per share data, unless otherwise stated.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of contract costs to be incurred to complete software development project, provision for taxes, employee benefit plans, provision for doubtful debts and advances and estimated useful life of property, plant and equipment. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the costs expended to date as a proportion of the total costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions if required as a result of differing interpretation or due to retrospective amendments, if any. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in deferred tax assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

In the year in which the MAT credit becomes eligible for utilisation, there will not be any reduction in the taxable profits and the current income taxes to be recognized in the profit and loss account. Accordingly, the Company utilises the MAT credit towards settlement of current tax liability and hence such utilisation is not routed through profit and loss account.

Business combination

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgements, estimates, and assumptions can materially affect the results of operations.

Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases 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.

Allowance for trade receivables

The Company follows a ‘simplified approach’ (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Useful life of property, plant and equipment

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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any indication exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Also, Goodwill is tested for impairment on an annual basis and accordingly, the recoverable amount is estimated on an annual basis.

The recoverable amount of an asset or cash-generating unit (‘CGU’) is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are combined together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (‘CGU’).

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Provisions and contingent liabilities

Provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. The Company uses significant judgement to disclose contingent liabilities..

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.4 Business combinations

Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the

- consideration transferred.
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill.

The goodwill that arises is tested annually for impairment.

Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration does not meet the definition of a financial instrument it is classified as equity and is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the Statement of Profit and Loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the Statement of Profit and Loss or OCI, as appropriate.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve. In the absence of the capital reserve, consideration in excess of carrying value of the net assets (including the reserves) taken over is adjusted to the Retained earnings.

2.5 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current asset.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents, generally twelve months is considered as operating cycle.

2.6 Property, plant and equipment

Freehold land is carried at historical cost. All other Property, plant and equipment are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and other non-refundable taxes or levies and directly attributable costs of bringing the asset to its working condition for the intended use and estimated costs of dismantling the assets at the site at which it is located. Trade discounts and rebates, if any, are deducted while computing the cost.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

Assets that will be recovered primarily through sale rather than through continuing use are classified as held for sale.

2.7 Capital work in progress

The cost of property, plant and equipment not ready for use before the Balance Sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of property, plant and equipment outstanding as at balance sheet date is disclosed under other non-current assets.

2.8 Depreciation on property, plant and equipment

The Company has provided for depreciation using straight line method over the useful life of the assets as estimated by management. Pursuant to a change in business strategy and macro-economic conditions, the Company had revised its estimate of useful life for property, plant and equipment with effect from 1 January 2016 other than assets acquired by the Company pursuant to amalgamation. The revised useful lives are applicable for assets capitalised on or after 1 January 2016.

Gross block	Assets capitalised on or before 31 December 2015	Assets capitalised post 1 January 2016
Leasehold Land	Over the lease period	Over the lease period
Buildings*	25-40 years	30 years
Leasehold Improvements	Lower of lease period or primary lease period	Lower of lease period or 6 years
Computers*	3 years	3-5 years
Furniture and fixtures*	5 years	5-7 years
Office equipment*	5 years	2-15 years
Vehicles*	4-5 years	3-5 years

Assets acquired by the Company pursuant to amalgamation of Capgemini India Private Limited have useful lives as below:

Gross block	Useful life
Leasehold Land	Over the lease period
Buildings*	30 years
Leasehold Improvements	Lower of lease period or 6 years
Computers*	3-5 years
Furniture and fixtures*	7 years
Office equipment*	7 years
Vehicles*	5 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation is charged on a proportionate basis from or up to the date the assets are purchased or sold during the year.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'. Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

2.9 Intangible assets

Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Acquired intangible assets

Intangible assets acquired separately are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over the estimated useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from disposal 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 and Loss.

Gross block	Useful life
Computer software	lower of license period or 3 - 5 years
Customer relationships	5-8 years
Non-compete	3-5 years
Customer contract	1.5 years
Trade name	3 years

2.10 Leases

(a) Company as a lessee

In accordance with Ind AS 116, at the inception of a contract, the Company assesses whether the contract is or contains a lease. The Company determines that a contract is or contains a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration.

The Company recognises lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature, except for lease of low value items.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The future lease payments for non-cancellable period is discounted using the Company’s incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The Company also recognises a right-of-use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated costs to dismantle or remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payment, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease lability is remeasured in this way, a corresponding adjustment is made to carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying value of the right-of-use asset has been reduced to zero.

Right-of-use assets is amortised over the lease term. Subsequently, right-of-use assets are measured at their inception value less amortisation and impairment if any.

The Company presents right-of-use assets under ‘Right-of-use assets’ and lease liabilities in ‘Financial liabilities’ in the Balance sheet.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(b) Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized based on contract terms.

2.11 Investments

The Company has accounted the investment in subsidiary at cost.

2.12 Revenue recognition

The Company primarily derives revenue from rendering IT, IT related services and business process outsourcing services.

Revenue is recognised upon transfer of control of promised products or services to customers at the contracted price which the Company receives in exchange for those products or services. The method for recognizing revenue depends on the nature of the services rendered:

(i) Time and material contracts

Revenue from time and material contracts is recognized over the time as the related services are rendered. Revenue from these contracts are measured based on the number of hours spent on the contract and contracted rate.

(ii) Fixed price contracts

Revenue from fixed-price development contracts is recognized using the percentage of completion method, under which the contract performance is determined by relating the actual costs incurred to date to the estimated total costs for each contract. The cost incurred (or input) method is used to measure progress as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion, revenue is recognized only to the extent contract costs incurred, for which recoverability is probable. The related costs on deliverable- based contracts are expensed as incurred.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The Company earns contractually the right to bill upon achievement of specified milestones or upon customer acceptance of work performed The difference between cumulative billings and cumulative revenue recognised is reflected in the balance sheet as contract assets or contract liabilities.

Revenue from fixed-price maintenance contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance. Recurring services are considered to be one single performance obligation, comprised of a series of distinct daily units of service satisfied over time.

(iii) Products

Revenue on software product licenses where the customer obtains a “right to use” are recognized when the customer obtains control of the specified asset usually on delivery of the software license to the customer. However, where the delivery is subject to acceptance from the customer the revenue is recognized on receipt of acceptance from the customer. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

(iv) Others

- As part of its operational activities, the Company may be required to resell hardware, software and services purchased from third-party suppliers to its customers. The Company acts as a “principal” when it obtains control of the hardware, software or services before transferring them to the customer. In such case, the transaction is presented on a gross basis in the Statement of Profit and Loss. If the Company acts as an “agent”, the transaction is presented on a net basis in the Statement of Profit and Loss. For example, transactions are recorded on a net basis when the Company does not have the primary responsibility for the fulfilment of the contract and does not bear inventory and customer acceptance risk.
- Revenue from services rendered to parent company, ultimate parent company and fellow subsidiaries is recognized on cost plus mark-up basis determined on arm’s length principle as and when the related services are rendered.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

- Revenue on multi-deliverable contracts is recognised applying the appropriate method as specified above, depending on the performance obligations identified. The transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.
- The Company does not expect to have any contracts where the period between the transfer of the promised services or goods to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Costs to obtain and fulfill contracts

Sales commission incurred to obtain multi-year service contracts are capitalized and amortized over the contract period. Commissions are not capitalized if the amortisation period is one year or less.

Costs incurred prior to the signature of an enforceable contract are capitalized only if they are directly attributable to the design or set- up phase of a specifically identified contract, if the signature of the contract is probable, and if the costs are expected to be recoverable from the contract.

Other costs incurred to fulfill a contract are expensed as incurred, with the exception of certain initial set- up costs, such as transition and transformation costs.

Reimbursements received from customers are recognised as revenue.

A provision for onerous contracts is recorded if the unavoidable costs of fulfilling the contract exceed the related benefits.

Contract Assets and Liabilities

Contract assets are presented separately from financial assets. Contract assets reflect revenue recognized for which the corresponding rights to receive consideration are contingent upon something else other than the passage of time, such as the Company's future performance, achievement of billing milestones, or customer acceptance. Accordingly, contract assets (unbilled revenue) is disclosed under other current assets. When customer contract assets are no longer contingent, except for the passage of time, they convert into financial assets.

Contract liabilities represent consideration received or receivable in advance of performance or billing in excess of revenue. Contract assets and liabilities are presented on a net basis for each individual contract.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

(v) Judgements in revenue recognition

- The Company's contracts with customers may include promises to transfer multiple products and services to a customer. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- When multiple Performance Obligations are identified within a single contract, the Company allocates the total contract price to the Performance Obligations based on their relative Standalone Selling Price ("SSP"). In the absence of directly observable prices for similar services sold separately to similar customers, SSPs are estimated, based on expected costs plus a margin rate commensurate with the nature and risk of the service. Further, the Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.
- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered..

(vi) Recognition of dividend income, interest income or expense

Dividend income is recognized in the Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied on time proportion basis to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.13 Government grant

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established and there is no uncertainty in receiving the same.

2.14 Foreign currency transactions and balances

Initial recognition

The Company is exposed to foreign currency transactions including foreign currency revenues, receivables, expenses and payables. Foreign exchange transactions during the year are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Translation

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Translation of foreign operations

The assets and liabilities of foreign operations (branches) are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is disposed of in its entirety or partially, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal.

2.15 Employee benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Post-employment benefits

(a) Defined benefit plan - Provident fund (upto 30 June 2021)

The provident fund plan is a post-employment benefit plan under which the Company pays specified monthly contributions to a separate Trust. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Additionally, under the plan described above, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the interest rate prescribed by the Government every year to be paid on the accumulated contributions. The Company measures this liability for any interest rate shortfall through actuarial valuation as a defined benefit obligation.

Further, based on the legal opinion obtained from an independent legal counsel, the Company is obligated to make good the loss incurred by the Trust in respect of bad investments. The liability is determined based on actuarial valuation.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(b) Defined contribution plan - Provident fund

In respect of employees covered in 2.15 (a) above, from 1 July 2021 onwards, monthly provident fund contributions are remitted to the Regional Provident Fund Commissioner, a Government authority.

In respect of other employees of the Company, monthly provident fund contributions are remitted to the Regional Provident Fund Commissioner, a Government authority for the entire year. The Company has no further obligation to contribute other than the monthly contributions and, therefore, the plan is accounted as defined contribution plan.

(c) Defined benefit plan - Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The liability or asset recognised in the balance sheet in respect of this plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the obligation under such benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method.

The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields as at the balance sheet date on Government securities, having maturity periods approximating to the terms of the related obligations. The net interest cost is calculated by applying the discount rate to the net opening balance of the defined benefit obligation and the fair value of plan assets less estimated employer contribution for the next financial year. This cost is included in employee benefit expenses in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. All other expenses related to defined benefit plan is recognised in employee benefit expense in the Statement of Profit and Loss. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

(d) Defined benefit plan - Pension

The Company provides for superannuation scheme which is applicable to certain eligible employees. The plan provides lump sum payment based on a vesting period. The Company's liability is actuarially determined using Projected Unit Cost method at the end of each year. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur.

(iii) Other long-term employee benefit obligations

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields as at the balance sheet date on Government securities, having maturity periods approximating to the terms of the related obligations. To the extent the Company does not have an unconditional right to defer the utilization or encashment of the accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

2.16 Employee stock compensation

Performance and employment linked share plan

Capgemini SE, the ultimate parent company has allocated performance and employment linked shares of the ultimate parent company to the employees of the Company. The grant of such performance and employment linked shares relate to the share capital of the ultimate parent company and has no impact on the Company's share capital. Upon vesting of these shares, the ultimate parent company may recharge the cost of acquisition of these shares to the Company.

In accordance with Ind AS 102 - Share-based payments the Company recognised these compensation costs based on equity method. Accordingly, these employees stock-based awards' were valued at fair value as at grant date. The stock-based awards' compensation expenses are recognised under "Employee benefit expense" in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to Share-based payment reserve in Other equity. On receipt of recharge invoice for a particular plan from the ultimate parent company, the Company utilises the credit available in share-based payment reserve against such plan. Any excess recharge by the ultimate parent company is adjusted in retained earnings.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Employee share ownership plan

Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Company were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. The grant of such option relates to share capital of ultimate parent company and has no impact on the Company's share capital. Accordingly, expenses relating to these employee share ownership plans are recognised under "Employee benefit expense" in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to Share based payment reserve in Other equity.

2.17 Income taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date in each of the applicable jurisdictions.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in deferred tax assets. The Company reviews the deferred tax assets at each balance sheet date and reduces to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.18 Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. 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 year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of equity shares considered to derive the basic EPS, and also the weighted average number of equity shares that could have been issued on conversion of all the dilutive potential equity shares which are deemed converted at the beginning of reporting period, unless issued at a later date.

2.19 Provisions

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provision for warranty

Provisions for warranty-related costs are recognised when the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Provision for site restoration

The Company records a provision for site restoration costs to be incurred for the restoration of leased building at the end of the lease period. Site restoration costs are provided at expected costs to settle the obligation and are recognised under other current assets. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate.

The Company records a provision for site restoration costs to be incurred for the restoration of leased land and building at the end of the lease period. Site restoration costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

2.20 Contingent liabilities

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

2.21 Cash Flows

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.22 Financial instruments

(i) Recognition and initial measurement

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(ii) Classification and subsequent measurement

Financial assets

Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

(iv) Offsetting

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

(v) Derivative instruments and hedge accounting

The Company uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counter party for these contracts is generally a bank.

The use of foreign currency forward contracts are governed by the Company's policies, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the Other equity under 'Cash flow hedging reserve'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss.

The Company designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. The gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity. For hedged forecast transactions, the amount accumulated in Other equity is reclassified to the Statement of Profit and Loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in Other equity remains there until, it is reclassified to the Statement of Profit and Loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in Other equity are immediately reclassified to the Statement of Profit and Loss.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit or loss. The Company currently does not have any such derivatives which are not closely related.

2.23 Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet.

- Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
- For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit and Loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.24 Segment Information

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

2.25 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

3 Property, plant and equipment

	Freehold land	Buildings (refer note b)	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Total
Gross block								
Balance as at 1 April 2021	269	19,946	15,163	12,748	8,448	3,542	107	60,223
Addition on account of merger*	-	-	2,903	612	288	1,135	8	4,946
Additions	-	97	7,455	1,092	84	24	-	8,752
Disposals	-	(1)	(2,635)	(386)	(219)	(720)	(17)	(3,978)
At 31 March 2022	269	20,042	22,886	14,066	8,601	3,981	98	69,943
Additions	-	12	3,321	952	426	101	1	4,813
Disposals	-	(204)	(974)	(76)	(44)	(97)	(62)	(1,457)
At 31 March 2023	**269**	**19,850**	**25,233**	**14,942**	**8,983**	**3,985**	**37**	**73,299**
Accumulated depreciation								
Balance as at 1 April 2021	-	(4,536)	(11,661)	(9,420)	(5,546)	(2,563)	(104)	(33,830)
Addition on account of merger*	-	-	(2,548)	(518)	(264)	(769)	(7)	(4,106)
Charge for the year	-	(621)	(3,248)	(1,106)	(490)	(437)	(1)	(5,903)
Disposals	-	1	2,624	370	199	637	17	3,848
At 31 March 2022	-	(5,156)	(14,833)	(10,674)	(6,101)	(3,132)	(95)	(39,991)
Charge for the year	-	(621)	(4,428)	(1,149)	(566)	(347)	(1)	(7,112)
Disposals	-	106	969	75	29	96	62	1,337
At 31 March 2023	**-**	**(5,671)**	**(18,292)**	**(11,748)**	**(6,638)**	**(3,383)**	**(34)**	**(45,766)**
Net block								
At 31 March 2022	269	14,886	8,053	3,392	2,500	849	3	29,952
At 31 March 2023	**269**	**14,179**	**6,941**	**3,194**	**2,345**	**602**	**3**	**27,533**

*merger of ATHL (refer note 34(b))

(a) The Company has not revalued its Property, plant & equipment during current and previous year.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(b) Title deeds of immovable properties not held in the name of the company as at 31 March 2023:

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since	Reason for not being held in the name of the company
Leasehold land	120	Patni Computer Systems Ltd	No	10-Feb-2009	Said land at Hyderabad - Kokapeth was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Leasehold land	2	Data Cube Solutions Pvt Ltd	No	10-Apr-2015	Said land at Bhubaneshwar was acquired by Data Cube Solutions Pvt Ltd., subsequently the name of Data Cube Solutions Pvt Ltd was changed to Tcube Software Solutions Ltd which was merged with Capgemini Technology Services India Limited
Leasehold land	75	Capgemini India Pvt Ltd	No	01-Jul-2015	Said land at Pune was originally held in name of Capgemini India Pvt Ltd which was merged with IGATE Global Solutions Ltd and subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Building	72	Patni Computer Systems Ltd	No	12-Mar-2018	Said one guest house at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Building	121	Patni Computer Systems Ltd	No	15-May-2011	Said three guest houses at Mumbai were acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Leasehold land	130	Patni Computer Systems Ltd	No	12-Apr-2007	Said land at Kolkata was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Building	142	Patni Computer Systems Ltd	No	16-Jun-2000	Said property at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited
Building	336	Patni Computer Systems Ltd	No	12-Jun-2001	Said property at Mumbai was acquired by erstwhile Patni Computer Systems Ltd which was merged with IGATE Global Solutions Ltd, subsequently the name of IGATE Global Solutions Ltd was changed to Capgemini Technology Services India Limited

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

4 Right-of-use assets

Carrying value of right-of-use assets at the end of the reporting period by class

	Leasehold land (refer note 3(b))	Lease building#	Lease computer equipment	Lease Vehicles	Total
Gross Block					
Balance as at 1 April 2021	1,445	10,140	31	27	11,643
Addition on account of merger*	-	2,892	-	320	3,212
Additions	-	1,449	-	203	1,652
Disposals / termination	-	(2,471)	(31)	(96)	(2,598)
At 31 March 2022	1,445	12,010	-	454	13,909
Additions	-	1,321	-	727	2,048
Disposals / termination	-	(2,587)	-	(150)	(2,737)
At 31 March 2023	**1,445**	**10,744**	**-**	**1,031**	**13,220**
Accumulated depreciation					
Balance as at 1 April 2021	(34)	(3,290)	(27)	(22)	(3,373)
Addition on account of merger*	-	(1,372)	-	(146)	(1,518)
Charge for the year	(17)	(2,429)	(4)	(107)	(2,557)
Disposals / termination	-	1,638	31	87	1,756
At 31 March 2022	(51)	(5,453)	-	(188)	(5,692)
Charge for the year	(17)	(2,173)	-	(217)	(2,407)
Disposals / termination	-	2,465	-	120	2,585
At 31 March 2023	**(68)**	**(5,161)**	**-**	**(285)**	**(5,514)**
Net Block					
At 31 March 2022	1,394	6,557	-	266	8,217
At 31 March 2023	**1,377**	**5,583**	**-**	**746**	**7,706**

*merger of ATHL (refer note 34(b))

#Includes right-of-use assets in respect of leasehold improvements amounting to Rs. 11 (31 March 2022- Rs. 13) (Net block)

Amounts recognised in Statement of Profit and Loss

Particulars	**31 March 2023**	31 March 2022
Gain on lease termination / modifications	45	218
Amortisation of right-of-use assets	2,407	2,557
Interest on lease liabilities	544	642
Expenses relating to short-term lease	72	197

Amounts recognised in Statement of Cash Flows

Particulars	**31 March 2023**	31 March 2022
Interest on lease obligations	(544)	(642)
Payment of lease liabilities	(2,357)	(2,334)

Notes:

1. The Company has used a single discount rate to a portfolio of leases with similar characteristics.
2. The incremental borrowing rate of 4.08% to 9.80% has been applied to lease liabilities recognised in the Balance sheet at the date of initial application.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

5 Capital work-in-progress

Balance as at 1 April 2021	110
Addition on account of merger*	26
Additions	9,047
Capitalisation	(8,949)
At 31 March 2022	234
Additions	5,089
Capitalisation	(5,091)
At 31 March 2023	**232**

*merger of ATHL (refer note 34(b))

(a) Ageing of projects in progress and projects temporarily suspended:

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	232	-	-	-	232
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023	**232**	**-**	**-**	**-**	**232**
Projects in progress	234	-	-	-	234
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2022	234	-	-	-	234

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

6 Other Intangible assets

	Computer software	Trade name	Customer Relationships	Non-Compete	Customer contract	Total other Intangible assets	Goodwill
Gross block							
Balance as at 1 April 2021	3,203	-	114	62	-	3,382	247
Addition on account of merger*	553	115	1,066	52	112	1,898	7,803
Additions	197	-	-	-	-	197	-
Disposals	(270)	-	-	-	-	(270)	-
At 31 March 2022	3,683	115	1,180	117	112	5,207	8,050
Additions	278	-	-	-	-	278	-
Disposals	(1,094)	-	-	-	-	(1,094)	-
At 31 March 2023	**2,867**	**115**	**1,180**	**117**	**112**	**4,391**	**8,050**
Amortisation							
Balance as at 1 April 2021	(3,118)	-	(9)	(9)	-	(3,136)	-
Addition on account of merger*	(474)	(115)	(754)	(52)	(112)	(1,507)	-
Charge for the year	(117)	-	(156)	(22)	-	(295)	-
Disposals	248	-	-	-	-	248	-
At 31 March 2022	(3,461)	(115)	(919)	(83)	(112)	(4,690)	-
Charge for the year	(133)	-	(156)	(22)	-	(311)	-
Disposals	1,094	-	-	-	-	1,094	-
At 31 March 2023	**(2,500)**	**(115)**	**(1,075)**	**(105)**	**(112)**	**(3,907)**	**-**
Net block							
At 31 March 2022	222	-	261	34	-	517	8,050
At 31 March 2023	**367**	**-**	**105**	**12**	**-**	**484**	**8,050**

* merger of ATHL (refer note 34(b))

Impairment test for goodwill

During the previous year, the Company acquired goodwill of Rs. 7,803 through merger of Aricent Technologies (Holdings) Limited (ATHL) (refer note 34(b))

Goodwill is monitored by management at the level of cash generating unit (CGUs)

The Company tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the CGUs is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below:

Key assumptions:	
Revenue growth rate	4% to 6.5%
Long-term growth rate	3%
Pre-tax discount rate	12.63%

Assumption approach used to determine values:

Revenue growth rate over the five-year forecast period is based on past performance and management's expectations of market development.

Annual capital expenditure is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.

Long-term growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

Pre-tax discount rates reflects specific risks relating to the relevant industry and the countries in which they operate.

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

		31 March 2023	31 March 2022
7	**Investments**		
	Non-current Investment carried at cost		
	Quoted debt instruments		
	Investment in secured debentures		
	6.75% Piramal Capital & Housing Finance Limited	**192**	202
	[207,330 (31 March 2022 - 207,330) units of Rs. 925 each]		
	Unquoted debt instrument		
	Investment in secured debentures		
	7.65% IL&FS Limited	**7**	7
	[28,000 (31 March 2022- 28,000) units of Rs. 1,000 each]		
	7.70% IL&FS Limited	**21**	21
	[82,000 (31 March 2022 - 82,000) units of Rs. 1,000 each]		
	7.85% IL&FS Limited	**6**	6
	[24,000 (31 March 2022 - 24,000) units of Rs. 1,000 each]		
	7.88% IL&FS Limited	**10**	10
	[40,000 (31 March 2022 - 40,000) units of Rs. 1,000 each]		
	8.00% IL&FS Financial Services Limited*	**-**	7
	[28,400 (31 March 2022 - 28,400) units of Rs. 1,000 each]		
	8.23% IL&FS Financial Services Limited*	**-**	8
	[30,000 (31 March 2022 - 30,000) units of Rs. 1,000 each]		
	8.30% IL&FS Limited	**50**	50
	[200,000 (31 March 2022 - 200,000) units of Rs. 1,000 each]		
	8.51% IL&FS Financial Services Limited*	**-**	8
	[34,500 (31 March 2022 - 34,500) units of Rs. 1,000 each]		
	8.60% IL&FS Financial Services Limited*	**-**	7
	[26,300 (31 March 2022 - 26,300) units of Rs. 1,000 each]		
	8.70% IL&FS Financial Services Limited*	**-**	136
	[545,000 (31 March 2022 - 545,000) units of Rs. 1,000 each]		
	8.75% IL&FS Financial Services Limited*	**-**	19
	[75,500 (31 March 2022 - 75,500) units of Rs. 1,000 each]		
	8.85% Reliance Capital Limited	**1**	1
	[2 (31 March 2022 - 2) units of Rs. 1,000,000 each]		
	9.00% IL&FS Limited	**139**	139
	[555 (31 March 2022 - 555) units of Rs. 1,000,000 each]		
	9.00% Reliance Capital Limited	**3**	3
	[10 (31 March 2022 - 10) units of Rs. 1,000,000 each]		
	9.05% IL&FS Limited	**25**	25
	[100 (31 March 2022 - 100) units of Rs. 1,000,000 each]		
	9.10% IL&FS Limited	**9**	9
	[35 (31 March 2022- 35) units of Rs. 1,000,000 each]		
	9.15% IL&FS Limited	**8**	8
	[32 (31 March 2022- 32) units of Rs. 1,000,000 each]		

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Investment in unsecured debentures		
8.65% IL&FS Financial Services Limited	**1**	1
[129,000 (31 March 2022 - 129,000) units of Rs. 1,000 each]		
8.68% IL&FS Financial Services Limited*	**-**	-
[42,500 (31 March 2022 - 42,500) units of Rs. 1,000 each]		
8.90% IL&FS Financial Services Limited *	**-**	-
[44,000 (31 March 2022 - 44,000) units of Rs. 1,000 each]		
9.55% IL&FS Financial Services Limited *	**-**	-
[6,000 (31 March 2022 - 6,000) units of Rs. 1,000 each]		
10.40% Reliance Capital Limited *	**-**	-
[3 (31 March 2022 - 3) units of Rs. 1,000,000 each]		
Unquoted equity instruments		
Investment in shares of bank		
The Saraswat Co-operative Bank Limited*	**-**	-
[1,530 (31 March 2022- 1,530) shares of Rs.10 each fully paid up]		
The Kapol Co-operative Bank Limited*	**-**	-
[10 (31 March 2022- 10) shares of Rs.10 each fully paid up]		
Investment in equity of subsidiaries		
Annik Inc.	**1**	1
[25,000 (31 March 2022- 25,000) equity shares of USD 1 each fully paid-up]		
Liquidhub PTE Ltd	**2**	2
[50,100 (31 March 2022- 50,100) equity shares of SGD 1 each fully paid-up]		
	475	670

*amount below rounding off norm

Total non-current investments		
Aggregate amount of quoted investments	**192**	202
Aggregate market value of quoted investments	**190**	196
Aggregate amount of unquoted investments	**283**	468
Aggregate amount of impairment in the value of investments	**-**	-

Note: During the year, the Company received interim distribution on its investment held in IL&FS Financial Services Limited (secured debentures) of Rs.198. The Company has recognised a gain of Rs.13 and is carrying nominal value of investment pending final resolution.

8 Other financial assets

Non-current		
Unsecured, considered good		
Security deposits	**1,115**	1,557
Bank balances other than cash and cash equivalents (refer note below)	**1,443**	-
Unsecured, considered doubtful		
Security deposits	**65**	81
Less: Provision for doubtful deposits	**65**	81
	2,558	1,557

Note: Includes repatriation of funds received from US branch of the Company on account of slump sale.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
9	**Deferred tax assets (net)**		
	Deferred tax liabilities		
	Cash flow hedges	**3**	6
		3	6
	Deferred tax assets		
	Property, plant and equipment and intangible assets	**96**	525
	Provisions - employee benefits	**4,636**	4,449
	Provision for doubtful trade receivables	**83**	106
	Merger expenses	**28**	33
	MAT credit carried forward	**133**	3,074
	Others	**306**	569
		5,282	8,756
	Net deferred tax asset (refer note 33)	**5,279**	8,750
10	**Other non-current assets**		
	Capital advances	**31**	284
	Prepaid expenses	**222**	329
	Prepayment of pension liability (refer note 35(b))	**28**	25
	Balances with statutory/government authorities (VAT/Service tax credit receivable)	**855**	1,116
	Deferred contract costs	**17**	21
	Others	**477**	475
		1,630	2,250
11	**Investments**		
	Current investment in mutual funds carried at Fair Value Through Profit and Loss (quoted)		
	924,507 (31 March 2022 - 52,513) units in HDFC Liquid Fund - Direct Plan - Growth	**4,089**	220
	69,575,699 (31 March 2022 - 84,966,471) units in Bandhan Low Duration Fund-Growth-(Direct Plan) (erstwhile IDFC Low Duration Fund-Growth-Direct Plan)	**2,329**	2,708
	1,881,467 (31 March 2022 - 4,173,920) units in ICICI Prudential Saving Fund- Direct Plan - Growth	**870**	1,827
	7,464,552 (31 March 2022 - 2,714,755) units in ICICI Prudential Liquid - Growth Direct Plan	**2,487**	856
	20,919,164 (31 March 2022 - 32,566,026) units in Kotak Savings Fund-Growth - Direct	**796**	1,174
	493,776 (31 March 2022 - 299,373) units in HSBC Liquid Fund - Direct Growth	**1,107**	635
	10,399,644 (31 March 2022 - 17,381,382) units in HDFC Floating Rate Debt Fund - Short Term Plan Direct Plan Wholesale Option - Growth Option	**441**	697
	788,938 (31 March 2022 - 788,938) units in Axis Treasury Advantage Fund - Direct Growth [TA-DG]	**2,154**	2,043
	11,615,831 (31 March 2022 - 14,866,847) units in ICICI Prudential Money Market Fund - Direct Plan -Growth	**3,767**	4,563
	927,569 (31 March 2022 - 927,648) units in Kotak Money Market Fund DP Growth	**3,551**	3,358
	65,405,663 (31 March 2022 - 65,405,663) units in Bandhan Corporate Bond Fund Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund Direct Plan-Growth)	**1,086**	1,049
	205,226 (31 March 2022 - 205,226) units in SBI Magnum Ultra Short Duration Fund Direct Growth	**1,059**	1,005
	110,654 (31 March 2022 - 263,992) units in Invesco India Treasury Advantage Fund - Direct Plan Growth	**369**	838
	239,340,451 (31 March 2022 - 239,410,073) units in HDFC Ultra Short Term Fund Direct Growth	**3,137**	2,972
	8,797,777 (31 March 2022 - 12,134,281) units in Aditya Birla Sun Life Money Manager Fund-Growth-Direct Plan	**2,782**	3,627

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

	31 March 2023	31 March 2022
576,944 (31 March 2022 - 75,907) units in SBI Liquid Fund - Direct Plan -Growth	**2,033**	253
133,919 (31 March 2022 - 167,585) units in DSP Blackrock Liquidity Fund Direct Plan- Growth	**431**	510
433,849 (31 March 2022 - 433,849) units in Axis Banking and PSU Debt Fund - Direct Growth [BDDGG]	**993**	949
764,527 (31 March 2022 - 2,036,336) units in Axis Money Market Fund Direct Growth	**931**	2,345
6,290,295 (31 March 2022 - 7,064,213) units in Aditya Birla Sun Life Low Duration Fund Growth Direct	**3,846**	4,085
933,026 (31 March 2022 - 630,535) units in HDFC Money Market Fund Direct Plan Growth Option	**4,592**	2,935
21,758,997 (31 March 2022 - 21,758,997) units in Bandhan Banking & PSU Debt Fund-Direct Plan-Growth (erstwhile IDFC Banking & PSU Debt Fund-Direct Plan-Growth)	**465**	444
36,480,604 (31 March 2022 - 36,480,604) units in Bandhan Money Manager Fund-Growth (Direct Plan) (erstwhile IDFC-Money Manager Fund-Growth-Direct Plan)	**1,345**	1,274
2,268,768 (31 March 2022 - 99,823) units in Bandhan Liquid Fund-Growth Plan (Direct Plan) (erstwhile IDFC Cash Fund-Growth-Direct Plan)	**6,168**	257
1,191,102 (31 March 2022 - 1,340,204) units in Nippon India Money Market Fund Direct Plan Growth Plan Growth Option	**4,225**	4,491
605,925 (31 March 2022 - 1,017,393) units in Tata Money Market Fund Direct Plan Growth	**2,453**	3,891
86,241,542 (31 March 2022 - 88,082,450) units in SBI Savings Fund Direct Plan Growth	**3,240**	3,132
174,678 (31 March 2022 - 174,678) units in Kotak Low Duration Fund Direct Growth	**535**	507
893,972 (31 March 2022 - 750,301) units in Nippon India Low Duration Fund - Direct Growth Plan	**2,986**	2,377
20,222,908 (31 March 2022 - 20,222,908) units in Bandhan Ultra Short Term Fund Direct Plan-Growth (erstwhile IDFC Ultra Short Term Fund Direct Plan-Growth)	**265**	251
79,210 (31 March 2022 - 79,210) units in Invesco India Money Market Fund - Direct Plan - Growth	**211**	201
319,182 (31 March 2022 - Nil) units in Axis Liquid Fund Direct Plan Growth - CFDG	**798**	-
1,096,400 (31 March 2022 - Nil) units in Tata Liquid Fund - Direct Plan - Growth	**3,894**	-
747,298 (31 March 2022 - Nil) units in Kotak Liquid Direct Plan Growth	**3,399**	-
560,301 (31 March 2022 - Nil) units in ICICI Prudential Overnight Fund Direct - Growth	**677**	-
555,171 (31 March 2022 - Nil) units in Nippon India Liquid Fund-Direct Plan Growth Plan-Growth Option	**3,057**	-
1,101,596 (31 March 2022 - Nil) units in Invesco India Liquid Fund - Direct Plan Growth	**3,404**	-
284,505 (31 March 2022 - Nil) units in SBI Liquid Fund - Direct Plan -Growth	**1,002**	-
142,291 (31 March 2022 - Nil) units in Aditya Birla Sun Life Overnight Fund - Growth-Direct Plan	**173**	-
Nil (31 March 2022 - 2,652,732) units in Aditya Birla Sun Life Savings Fund-Growth - Direct Plan	**-**	1,181
Nil (31 March 2022 - 12,119,659) units in Nippon India Floating Rate Fund - Growth - Direct	**-**	457
Nil (31 March 2022 - 748,388) units in Aditya Birla Sun Life Liquid Fund-Growth - Direct Plan (Formerly Aditya Birla Sun Life Cash Plus - Growth Direct Plan)	**-**	257
Nil (31 March 2022 - 2,102,935) units in ICICI Prudential Overnight Fund Direct Growth - Regular	**-**	241
	81,147	57,610
Total current investments		
Aggregate amount of quoted investments	**81,147**	57,610
Aggregate market value of quoted investments	**81,147**	57,610
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of impairment in the value of investments	**-**	-

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
12	**Trade receivables (unsecured)**		
	Trade receivables - billed	**47,140**	39,621
	Less: allowance for doubtful receivables	**217**	274
	Considered good	**46,923**	39,347
	Trade receivables - billed	**40**	40
	Less: allowance for doubtful receivables	**40**	40
	Credit impaired	**-**	-
	Trade receivable - unbilled	**4,633**	8,674
		51,556	48,021
	Trade receivables includes:		
	Dues from related parties - billed (refer note 37)	**39,770**	32,609
	Dues from related parties - unbilled (refer note 37)	**4,633**	7,726
	Dues from other than related parties - billed	**7,153**	6,738
	Dues from other than related parties - unbilled	**-**	948
		51,556	48,021

In determining the allowance for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for external trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

Ageing of Trade receivables

			Outstanding as on 31 March 2023 from the due date					
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	4,633	44,982	1,954	44	56	-	11	51,680
Disputed Trade receivables – considered good	-	-	-	-	-	-	93	93
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	40	40
	4,633	**44,982**	**1,954**	**44**	**56**	**-**	**144**	**51,813**
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	-	257
	4,633	**44,982**	**1,954**	**44**	**56**	**-**	**144**	**51,556**

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding as on 31 March 2022 from the due date							
Undisputed Trade receivables – considered good	8,674	37,177	2,074	80	5	72	120	48,202
Disputed Trade receivables – considered good	-	-	-	-	-	-	93	93
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	40	40
	8,674	37,177	2,074	80	5	72	253	48,335
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	-	314
	8,674	37,177	2,074	80	5	72	253	48,021

		31 March 2023	31 March 2022
13	**Cash and cash equivalents**		
	Balance with banks:		
	In current accounts	**1,308**	2,862
	In EEFC accounts	**772**	780
	In deposit accounts*	**6,390**	3,273
	Remittances in transit	**625**	-
		9,095	6,915

*The deposits maintained by the Company with banks and financial institutions comprise of time deposits including deposits with maturities more than three months, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

		31 March 2023	31 March 2022
14	**Bank balances other than cash and cash equivalents**		
	Current		
	Balance with banks:		
	Held as margin money with custom authorities*	**1**	1

* Deposit accounts include restricted bank balances Rs. 0.3 (31 March 2022: Rs. 0.7) held as margin money deposit against guarantee and Rs.Nil (31 March 2022: Rs. 0.1) held as margin money against Uttar Pradesh VAT.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
15	**Other financial assets**		
	Current		
	Unsecured, considered good		
	Derivative asset	**36**	30
	Security deposits	**642**	176
	Advance to employees	**108**	188
	Interest accrued on fixed deposit	**146**	34
	Purchase consideration receivable (refer note 34(a))	**-**	22
	Others	**-**	49
		932	499
	Unsecured, considered doubtful		
	Security deposits	**92**	78
	Less: Provision for doubtful deposits	**92**	78
		932	499
16	**Other current assets**		
	Prepaid expenses	**5,180**	4,142
	Balances with Government authorities (GST credit receivable)	**379**	238
	Unbilled revenues*	**4,498**	2,857
	Advance to vendors	**314**	294
	Deferred contract cost	**63**	21
	Other assets	**-**	3
		10,434	7,555

* Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestone.

		31 March 2023	31 March 2022
17	**Equity share capital**		
	Authorised:		
	396,210,000 (31 March 2022 - 256,110,000) equity shares of Rs. 10 each (refer note (i) & (ii) below)	**3,962**	2,561
	50,000,000 (31 March 2022 - 50,000,000) equity shares of Re. 1 each	**50**	50
	10,800,000 (31 March 2022 - 10,800,000) compulsorily convertible preference shares ('CCPS') of Rs. 10 each	**108**	108
	14,000,000 (31 March 2022 - 14,000,000) 5% 10-year redeemable non-cumulative preference shares of Rs. 10 each	**140**	140
	1,500,000,000 (31 March 2022 - Nil) redeemable optionally convertible non-cumulative 0.001% preference shares of Rs. 10 each (refer note (i) below)	**15,000**	-
	100,000 (31 March 2022 - Nil) redeemable preference shares of Rs. 10 each (refer note (i) below)	**1**	-
	Issued, subscribed and fully paid up:		
	59,271,296 (31 March 2022 - 59,139,500) equity shares of Rs. 10 each	**593**	591

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Notes -

i) The authorised share capital of the Company was increased to 396,210,000 equity shares of Rs. 10 each from 256,110,000 equity shares of Rs. 10 each pursuant to approval of the Scheme of Amalgamation of Aricent Technologies (Holdings) Limited (ATHL) vide order of National Company Law Tribunal, Mumbai bench dated 23 December 2022.

The authorised share capital of the Company has a new class of equity shares of 1,500,000,000 redeemable optionally convertible non-cumulative 0.001% preference shares of Rs. 10 each and 100,000 redeemable preference shares of Rs. 10 each pursuant to approval of the Scheme of Amalgamation of ATHL.

ii) During the previous year, the authorised share capital of the Company was increased to 256,110,000 equity shares of Rs. 10 each from 256,100,000 equity shares of Rs. 10 each w.e.f. 01 April 2021 pursuant to approval of the Scheme of Amalgamation of Solcen Technologies Private Limited vide order of National Company Law Tribunal, Mumbai bench dated 11 March 2022.

a. Reconciliation of shares outstanding at the beginning and at the end of the year:

	31 March 2023		31 March 2022	
	Number of shares	**Amount**	Number of shares	Amount
Balance as at the beginning of the year	**59,139,500**	**591**	59,139,500	591
Add: Issued during the year (refer note 34(b))	**131,796**	**2**	-	-
Balance as at the end of the year	**59,271,296**	**593**	59,139,500	591

b. Right, preferences and restrictions attached to equity shares

The Company has only one class of issued, subscribed and fully paid-up equity shares having par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. The Company declares and pays dividends in Indian rupees. Any dividends proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

c. Shares held by parent / ultimate parent company and its subsidiary

Out of total shares issued by the Company, shares held by the holding company, ultimate holding company and their subsidiaries are as below:

	31 March 2023		31 March 2022	
	Number of shares	**Amount**	Number of shares	Amount
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**20,750,621**	**208**	20,750,621	208
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**255**	25,487,362	255
Capgemini North America Inc., subsidiary of ultimate parent company	**12,764,378**	**128**	12,764,378	128
Balance as at the end of the year	**59,002,361**	**591**	59,002,361	591

The number of shares held by promoters as at 31 March 2023 and as at 31 March 2022 are same as disclosed above. There is no change in the number of shares held by promoters during the current and previous year. Pursuant to the merger (refer note 34 (b)), there is a change in the percentage holding by the promoters during the year. Refer note (d) below for the percentage of shareholding. There is no change in the percentage holding by the promoters during the previous year.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

d. Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

	31 March 2023		31 March 2022	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**20,750,621**	**35.01%**	20,750,621	35.09%
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**43.00%**	25,487,362	43.10%
Capgemini North America Inc., subsidiary of ultimate parent company	**12,764,378**	**21.54%**	12,764,378	21.58%

	31 March 2023	31 March 2022
e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during theperiod of five years immediately preceding the reporting date:		
Equity share capital issued as consideration for acquisition of subsidiary (refer note 34(b))	**2**	-
Securities premium on equity share capital issued as consideration for acquisition of subsidiary (refer note 34(b))	**856**	-
	858	-

	31 March 2023	31 March 2022
18 Other equity		
Share capital pending allotment		
Balance as at the beginning of the year	**858**	-
Shares issued at premium during the year (refer note 34(b))	**(858)**	-
Share capital pending allotment (refer note 34(b))	**-**	858
Total of share capital pending allotment (a)	**-**	**858**
Attributable to the equity holders of the Company		
Reserves and surplus		
Capital reserve		
Balance as at the beginning of the year	**5**	5
Addition on account of merger of ATHL (refer note 34(b))	**-**	(1,708)
Capital reserve recognised on account of merger (refer note 34(b))	**-**	(41,696)
Debit balance of capital reserve net off with retained earnings as per Ind AS 103	**-**	43,404
	5	5
Building revaluation reserve		
Balance as at the beginning / end of the year	**1**	1
Securities premium		
Balance as at the beginning of the year	**1,404**	913
Shares issued at premium during the year	**856**	-
Addition on account of merger of ATHL (refer note 34(b))	**-**	491
	2,260	1,404

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Capital redemption reserve		
Balance as at the beginning of the year	**3,818**	336
Addition on account of merger of ATHL (refer note 34(b))	**-**	3,482
	3,818	3,818
General reserve		
Balance as at the beginning / end of the year	**1,585**	1,585
Share based payment reserve		
Balance as at the beginning of the year	**3,487**	2,669
Employee stock compensation expense for the year (refer note 43)	**1,772**	1,374
Recharge of share base payment from ultimate parent company	**(1,141)**	(556)
	4,118	3,487
Special Economic Zone re-investment reserve		
Balance as at the beginning of the year	**1,145**	663
Utilisation from Special Economic Zone re-investment reserve (during current year it includes utilisation for FY 2019-20, 2020-21 and 2021-22 amounting to Rs. 130, Rs. 315 and Rs. 609 respectively)	**(1,054)**	(182)
Transferred to Special Economic Zone re-investment reserve (current year includes reversal of previous year amounting to Rs. 91)	**771**	664
	862	1,145
Retained earnings		
Balance as at the beginning of the year	**138,473**	136,871
Addition on account of merger of ATHL (refer note 34(b))	**-**	21,954
Settlement made to minority shareholders	**-**	(421)
Debit balance of capital reserve net off with retained earnings as per Ind AS 103	**-**	(43,404)
Recharge of share base payment from ultimate parent company	**(908)**	(931)
Utilisation from Special Economic Zone re-investment reserve (during current year it includes utilisation for FY 2019-20, 2020-21 and 2021-22 amounting to Rs. 130, Rs. 315 and Rs. 609 respectively)	**1,054**	182
Transferred to Special Economic Zone re-investment reserve (current year includes reversal of previous year amounting to Rs. 91)	**(771)**	(664)
Profit for the year	**29,627**	24,886
	167,475	138,473
Total reserves and surplus (b)	**180,124**	149,918
Other reserves		
Cash flow hedging reserve		
Balance as at the beginning of the year	**13**	-
Addition on account of merger of ATHL (refer note 34(b))	**-**	102
Other comprehensive income for the year	**-**	(89)
	13	13

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Remeasurements of post-employment benefit obligations		
Balance as at the beginning of the year	**(2,262)**	(786)
Other comprehensive income for the year	**477**	(1,476)
	(1,785)	(2,262)
Total of other reserves (c)	**(1,772)**	(2,249)
Total of other equity (a+b+c)	**178,352**	148,527

Nature and purpose of reserves

1 Capital Reserve

Capital reserve represents the profit/(loss) on merger of subsidiary companies. However, in the absence of the capital reserve, consideration in excess of carrying value of the net assets (including the reserves) taken over is adjusted to the retained earnings.

2 Building revaluation reserve

Building revaluation reserve represents gains arising on the revaluation of land and building on 1 January 1995.

3 Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

4 Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of Section 69 of the Companies Act, 2013.

5 General Reserve

General reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

6 Share-based payment reserve

Capgemini SE, the ultimate parent company allocated performance and employment linked shares to certain employees of the Company. The grant of such performance and employment linked shares relate to the share capital of the ultimate parent company and has no impact on the Company's share capital. The Company determines the compensation cost based on grant date fair value method. This amount is recognised in employee benefit expense in the Statement of Profit and Loss on a straight-line basis over the vesting period, with a corresponding adjustment to share based payment reserve (refer note 43).

7 Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 (the Act). The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of Section 10AA(2) of the Income-tax Act, 1961.

8 Retained earnings

Retained earnings is the amount of net income retained by the Company after it has paid out dividends to its shareholders.

9 Cash flow hedging reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

10 Exchange differences on translation of foreign operations

This reserve represents the exchange differences arising from the translation of financial statements of foreign branches with functional currency other than Indian rupees to reporting currency.

11 Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Statement of Profit and Loss.

12 Share capital pending allotment

These represents amount of share capital to be issued pursuant to merger of Aricent Technologies (Holdings) Limited (ATHL) (refer note 34(b)).

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
19	**Lease liabilities**		
	Non-current		
	Lease liabilities	**5,146**	5,959
	Break-up of current and non-current lease liabilities:		
	Particulars		
	Non-current lease liabilities	**5,146**	5,959
	Current lease liabilities	**2,235**	1,928
	Total	**7,381**	7,887
	Movement in lease liabilities during the year ended:		
	Particulars		
	Lease liabilities at the beginning of the year	**7,887**	7,826
	Addition pursuant to merger (refer note 34(b))	**-**	1,804
	Addition	**2,048**	1,652
	Disposal	**(197)**	(1,061)
	Interest expense	**544**	642
	Lease payments	**(2,901)**	(2,976)
	Lease liabilities at the end of the year	**7,381**	7,887
20	**Provisions**		
	Non-current		
	Provision for employee benefits		
	Gratuity (refer note 35(a))	**4,637**	6,229
	Other Provision		
	Provision for site restoration (refer note (a) below)	**55**	55
	Other provisions (refer note (b) below)	**728**	689
		5,420	6,973
(a)	**Movement in provision for site restoration**		
	Balance as at the beginning of the year	**61**	-
	Addition on account of merger (refer note 34(b))	**-**	58
	Additions	**-**	3
	Balance as at the end of the year	**61**	61
	Non-Current	**55**	55
	Current	**6**	6
		61	61

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
(b)	**Movement in other provisions**		
	Balance as at the beginning of the year	**689**	562
	Addition on account of merger (refer note 34(b))	**-**	124
	Additions	**39**	3
	Balance as at the end of the year	**728**	689
	Current	**-**	-
	Non-Current	**728**	689
		728	689

Other provisions as at Balance Sheet date is mainly account of certain service tax related matters on input services amounting to Rs. 396 (31 March 2022- Rs. 396). The provision is based on best estimate of the liability, as estimated by the Management and cash outflow if any, will depend on the ultimate outcome of the respective litigation.

21 Trade and other payables

	31 March 2023	31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 42)	**391**	396
Total outstanding dues of creditors other than micro enterprises and small enterprises	**8,519**	7,873
	8,910	8,269
Trade and other payables includes:		
Due to related parties (refer note 37)	**4,454**	3,266
Other payables	**4,456**	5,003
	8,910	8,269

Ageing of trade and other payables

			Outstanding as on 31 March 2023 from due date of payment				
Particulars	**Provision**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years***	**Total**
Undisputed trade payables							
MSME	-	368	19	2	2	-	391
Others	2,951	2,848	2,657	9	50	4	8,519
	2,951	**3,216**	**2,676**	**11**	**52**	**4**	**8,910**

			Outstanding as on 31 March 2022 from due date of payment				
Particulars	**Provision**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years***	**More than 3 years***	**Total**
Undisputed trade payables							
MSME	-	134	258	4	-	-	396
Others	3,164	2,904	1,662	78	5	60	7,873
	3,164	3,038	1,920	82	5	60	8,269

* amount below rounding off norm

22 Lease liabilities

	31 March 2023	31 March 2022
Current		
Lease Liabilities (refer note 19)	**2,235**	1,928

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
23	**Other financial liabilities**		
	Current		
	Capital creditors and other payables	**317**	582
	Interest accrued under MSMED Act, 2006 (refer note 42)	**56**	34
	Payable for retention money	**91**	124
	Bonus and incentives	**3,442**	2,877
	Employee salaries payable	**271**	700
	Deferred purchase consideration (refer note 34(a))	**-**	13
	Payable to minority shareholders of ATHL (refer note 34(b))	**-**	19
	Other financial liabilities	**61**	56
		4,238	4,405
24	**Other current liabilities**		
	Unearned revenue	**638**	802
	Advance from customers	**-**	23
	Statutory dues payable*	**5,235**	4,990
		5,873	5,815

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

*Statutory dues payable comprises of -

	31 March 2023	31 March 2022
Goods and Services Tax payable	**301**	330
Tax Deducted at Source payable	**3,351**	3,238
Provident Fund payable	**1,548**	1,387
Profession Tax payable	**29**	30
Employees State Insurance payable	**6**	5
	5,235	4,990

		31 March 2023	31 March 2022
25	**Provisions**		
	Current		
	Provision for employee benefits		
	Compensated absences (refer note 35(d))	**10,144**	8,807
	Gratuity (refer note 35(a))	**-**	142
	Other defined benefit obligation (refer note 35(c)(ii))	**1,134**	1,134
	Other provision		
	Provision for site restoration	**6**	6
	Provision for warranty (refer note below)	**33**	33
	Provision for onerous contracts	**18**	-
		11,335	10,122

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Movement in provision for warranty		
Balance as at the beginning of the year	**33**	-
Addition on account of merger (refer note 34(b))	**-**	33
Balance as at the end of the year	**33**	33
Current	**33**	33
Non-current	**-**	-
	33	33

26 Revenue from operations

	31 March 2023	31 March 2022
Revenue from software operations	**278,123**	225,652
Revenue from sale of products	**305**	59
	278,428	225,711

Revenue from software operations includes Rs. 5,131 (31 March 2022- Rs.3,023) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography:

	31 March 2023	31 March 2022
Revenue by geography:		
UK & Europe	**116,125**	93,713
America	**106,423**	85,557
India	**39,105**	33,473
Rest of the world	**16,775**	12,968
Total	**278,428**	225,711
Reconciliation of revenue recognized with the contracted price is as follows:		
Contracted price	**278,652**	226,192
Less: Discounts	**224**	481
Revenue recognised	**278,428**	225,711

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2023 is Rs. 2,168 (31 March 2022: Rs. 2,556) . Out of this, the Company expects to recognise revenue of around 85% (31 March 2022: 100%) within the next one year and remaining thereafter.

All other IT consulting contracts are for periods of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

The Company has presented contract assets as “unbilled revenues” in other current assets and contract liabilities as “unearned revenues” in other current liabilities in the Balance Sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023		31 March 2022	
	Contract assets / Unbilled revenue	**Contract liabilities / Unearned revenue**	Contract assets / Unbilled revenue	Contract liabilities / Unearned revenue
Opening balance	**2,857**	**(802)**	1,831	(345)
Addition on account of merger (refer note 34(b))	**-**	**-**	84	(141)
Revenue recognised during the year	**4,498**	**802**	2,857	486
Invoices raised during the year	**(2,857)**	**(638)**	(1,915)	(802)
Balances as at the end of the year	**4,498**	**(638)**	2,857	(802)

Changes in contract assets and liabilities in respective financial years are due to timing differences between revenue recognition, billing and collection, leading to the recognition of trade receivables, contract assets and contract liabilities.

	31 March 2023	31 March 2022
27 Other income		
Interest on deposits with banks	**409**	108
Rent income	**27**	18
Other interest (including interest on income tax and service tax refunds)	**465**	18
Profit on sale of non-current investments (refer note (a) below)	**13**	65
Income on mutual funds	**3,770**	2,255
Gain on sale of net assets of branches (refer note (b) below)	**-**	749
Provisions no longer required written back	**18**	151
Profit on sale / disposal of assets (net)	**206**	171
Export incentives	**9**	-
Other miscellaneous income	**145**	259
Net gain on foreign currency transactions	**-**	526
	5,062	4,320

Note:

(a) During the previous year, the Company liquidated its investment in Annik UK Ltd. amounting to Rs. 6 and recognised profit of Rs. 5

(b) During the previous year, net assets of the US, Canada and Germany branches were sold to Capgemini America Inc, Capgemini Canada Inc and Altran Deutschland S.A.S & Co. KG respectively on slump sale basis. For US and Canada branches net assets excluding cash were transferred, for Germany branch net assets excluding cash, tax assets and liabilities were transferred. The gain as result of these transactions is as per below table:

US branch	350
Canada branch	81
Germany branch	318
	749

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
28	**Employee benefits expense**		
	Salaries, bonus and incentives	**184,980**	148,162
	Contribution to provident and other funds (refer note 35(c))	**7,888**	6,273
	Retirement benefits expense (refer note 35(a) & 35(b))	**2,796**	1,936
	Compensated absences (refer note 35(d))	**3,622**	4,207
	Employee stock compensation expense (refer note 43)	**1,772**	1,374
	Staff welfare expenses	**1,540**	1,454
		202,598	163,406
29	**Finance costs**		
	Interest on lease obligations	**544**	642
	Interest on Income Tax	**-**	110
	Unwinding of asset restoration provision	**-**	3
	Interest under MSMED Act, 2006	**22**	2
		566	757
30	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment (refer note 3)	**7,112**	5,903
	Depreciation of right-of-use assets (refer note 4)	**2,407**	2,557
	Amortisation of intangible assets (refer note 6)	**311**	295
		9,830	8,755
31	**Other expenses**		
	Sub-contracting expenses	**6,014**	6,526
	Repairs and maintenance:		
	- Buildings	**918**	934
	- Computer and network maintenance	**699**	530
	- Office maintenance	**1,860**	1,291
	- Others	**204**	402
	Rent	**127**	273
	Rates and taxes (net)	**693**	391
	Insurance	**82**	87
	Power and fuel	**966**	755
	Advertisement and sales promotion	**195**	157
	Communication	**1,424**	1,385
	Travelling and conveyance	**5,111**	1,397
	Legal and professional fees	**650**	913
	Bank charges	**23**	32
	Auditors' remuneration (refer note 41)	**66**	48
	Merger and reorganization expenses	**13**	72

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Expenditure towards corporate social responsibility initiatives (refer note 44)	**496**	1,011
Software and hardware expenses	**4,284**	3,246
Bad trade receivables written off	**2**	334
Provision for doubtful trade receivables written back	**(57)**	(304)
Group management fee	**2,079**	1,905
Training and recruitment	**4,115**	3,454
Directors' sitting fees	**1**	2
Provision for doubtful security deposits	**(2)**	(14)
Provision for onerous contracts	**18**	-
Net loss on foreign currency transactions	**203**	-
Miscellaneous expenses	**704**	715
	30,888	25,542

32 Statement of other comprehensive income

(i) Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	**789**	(2,114)
Income tax relating to above item	**(312)**	638
(ii) Items that will be reclassified to profit or loss		
Net (loss) on cash flow hedges	**(3)**	(138)
Income tax relating to above item	**3**	49
Total other comprehensive income / (loss) for the year, net of tax	**477**	(1,565)

33 Income tax expense

(a) Income tax expense recognised in Statement of Profit and Loss:

1. Current income tax		
Current tax on profits for the year	**10,161**	8,812
Adjustments for current tax of earlier years	**(401)**	(116)
	9,760	8,696
2. Deferred income tax		
Deferred tax charge	**465**	(2,420)
Adjustment of deferred tax for earlier years	**(244)**	409
	221	(2,011)
Income tax expense for the year	**9,981**	6,685

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(b) Income tax expense recognised in other comprehensive income:

	31 March 2023			31 March 2022		
	Before tax	**Tax (expense) / benefit**	**Net of tax**	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement on post-employment benefit obligations (net)	**789**	**(312)**	**477**	(2,114)	638	(1,476)
Items that will be reclassified to profit or loss						
Net (loss) on cash flow hedges	**(3)**	**3**	**-**	(138)	49	(89)
	786	**(309)**	**477**	(2,252)	687	(1,565)

(c) Reconciliation of effective tax rate

	31 March 2023	31 March 2022
Profit before tax	**39,608**	31,571
Tax using the Company's domestic tax rate (Current year and Previous Year 34.944%)	**13,841**	11,032
Tax effect of:		
Tax effect due to income tax holidays	**(3,682)**	(2,879)
Tax effect due to share based payments	**(341)**	(379)
Expenses not deductible for tax purposes	**180**	291
Effect of change in tax rates	**716**	384
Impact of indexation and lower tax rates on sale of branches / subsidiaries	**-**	(44)
Income taxes relating to prior years	**(645)**	293
Impact of tax benefit on intangibles	**-**	(2,100)
Others	**(88)**	87
Total income tax expense	**9,981**	6,685
Effective Tax Rate (%)	**25.20**	21.17

The Company is eligible to claim income tax holiday on profits derived from the export of software services from divisions registered under Special Economic Zone ("SEZ") 2005 scheme and profits and gains derived from business of developing a Special Economic Zone u/s 80-IAB. Profits derived from the export of software services from the divisions registered under the SEZ scheme are eligible for a 100% tax holiday during the initial five consecutive assessment years, followed by 50% for further five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions from the date of commencement of operations by the respective SEZ units. In addition to this, the Company is also eligible to claim income tax holiday on profits and gains derived from business of developing a Special Economic Zone u/s 80-IAB. Profit derived from the business of developing a Special Economic Zone can be claimed as deduction equal to 100% of the profits and gains derived from such business for a period of ten consecutive assessment years. The Company is eligible to claim deductions with respect to the new workmen employed subject to the satisfaction of the conditions prescribed u/s 80JJAA of the Act. The total impact of tax holiday for SEZ and developer unit and claim of deduction u/s 80JJAA resulted in a tax benefit of Rs. 3,682 and Rs. 2,879 for current and previous year respectively. The tax holiday will begin to expire from FY 2023-24 through FY 2034-35.

The Special Economic Zone (SEZ) Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 (the Act). The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of Section 10AA(2) of the Income-tax Act, 1961. During the year, a net amount of Rs. (283) was transferred to SEZ Re-investment Reserve net of utilisation.

The Company has acquired 98.25% shares in Aricent Technologies (Holdings) Limited (ATHL) on 23 November 2020 for a cash consideration of Rs. 43,018. Pursuant to this acquisition, the Company has filed an application with the National Company Law Tribunal (NCLT) for the merger of ATHL with the Company and the approval from NCLT is received vide order dated 23 December 2022 for the merger with the appointed date of 1 October 2021 (refer note 34(b)). Consequent to the merger, for the purpose of tax filings, the Company has obtained the purchase price allocation report from an independent valuer. Basis this report, the Company has recognized a customer relationship intangible asset of Rs. 7,289 in Form 3CD of FY 21-22, as an addition to the block of assets under the category of Intangible assets as of 1 October 2021. Considering the deduction of amortisation in tax, the Company has created a deferred tax asset of Rs. 2,100 in accordance with provisions of Ind AS 12 during FY 22-23 (i.e., in the comparative numbers for FY 21-22 in the Standalone Financials Statements). This deferred tax asset created is

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

amortised in the books in the proportion of the tax benefit availed on the claim of tax amortisation on intangibles as per the provisions of section 32 of the Income Tax Act, 1961.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('the Ordinance') issued on 20 September 2019 and which is effective 1 April 2019, domestic companies have an option to pay corporate tax rate at 22% plus applicable surcharge and cess (new tax rate) subject to certain conditions.

The Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax regime till the Company has utilised its accumulated Minimum Alternate Tax (MAT) Credit. However, in accordance with the accounting standards, the Company has evaluated the deferred tax asset balance as on 31 March 2023 and has reversed an amount of Rs. 716 (31 March 2022 Rs 384) through the Statement of Profit and Loss that are expected to reverse in the period subsequent to Company migrating to the new tax regime.

(d) Income tax assets and liabilities

	31 March 2023	31 March 2022
Income tax assets (net)*	**16,741**	14,209
Income tax liabilities (net)	**1,751**	2,418

* Includes deposits paid under dispute of Rs. 12,925 (31 March 2022: Rs. 11,152)

(e) Movement in deferred tax balances

	Net balance 1 April 2022	**Recognised in Statement of Profit and Loss**	**On account of merger (refer note 34(b))**	**Recognised in OCI**	**Utilisation of tax credits**	**Net balance 31 March 2023**
Deferred tax assets						
Property, plant and equipment and intangible assets	525	(429)	-	-	-	96
Provisions - employee benefits	4,449	499	-	(312)	-	4,636
Provision for doubtful trade receivables	106	(23)				83
Merger expenses	33	(5)	-	-	-	28
MAT Credit carried forward	3,074	-	-	-	(2,941)	133
Others	569	(263)	-	-	-	306
	8,756	(221)	-	(312)	(2,941)	5,282
Deferred tax (liability)						
Cash flow hedges	(6)	-	-	3	-	(3)
	(6)	-	-	3	-	(3)
Deferred tax asset / (liability) (net)	**8,750**	**(221)**	**-**	**(309)**	**(2,941)**	**5,279**

	Net balance 1 April 2021	**Recognised in Statement of Profit and Loss**	**On account of merger (refer note 34(b))**	**Recognised in OCI**	**Utilisation of tax credits**	**Net balance 31 March 2022**
Deferred tax assets						
Property, plant and equipment and intangible assets	238	1,358	(1,071)	-	-	525
Provisions - employee benefits	2,845	638	869	638	(541)	4,449
Provision for doubtful trade receivables	172	(148)	82	-	-	106
Merger expenses	42	(9)	-	-	-	33
MAT Credit carried forward	4,809	-	1,402	-	(3,137)	3,074
Others	260	172	137	-	-	569
	8,366	2,011	1,419	638	(3,678)	8,756
Deferred tax (liability)						
Cash flow hedges	-	-	(55)	49	-	(6)
	-	-	(55)	49	-	(6)
Deferred tax asset / (liability) (net)	8,366	2,011	1,364	687	(3,678)	8,750

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Effective 1st April 2019 the company started utilising accumulated MAT credit and has utilized an amounts of Rs. 2,941 (net) (31 March 2022: Rs. 3,137)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The company has no tax losses which arose in India as of 31 March 2023 (31 March 2022: Rs. Nil) that are available for offsetting in the future years against future taxable profits.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

34 Amalgamation of wholly owned subsidiaries

(a) Solcen Technologies Private Limited

The Board of Directors, at their meeting held on 26 May 2021, approved the Scheme of Amalgamation ('the Scheme') of Solcen Technologies Private Limited (STPL) ('transferor company'), wholly owned subsidiary of the Company, with the Company. The Company filed an application with the National Company Law Tribunal, Mumbai (NCLT) to merge STPL with the Company. NCLT approved the Scheme of Amalgamation on 11 March 2022.

In terms of the Scheme of Amalgamation, the whole of the undertaking of STPL as a going concern stands transferred to and vested in the Company with effect from the appointed date.

STPL was primarily engaged in providing software services and solutions for systems implementation, configuration, and maintenance and implementation services.

The said amalgamation was accounted in the financial statements of the Company in accordance with Appendix C of Ind AS 103, i.e. all the assets and liabilities of STPL were accounted in the financial statements of the Company at their carrying values on 21 October, 2020.

- the entire business and undertaking of STPL including all the assets and liabilities as a going concern were transferred to and vested in the Company pursuant to the Scheme.
- As per agreement dated 21 October 2020, CTSIL acquired 100 percent of the equity shares of STPL, for a total consideration (which includes deferred consideration) of Rs.536 million from Surya Software Systems Private Limited (SSSPL) and Chanel Limited.

Due to reduction in purchase consideration during the previous year, out of the total purchase consideration, Rs. 492 was paid till 31 March 2022 and balance purchase consideration amounting to Rs. 13 shown under 'Current financial liabilities' is paid during the current year.

Further, 'Current financial assets' included a recoverable amount relating to purchase consideration amounting to Rs. 22 is fully recovered during the year.

The purchase price has been allocated as follows based on the fair values of assets acquired and liabilities.

Particulars	
Non-current assets	
Property, plant and equipment	4
Right of use assets	31
Other financial assets	13
Deferred tax assets (net)	6
Other non-current assets	*
Current assets	
Financial assets	
- Investments	7
- Trade receivables	69
- Cash and cash equivalents	44
Other current assets	33
Total assets acquired (A)	**207**

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

Non-current liabilities	
Financial liabilities	
- Leases	23
Provisions	20
Current liabilities	
Financial liabilities	
- Lease liabilities	8
- Trade payables	*
Liabilities for current tax (net)*	14
Provisions	31
Other current liabilities	1
Total liabilities acquired (B)	**97**
Net assets acquired (C = A-B)	**110**
Non-Compete	**65**
Customer Relationships	**114**
Goodwill arising on business combination	**247**
Total Purchase consideration	**536**

*amount below rounding off norm

(b) Aricent Technologies (Holdings) Limited

On 23 November 2020, the Company acquired 98.25% of the equity shares of Aricent Technologies (Holdings) Limited (ATHL), from Aricent Holdings Mauritius Limited and Aricent Holdings Mauritius India Limited, fellow subsidiaries of CTSIL, for a purchase consideration of Rs.43,018.

The Board of Directors, at their meeting held on 10 January 2022, approved the Scheme of Amalgamation ('the Scheme') of Aricent Technologies (Holdings) Limited (ATHL) ('transferor company'), subsidiary of the Company, with the Company. The Company filed an application with the National Company Law Tribunal, Mumbai (NCLT) to merge ATHL with the Company. NCLT approved the Scheme of Amalgamation on 23 December 2022 with effect from 1 October 2021 (appointed date).

As per the Scheme, the Company will issue 1 equity share of Rs. 10 each fully paid up for every 17 equity shares of ATHL of Rs. 10 each fully paid up at Rs. 6,509.62 each. The Company during the year issued 131,796 equity shares of Rs. 10 each and paid Rs. 19 in cash towards fractional share held by minority shareholders of ATHL.

ATHL was primarily engaged in providing software product development services and software consulting services

The said amalgamation is accounted for under the "Pooling of Interest" method as prescribed under Appendix C of Ind AS 103 'Business Combinations' companies under common control.

Under Pooling of Interest method, the assets and liabilities of the combining entities are reflected at their carrying amount. No adjustments are made to reflect fair values or recognise any new assets or liabilities. Further the financial information in the financial statements of the Company in respect of prior period should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Company, irrespective of the actual date of combination. Further, if business combination had occurred after that date, the prior period information should be restated only from that date. As ATHL was subsidiary of the Company since 23 November 2020, the assets, liabilities and reserves of ATHL are merged with the Company at their carrying values as on 1 April 2021, being the beginning of the preceding period in the financial statements.

- all the assets, liabilities and reserves are consolidated in the Company at their respective book values under the respective accounting heads of the Company.
- all inter-company balances and transactions were eliminated.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

The amalgamation resulted in transfer of assets, liabilities and changes in reserves in accordance with the terms of the scheme at the values given below as at 1 April 2021-

Particulars	1 April 2021
Assets	
Non-current assets	
Property, plant and equipment	840
Right-of-use assets	1,694
Capital work-in-progress	26
Goodwil	7,803
Other intangible assets	391
Financial assets	
- Investment	-
- Others	342
Deferred tax assets	1,364
Income tax assets (net)	1,144
Other non-current assets	785
Current assets	
Financial assets	
- Investments	9,035
- Trade receivables	8,849
- Cash and cash equivalents	1,390
- Others	786
Other current assets	535
Total assets acquired on amalgamation (A)	**34,984**
Liabilities	
Non-current liability	
Financial liability	
- Lease liabilities	1,115
Provisions	1,824
Non Current Other Liabilities	124
Current liability	
Financial liability	
- Trade and other payables	1,554
- Lease liabilities	689
- Other	851
Other current liabilities	613
Provisions	1,273
Income tax liabilities	842
Total liabilities acquired on amalgamation (B)	**8,885**
Net liabilities assumed on amalgamation (C) = (A-B)	**26,099**

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Particulars	1 April 2021
Reserves taken over under Pooling of interest method under Ind AS 103	
Capital redemption reserve	3,482
Securities premium reserve	491
Retained earnings	21,954
Cash flow hedge reserve	102
Capital reserve	(1,708)
Total reserves on amalgamation (D)	**24,321**
Investment in shares of transferor company	43,018
Less: Cancellation of Share capital of transferor company	(1,289)
Cancellation of Deemed contribution of transferor company	(33)
Capital reserve recognised on merger of ATHL	41,696
Equity share capital issued to minority shareholders	2
Securities premium	856
Amount paid in cash for fractional shares held by minority shareholders	19
Less: Share of minority shareholders in total equity of ATHL	(456)
Recognised in retained earnings (net)	421

35 Employee benefit plans

(a) Gratuity benefits

The Company operates a post-employment benefit plan that provides for gratuity benefit to eligible employees. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive fifteen days salary for each year of completed service at the time of retirement / exit.

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the position of assets and obligations relating to the plan.

		31 March 2023	31 March 2022
Present value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**10,817**	8,146
Projected benefit obligation assumed on amalgamation		**-**	1,711
Current service cost		**2,415**	1,727
Interest cost		**713**	598
Benefits paid		**(1,901)**	(1,847)
Actuarial loss / (gain)		**(826)**	482
Projected benefit obligation at the end of the year	**(A)**	**11,218**	10,817
Fair value of plan asset			
Fair value of plan assets at the beginning of the year		**4,446**	5,654
Fair value of plan assets assumed on amalgamation		**-**	44
Contributions by employer		**3,743**	257
Expected return		**331**	407
Actuarial (loss) / gain		**(38)**	(69)
Benefits paid		**(1,901)**	(1,847)
Fair value of plan assets at the end of the year	**(B)**	**6,581**	4,446
	(A-B)	**4,637**	6,371

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Amounts in the Balance Sheet		
Liabilities		
Current	**-**	142
Non-current	**4,637**	6,229
Included in OCI		
Opening amount recognised in OCI outside the Statement of Profit and Loss	**(9)**	(551)
OCI recognised on account of merger	**-**	(9)
Actuarial loss / (gain) arising from:	**-**	-
Demographic assumptions	**(400)**	(48)
Financial assumptions	**(389)**	865
Experience adjustment	**(37)**	(335)
Return on plan assets excluding interest income	**38**	69
	(797)	(9)
Expense recognised in the Statement of Profit and Loss		
Current service cost	**2,415**	1,727
Interest cost	**713**	598
Expected return on plan assets	**(331)**	(406)
Total included in "Employee benefit expense" (Refer Note 28)	**2,797**	1,919

The Company provides the gratuity benefit through annual contributions to a fund managed by a trust. Under this plan, the settlement obligation remains with the Company, although the trust administers the plan and determines the contribution required to be paid by the Company. The trust has invested the plan assets in the Insurer managed funds. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on investments of the funds during the estimated term of the obligation.

	31 March 2023	31 March 2022
Category of Assets	**%**	%
Insurer managed funds	**99%**	97%
Others	**1%**	3%
The principal assumptions used in determining the gratuity benefit are shown below:		
Discount rate	**7.3%**	6.8%
Salary escalation rate	**7% to 9%**	7% to 9%

The average duration of remaining service of employees in the Company as on 31 March 2023 is 4.91 years

The estimates of future salary increase, considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the long-term yield on government bonds. Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below -

(i) As of 31 March 2023, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (367) and Rs. 389 respectively.

As of 31 March 2022, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (397) and Rs. 422 respectively.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(ii) As of 31 March 2023, every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 381 and Rs. (363) respectively.

As of 31 March 2022, every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 412 and Rs. (392) respectively.

Expected contributions to the fund post 31 March 2023 is Rs. 4,125

	31 March 2023
Expected benefit payments are as follows:	
Year ending 31 March	
2024	**1,412**
2025-2028	**5,321**
thereafter	**13,717**

(b) Pension benefits

(i) Pension - CTSIL

Certain employees who have elected to continue under the defined benefit scheme are entitled to a pension on retirement subject to vesting conditions of 45 years of age and 15 years of service. In the event of earlier cessation of employment, a deferred pension is payable from the normal retirement date. Employee who retires from the service of the Company is entitled to a pension at the rate of 2% of pensionable Salary, "PENSAL" (last drawn Basic Salary plus Variable Pay, limited to 20% for eligible managers) for each year of service, subject to a maximum of 70% of PENSAL. Pension as determined above is payable for a period of 15 years certain and thereafter during the lifetime of the Member. On his/her death in retirement or whilst in service, 66.67% of Member's pension is payable to the spouse during her/ his lifetime.

		31 March 2023	31 March 2022
Present value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**26**	24
Current service cost		**1**	1
Interest cost		**2**	2
Actuarial Losses / (Gain)		**(2)**	(1)
Benefits paid		**-**	*
Projected benefit obligation at the end of the year	**(A)**	**27**	26
Fair value of plan asset			
Fair value of plan assets at the beginning of the year		**64**	59
Expected return		**4**	4
Contributions by the Company		**1**	1
Actuarial Losses / (Gain)		*****	-
Benefits paid		**-**	*
Fair value of plan assets at the end of the year	**(B)**	**69**	64
Amount not recognised as an asset (in accordance with Ind AS 19 para 64(b))	**(C)**	**14**	13
	(A-B+C)	**(28)**	(25)
Amounts recognised in the Balance Sheet:			
Non-current assets		**28**	25
Opening value of asset ceiling		**13**	12
Interest on opening balance of asset ceiling		**1**	1
Remeasurements due to:			
Change in surplus/ deficit		*****	*
Closing value of asset ceiling		**14**	13

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Included in OCI		
Opening amount recognised in OCI outside the Statement of Profit and Loss	**(10)**	(9)
Remeasurement loss / (gain):		
Return on plan assets excluding interest income	*****	(1)
Adjustments to recognise the effect of asset ceiling	**1**	-
Financial assumptions	**(1)**	2
Experience adjustment	**(1)**	(2)
	(11)	(10)
Expense recognised in the Statement of Profit and Loss		
Current service cost	**1**	1
Interest cost	**(2)**	(1)
Total included in "Employee benefit expense" (refer note 28)	**(1)**	*
Category of Assets	**%**	%
Insurer Managed Funds	**100%**	100%
The Company provides the pension benefit through contributions to a fund managed by a trust.		
The principal assumptions used in determining the pension benefit are shown below:		
Discount rate (p.a.)	**7.30%**	6.80%
Salary escalation rate	**9%**	9%

* amount below rounding off norm

(i) Discount Rate:

The discount rate is based on the prevailing market yields of Indian government bonds as at the Balance Sheet date for the estimated term of the obligations.

(ii) Salary Escalation Rate:

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Expected contributions to the fund post 31 March 2023 is Rs. Nil

Expected benefit payments are as follows:

	31 March 2023
Year ending 31 March	
2024	**3**
2025*	**-**
2026*	**-**
2027	**2**
2028*	**-**
thereafter	**29**

* amount below rounding off norm

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(ii) Pension - ATHL

Company maintained a defined benefit pension plan in respect of employees transferred from Lucent Technologies GmbH ('Lucent') in terms of an agreement executed on 18 February 2003 whereby certain pension benefit obligations were transferred to the Company. During the previous year, these liabilities were transferred as part of branch slump sale to Altran Deutschland S.A.S. & Co. KG

	31 March 2022
Present value of defined benefit obligation	
Projected benefit obligation at the beginning of the year	254
Current service cost	1
Interest cost	2
Exchange gain	(5)
Actuarial Losses / (Gain)	(15)
Benefits paid	(2)
Liabilities transferred as part of branch slump sale	(235)
Projected benefit obligation at the end of the year	-
Amounts recognised in the Balance Sheet:	
Liability	-
Current	-
Non-current	-
Expense recognised in the Statement of Profit and Loss	
Current service cost	1
Interest cost	2
Total included in "Employee benefit expense" (refer note 28)	3
Included in OCI	
Changes on account of Financial assumptions	(15)

(c) Provident fund

(i) Defined Contribution Plan

In respect of the defined contribution plan as explained in accounting policy 2.15 (ii)(b), the Company has contributed Rs. 5,905 for the year (31 March 2022: Rs. 3,871). These contributions are charged to the Statement of Profit and Loss as they accrue.

(ii) Defined Benefit Plan

The Company had a defined benefit plan for provident fund through three trusts. During the previous year, the Company filed an application for surrender of exemption granted from the EPF Scheme, 1952 w.e.f. 1 July 2021 for the EPF trusts i.e., Capgemini India Private Limited Employees' Provident Fund, Capgemini Business Services (India) Limited - Employees' Provident Fund and Aricent Technologies Provident Fund Trust. The surrender application was filed with Regional Provident Fund Commissioner (RPFC) Pune, Bengaluru and Delhi respectively. The applications were accepted by the RPFC and the Company surrendered its trusts with effect from 1 July 2021. As a process of transfer of activities to RPFC, all the investments held by the Trust were liquidated and the liabilities as on 30 June 2021 were transferred to RPFC. A deficit funding of Rs. 916 was made by the Company during the year prior to surrender of the trusts.

As on 30 June 2021, the Company determined its liability at Rs. 2,264 in respect of provident fund based on actuarial valuation. Post the surrender of the trusts, and funding the deficit of Rs 1,130, the Company is carrying a liability of Rs.1,134 as on 31 March 2023.

Post the surrender, i.e. from 1 July 2021, the provident fund is accounted as defined contribution plan as mentioned in 35(c)(i)

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

In respect of the defined benefit plan as explained in accounting policy 2.15 (ii)(a), the following tables set forth the movement in plan.

		30 June 2021
Present value of defined benefit obligation		
Projected benefit obligation at the beginning of the year		42,651
Projected benefit obligation assumed on amalgamation		8,482
Current service cost		641
Interest cost		817
Actuarial (Gain) / Losses		307
Employees contribution		990
Liabilities transferred in / (out)		577
Benefits paid		(2,063)
Projected benefit obligation as at	**(A)**	52,402
Fair value of plan asset		
Fair value of plan assets at the beginning of the year		41,246
Fair value of plan assets assumed on amalgamation		8,333
Expected return		792
Remeasurements due to:		
Actual return on plan assets less interest on plan assets		(3,591)
Movement on account of asset diminution		2,312
Employer contribution during the year		1,542
Employee contribution during the year		990
Assets transferred in / (out)		577
Benefits paid		(2,063)
Fair value of plan assets as at	**(B)**	50,138
Deficit funding post surrender	**(C)**	1,130
Amount recognised in Balance Sheet	**(A-B-C)**	1,134

	31 March 2023	31 March 2022
Amounts in the Balance Sheet:		
Liabilities		
Current	**1,134**	1,134
Expense recognised in the Statement of Profit and Loss		
Current service cost		641
Interest cost		817
Expected return on plan assets		(792)
Total		666
Amounts included in OCI		
Opening amount recognised in OCI outside the Statement of Profit and Loss		1,091
Actuarial loss /(gain) arising from:		
Financial assumptions		99
Experience adjustment		209
Actual return on plan assets less interest on plan assets plus shortfall on asset diminution		1,279
Closing amount recognised in OCI outside Statement of Profit and Loss		2,678

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

	30 June 2021
Plan Asset Category	
Government securities	53%
Corporate Bonds	29%
Equity linked mutual funds	2%
Bank balance	14%
Others	2%
	100%

The Company provides the provident fund benefit through monthly employer and employee contributions to a fund managed by a trust

The principal assumptions used in determining the defined benefit obligation are as follows:

Discount rate	6.20% to 6.30%
Expected rate of return on plan assets	7.90% to 9.00%
Discount rate for the remaining term to maturity of investment	6.45% to 6.5%
Average historic yield on the investment	9.16% to 9.25%
Guaranteed rate of return	8.50%

(iii) The Company contributed Rs. 1,983 (31 March 2022 Rs. 1,738) to the Central Government towards pension, as required by the PF Rules.

(d) Compensated absences:

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below:

	31 March 2023	31 March 2022
Non-current provisions (refer note 20)	**-**	-
Current provisions (refer note 25)	**10,144**	8,807
	10,144	8,807
Actuarial assumptions		
Discount rate	**7.30%**	6.8%
Salary escalation rate	**7% to 9%**	7% to 9%

36 Segment reporting

The Company prepares the standalone financial statement along with the consolidated financial statements. In accordance with Ind AS 108 Operating Segments, since the Company has disclosed the segment information in the consolidated financial statements, disclosures are not required in this standalone financial statement.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

37 Related party disclosures

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

Related parties where control exists

Parent companies
Capgemini SE, the ultimate parent company
Capgemini North America, Inc., a subsidiary of the ultimate parent company

Entity having significant influence over the Company
Capgemini America Inc., subsidiary of Capgemini North America, Inc.

Subsidiary Companies
Annik Inc.
Annik UK Ltd, (liquidated w.e.f. 18 September 2021)
Liquidhub PTE Ltd.

Other related parties

Key Management Personnel
Aiman Ezzat - Non-executive director
Anne Catherine Lebel - Non-executive director (w.e.f. 23 March 2023)
Armin Billimoria - Company Secretary
Arul Kumaran Paramanandam - Chief Operating Officer
Aruna Jayanthi - Non-executive director (w.e.f. 26 May 2021)
Ashwin Yardi - Wholetime director and Chief Executive Officer
Hubert Paul Henri Giraud - Non- executive director (till 6 October 2022)
Kalpana Rao - Independent director
Maria Pernas - Non-executive director (w.e.f. 23 August 2021)
Paul Hermelin - Non- executive director
Ramaswamy Rajaraman - Independent director
Shobha Meera - Non-executive director (w.e.f. 28 March 2022)
Srinivasa Rao Kandula - Wholetime director (till 10 January 2022)
Sujit Sircar - Chief Financial Officer

Employee benefit trusts of the Company or of entity related to the Company
Capgemini India Private Limited Employees' Provident Fund
Capgemini Business Services (India) Limited - Employees' Provident Fund
Capgemini India Private Limited Employees' Benevolent Fund
Capgemini India Employees Gratuity Fund Trust
Capgemini Business Services (India) Limited Employees' Group Gratuity Assurance Scheme
Capgemini Business Services (India) Ltd. Employees' Superannuation Scheme
Capgemini India Employees Gratuity Fund (formerly known as IGATE Global Solutions Limited Employees Gratuity Fund)
AXA Technologies Shared Services Private Limited Employees Gratuity Trust
TCube Employees Gratuity Trust
The Liquidhub India Private Limited Employees' Gratuity Scheme
Aricent Technologies Provident Fund Trust
Aricent Technologies Gratuity Trust
Aricent Technologies Superannuation Trust

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Fellow subsidiaries

Altran (Singapore) PTE LTD
Altran AG (Switzerland) (merged into Capgemini Suisse S.A. w.e.f. 1 January 2022)
Altran Australia PTY Ltd
Altran Canada Solutions (Corp) (merged into Capgemini Solutions Canada Inc. w.e.f. 30 September 2021)
Altran Connected Solutions S.A.S.
Altran Deutschland SAS & Co. Kg
Altran Engineering Solutions Inc
Altran Innovacion (Spain)
Altran Israel Ltd. (formerly known as Aricent Israel Ltd.)
Altran Italia S.P.A. (merged into Capgemini Italia SPA w.e.f. 12 January 2022)
Altran Japan Ltd
Altran Lab S.A.S.
Altran Nederland B.V.
Altran Prototypes Automobiles SAS
Altran Software US Inc (merged with Capgemini America, Inc. w.e.f. 30 September 2021)
Altran Solutions De Mexico (merged into Capgemini Mexico S. de R.L de C.V. w.e.f. 1 October 2021)
Altran Technologies India Pvt. Ltd.
Altran Technologies SAS
Altran Technology & Engineering Center S.A.S.
Altran UK
Altran US Corp (till 30 September 2021)
Aricent Belgium SRL (liquidated w.e.f. 31 December 2021)
Aricent N.A. Inc. (merged into Capgemini America, Inc. w.e.f. 30 September 2021)
Aricent Spain SA
Aricent Technologies Cayman (merged into Capgemini America, Inc. w.e.f. 28 July 2022)
Aricent Technologies Malaysia Snd. Bhd.
Aricent Technologies Mauritius Ltd.
Aricent Technologies Sweden AB
Cambridge Consultants (UK)
Capgemini (China) Co. Ltd.
Capgemini (Kun Shan) Co., Ltd.
Capgemini Asia Pacific Pte Ltd. - Taiwan Branch
Capgemini Australia (New Zealand Branch)
Capgemini Australia PTY Limited
Capgemini Belgium NV/S.A.
Capgemini Brasil S.A.
Capgemini Business Services (China) Limited
Capgemini Business Services Brasil - Assessoria Empresarial Ltda.
Capgemini Canada Inc.
Capgemini Colombia SAS
Capgemini Consulting Österreich AG
Capgemini Consulting S.A.S.
Capgemini Czech Republic s.r.o
Capgemini Danmark A/S
Capgemini Deutschland GmbH
Capgemini Deutschland Holding GmbH
Capgemini Educational Services B.V.
Capgemini Egypt LLC
Capgemini Engineering Act S.A.S (formerly known as Altran ACT)
Capgemini Engineering Research and Development S.A.S. (formerly known as Capgemini DEMS France SAS)
Capgemini Engineering Sverige AB (formerly known as Altran Sverige AB)
Capgemini España S.L.
Capgemini Finance Tech S.R.L.
Capgemini Finland Oy
Capgemini France S.A.S.
Capgemini Government Solutions LLC
Capgemini Hong Kong Limited
Capgemini Ireland Limited

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

Capgemini IT Solutions India Pvt. Ltd.
Capgemini Italia spA
Capgemini Japan K.K.
Capgemini Magyarorszag Kft.
Capgemini Mexico S. de R.L de C.V.
Capgemini Nederland B.V.
Capgemini New Zealand Limited
Capgemini Norge A/S
Capgemini Outsourcing Services GmbH
Capgemini Philippines Corp.
Capgemini Polska Sp. z.o.o
Capgemini Portugal S.A.
Capgemini Saudi Limited
Capgemini Service Romania s.r.l.
Capgemini Service S.A.S.
Capgemini Services Malaysia SDN BHD
Capgemini Singapore Pte. Ltd.
Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch
Capgemini Singapore Pte. Ltd. - Dubai Branch
Capgemini Solutions Canada Inc.
Capgemini Suisse S.A.
Capgemini Sverige AB
Capgemini Technologies LLC
Capgemini Technology Services S.A.S.
Capgemini UK Plc
Capgemini UK Plc - South Africa Branch
Capgemini Vietnam Co Ltd
CHCS Services Inc - India Branch (till 31 August 2021)
CHCS Services Inc. (till 31 August 2021)
Frog Business Consultancy Limited
Frog Design BV
Frog Design Europe Gmbh
Frog Design Group UK Ltd
Frog Design Srl (merged into Capgemini Italia SPA w.e.f. 4 January 2022)
Frog Design, Inc.
Global Edge Software Limited
Inergi Inc.
Information Risk Management Limited
LLC Lohika Ltd
Lohika Systems Inc (merged into Capgemini America Inc. w.e.f. 30 September 2021)
Matiq A/S
New Horizons Systems Solutions Inc
RADI Software Do Brasil Ltda.
Societe en commandite Capgemini Quebec - Capgemini Quebec LP
Sogeti Deutschland GmbH
Sogeti Luxembourg S.A.
Sogeti Nederland B.V.
Sogeti Sverige AB
Sogeti UK Limited
Sogeti USA LLC
Tessella Limited (UK)
Tessella Inc (USA) (merged into Capgemini America Inc. w.e.f. 31 March 2022)

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Related party transactions

		31 March 2023	31 March 2022
a)	**Revenues from operations**		
	Capgemini America, Inc.	**98,847**	78,741
	Capgemini UK Plc	**24,721**	20,397
	Others	**113,219**	89,768
b)	**Other income**		
	Aricent Technologies Mauritius Ltd.	**-**	128
	Capgemini IT Solutions India Pvt. Ltd.	**9**	10
	Altran Technologies India Pvt. Ltd.	**18**	8
	Others	**-**	15
c)	**Expenses cross charged ***		
	Capgemini Service S.A.S.	**5,253**	3,504
	Capgemini SE	**2,841**	2,142
	Others	**2,760**	2,601
	* includes expense in the nature of software and hardware expenses, training and recruitment, sub-contracting expenses, group management fee and others		
d)	**Profit on liquidation of subsidiary**		
	Annik UK Ltd, (liquidated w.e.f. 18 September 2021)	**-**	5
e)	**Profit on sale / disposal of branch (net)**		
	Capgemini America Inc.	**-**	350
	Capgemini Canada Inc.	**-**	81
	Altran Deutschland SAS & Co. Kg	**-**	318
f)	**Sale of branches**		
	Capgemini America Inc.	**-**	1,455
	Capgemini Canada Inc.	**-**	147
	Altran Deutschland SAS & Co. Kg	**-**	22
g)	**Purchase of investments**		
	Capgemini India Private Limited Employees' Provident Fund	**-**	630
	Capgemini Business Services (India) Limited - Employees' Provident Fund	**-**	32
	Aricent Technologies Provident Fund Trust	**-**	122
h)	**Sale of assets**		
	Altran Technologies India Pvt. Ltd.	**7**	-

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
i)	**Payments to employee benefit funds**		
	Capgemini India Private Limited Employees' Provident Fund	**-**	2,311
	Capgemini India Employees Gratuity Fund Trust	**2,386**	-
	Capgemini India Employees Gratuity Fund (formerly known as IGATE Global Solutions Limited Employees Gratuity Fund)	**1,022**	-
	Capgemini Business Services (India) Limited - Employees' Provident Fund	**-**	187
	Aricent Technologies Provident Fund Trust	**-**	334
	Aricent Technologies Gratuity Trust	**335**	250
j)	**Key management personnel compensation**		
	Short-term employee benefits	**94**	132
	Post-employment benefits	**2**	7
	Employee share-based payment	**79**	196
	Director sitting fees	**1**	2
Balances outstanding			
a)	**Trade receivables**		
	Capgemini America, Inc.	**17,552**	14,551
	Others	**22,218**	18,058
b)	**Unbilled revenue**		
	Capgemini America, Inc.	**1,780**	3,545
	Capgemini Engineering Act S.A.S (formerly known as Altran ACT)	**922**	423
	Others	**1,931**	3,758
c)	**Unearned revenue**		
	Capgemini Technology Services S.A.S.	**-**	25
	Capgemini America, Inc.	**-**	53
	Capgemini UK Plc	**-**	153
	Others	**-**	25
d)	**Other current assets**		
	Capgemini Business Services (India) Limited Employees' Group Gratuity Assurance Scheme	**2**	2
e)	**Trade and other payables**		
	Capgemini Service S.A.S.	**3,853**	2,477
	Others	**601**	789
f)	**Other current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**2,571**	1,511
	Others	**-**	26
g)	**Other financial liabilities**		
	Capgemini IT Solutions India Pvt. Ltd.	**2**	2

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

The Company has the following related party transactions and balances outstanding for the year ended 31 March 2023 and 31 March 2022:

Transactions	Parent companies		Entity having significant influence over the Company		Subsidiary companies		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Revenues from operations	**104**	79	**98,847**	78,741	**153**	216	**137,683**	109,870	**-**	-	**-**	-
Other income	**-**	-	**-**	-	**-**	-	**27**	161	**-**	-	**-**	-
Expenses cross charged	**2,841**	2,142	**254**	190	**-**	-	**7,759**	5,915	**-**	-	**-**	-
Profit on liquidation of subsidiary	**-**	-	**-**	-	**-**	5	**-**	-	**-**	-	**-**	-
Profit on sale / disposal of branch (net)	**-**	-	**-**	350	**-**	-	**-**	399	**-**	-	**-**	-
Sale of branches	**-**	-	**-**	1,455	**-**	-	**-**	169	**-**	-	**-**	-
Purchase of investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	784
Sale of asset	**-**	-	**-**	-	**-**	-	**7**	-	**-**	-	**-**	-
Payments to employee benefit funds	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**3,743**	3,082
Key managerial personnel compensation												
- Remuneration	**-**	-	**-**	-	**-**	-	**-**	-	**96**	139	**-**	-
- Employee share-based payment	**-**	-	**-**	-	**-**	-	**-**	-	**79**	196	**-**	-
- Director sitting fees	**-**	-	**-**	-	**-**	-	**-**	-	**1**	2	**-**	-

Balances outstanding	Parent companies		Entity having significant influence over the Company		Subsidiary companies		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Trade receivables	**20**	13	**17,552**	14,551	**25**	36	**22,173**	18,009	**-**	-	**-**	-
Unbilled revenue	**-**	-	**1,780**	3,545	**-**	11	**2,853**	4,170	**-**	-	**-**	-
Unearned revenue	**-**	-	**-**	53	**-**	-	**-**	203	**-**	-	**-**	-
Other current assets	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**2**	2
Trade and other payables	**161**	125	**46**	167	**-**	-	**4,247**	2,974	**-**	-	**-**	-
Other current assets - prepaid expenses	**-**	-	**-**	4	**-**	-	**2,571**	1,533	**-**	-	**-**	-
Other financial liabilities	**-**	-	**-**	-	**-**	-	**2**	2	**-**	-	**-**	-

38 Earnings per share (EPS)

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

The following table reflects the profit and share data used to compute basic and diluted EPS:

		31 March 2023	31 March 2022
(A)	Profit attributable to equity shareholders	**29,627**	24,886
(B)	Weighted average number of equity shares in calculating basic EPS (nos.)	**59,271,296**	59,271,296
(C)	Weighted average number of equity shares in calculating diluted EPS (nos.)	**59,271,296**	59,271,296
(A/B)	Basic earnings per share of face value of Rs.10/- each (in INR)	**499.85**	419.87
(A/C)	Diluted earnings per share of face value of Rs.10/- each (in INR)	**499.85**	419.87

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

39 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Company classifies its inputs used to measure fair value into the following hierarchy:

Level 1: Unadjusted quoted prices in active market for identical assets or liabilities. The mutual funds are valued using the closing NAV

Level 2: Inputs other than quoted prices that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Unobservable inputs for assets and liabilities that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	9,095	9,095	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1	1	-	-	-	-
Current investments	81,147	-	-	81,147	81,147	-	-	81,147
Trade receivables	-	-	51,556	51,556	-	-	-	-
Non current Investment	-	-	472	472	-	-	-	-
Other non-current financial asset	-	-	2,558	2,558	-	-	-	-
Other current financial asset	17	19	896	932	-	36	-	36
	81,164	**19**	**64,578**	**145,761**	**81,147**	**36**	**-**	**81,183**
Financial liabilities								
Trade and other payables	-	-	8,910	8,910	-	-	-	-
Lease liabilities current and non-current	-	-	7,381	7,381	-	-	-	-
Other current financial liabilities	-	-	4,238	4,238	-	-	-	-
	-	**-**	**20,529**	**20,529**	**-**	**-**	**-**	**-**

The above disclosure excludes non-current investment in subsidiaries that are accounted at cost and hence not considered.

31 March 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	6,915	6,915	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1	1				
Current investments	57,610	-	-	57,610	57,610	-	-	57,610
Trade receivables	-	-	48,021	48,021	-	-	-	-
Non current investments			667	667				
Other non-current financial asset	-	-	1,557	1,557	-	-	-	-
Other current financial asset	8	22	469	499	-	30	-	30
	57,618	22	57,630	115,270	57,610	30	-	57,640
Financial liabilities								
Trade and other payables	-	-	8,269	8,269	-	-	-	-
Lease liabilities current and non-current	-	-	7,887	7,887				
Other current financial liabilities	-	-	4,405	4,405	-		-	-
	-	-	20,561	20,561	-	-	-	-

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring fair values:

Type	Valuation technique
Foreign exchange forward contracts	The Company's derivative financial instruments consist of foreign exchange forward contracts. Fair value of derivative financial instruments are based on prices as provided by the banks and are classified as Level 2. Inputs include current market-based parameters such as forward rates, yield curves and credit default swap pricing.
Investments	The Company's investments consist primarily of investment in debt linked mutual funds. Fair value of debt linked mutual funds are based on prices as stated by the issuers of mutual funds and are classified as Level 1 or 2 after considering whether the fair value is readily determinable.

During the reporting years ended 31 March 2023 and 31 March 2022, there have been no transfers of financial instruments between Level 1 or Level 2 or Level 3 fair value measurements.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of current financial assets / liabilities recognised in the financial statements at amortised value, approximate their fair values due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The fair value of long-term security deposit is Rs. 1,115 as at 31 March 2023 and is Rs.1,557 as at 31 March 2022. The fair values for security deposits were calculated based on cash flows discounted using a current lending rate.

The fair value of Non-current investments is Rs. 470 as at 31 March 2023 and Rs. 661 as at 31 March 2022. The fair value was calculated based on quoted market price for some securities and valuation report obtained by the Company.

The fair value of non-current financial Liabilities approximates its carrying value.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company periodically assesses the financial reliability of its customers, taking into account the financial conditions, current economic trends and analysis of historic bad debts and ageing of accounts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Company has trade receivables primarily from intercompanies. On analysis of historic bad debts and ageing of accounts of these receivables, the probability of default is assessed to be Nil and the Company does not foresee any credit risk.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Company's exposure to customers is diversified and there is no single customer (other than related parties) contributing more than 10% of total outstanding trade receivable and unbilled revenue.

The expected loss rates are based on the payment profiles of customers over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables. Out of the total trade receivables of Rs. 51,813 and Rs. 48,335 as of 31 March 2023 and 31 March 2022 respectively, the Company has receivables which are past due and impaired as detailed below:

	31 March 2023	31 March 2022
Balance at the beginning of the year	**314**	475
Addition pursuant to merger	**-**	149
Impairment provision written back	**(57)**	(240)
Impairment provision utilised for write off	**-**	(70)
Balance at the end of the year	**257**	314
% of trade receivables from other than related parties	**3.59%**	4.09%

Others

Credit risk of the Company on cash and cash equivalents and investments is subject to low credit risk since the investments of the Company are only in debt mutual funds, fixed maturity plan securities with banks and financial institutions with a high credit rating by domestic and international credit rating agencies. Counter parties to foreign currency forward contracts are generally multinational banks with appropriate market standing.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company also has sufficient overdraft credit facilities with financial institutions to meet any liquidity requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

31 March 2023	Contractual cash flows			
	Carrying amount	Within one year	One year but not more than five years	More than five years
Lease liabilities	7,381	2,689	5,719	153
Current financial liabilities	4,238	4,238	-	-
Trade and other payables	8,910	8,910	-	-

31 March 2022	Contractual cash flows			
	Carrying amount	Within one year	One year but not more than five years	More than five years
Lease liabilities	7,887	2,540	6,225	773
Current financial liabilities	4,405	4,405	-	-
Trade and other payables	8,269	8,269	-	-

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk and market value of its investments. The exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 is as below:

Unhedged foreign currency exposures as on 31 March 2023

Particulars	Cash and cash equivalents	Trade receivables**	Trade Payables	Other financial liabilities
USD	1,296	940	288	54
EUR	101	225	2,482	1
SGD	-	-	31	-
JPY	-	5	129	-
GBP	-	1	59	-
CAD	-	8	15	-
AUD	-	-	5	-
CNY	-	-	21	-
AED	-	-	1	-
PLN	-	-	1	-
DKK	-	-	*	-
MYR	-	-	9	-
NZD	-	-	*	-
HKD	-	-	*	-

Unhedged foreign currency exposures as on 31 March 2022

Particulars	Cash and cash equivalents	Trade receivables**	Trade Payables	Other financial liabilities	Other financial assets
USD	692	1,196	667	117	-
EUR	88	259	2,637	16	21
SGD	-	-	53	-	-
JPY	-	29	6	-	-
GBP	-	-	56	-	-
CAD	-	-	1	-	-
AUD	-	7	1	-	-
CNY	-	-	1	-	-
PLN	-	54	10	-	-
DKK	-	-	2	-	-
HKD	-	-	10	-	-
MYR	-	-	12	-	-
TWD	-	-	1	-	-
KRW	-	-	1	28	-

* amount below rounding off norm
**excludes allowance for doubtful receivables

As at 31 March 2023 and 31 March 2022 every 1% increase / decrease in exchange rates of the respective foreign currencies compared to functional currency of the Company would result in increase / decrease in profit of the Company by approximately Rs. 5 and Rs. 13 respectively.

Currency risk

The Company is exposed to currency risk on account of its receivables and payables in foreign currencies. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, with a maturity period of generally less than one year. The Company does not use derivative financial instruments for trading or speculative purposes.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Following is the derivative financial instruments to hedge the foreign exchange rate risk as of 31 March 2023 and 31 March 2022:

Category	31 March 2023		31 March 2022	
	In million	In Rs. million	In million	In Rs. million
Forward contracts				
Hedges of recognized assets and liabilities				
USD/INR	**19**	**1,565**	30	2,335
EUR/INR	**16**	**1,441**	-	-
Hedges of highly probable forecasted transactions				
USD/INR	**84**	**6,948**	34	2,583
EUR/INR	**18**	**1,627**	-	-

The table below analyses the derivative financial instruments to relevant maturity groupings based on the remaining period as on the Balance Sheet date:

	31 March 2023	31 March 2022
Forward contracts in USD		
Not later than one month	**823**	610
One to 6 months	**3,931**	3,149
6-12 months	**3,759**	1,159
	8,513	4,918
Forward contracts in EUR		
One to 6 months	**3,068**	-
	3,068	-

The following table provides the reconciliation of cash flow hedge reserve for the year ended 31 March 2023 and 31 March 2022:

Balance at the beginning of the year	**13**	-
Addition on account of merger (refer note 34(b))	**-**	102
Loss recognised in other comprehensive income during the year	**(3)**	(7)
Amount reclassified to statement of profit and loss during the year	**-**	(131)
Tax impact on above	**3**	49
Balance at the end of the year	**13**	13

Interest Risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

40 Contingent liabilities and commitments

(A) Commitments

(i) Estimated value of contracts on capital account remaining to be executed [net of advances Rs. 31 (31 March 2022 - Rs.284)]	**1,494**	2,027

(ii) Commitments given on leases consist primarily of common area maintenance charges of the Company's non-cancellable leases

Not later than one year	**615**	386
Later than one year but not later than five years	**1,154**	904
Later than five years	**118**	226
	1,887	1,516

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
(B)	**Contingent liabilities**		
(i)	Claims not acknowledged as debt	**775**	614

(ii) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending directives from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with the order of the SC prospectively effective 1 March 2019 by including such allowances for PF contribution calculations.

iii) The Company has ongoing disputes with Sales Tax, Service Tax, VAT and the Customs authorities relating to availment of input tax credits and characterization of certain transactions etc. The management evaluated the inquiries/ notices/ orders received for the matter under dispute and concluded that any consequent claims or demands by the tax authorities will not succeed on ultimate resolution.

iv) The Company has ongoing disputes with income tax authorities that are pending before various judicial forums in relation to tax treatment of certain tax credits, expenses claimed as deductions, levy of buy back taxes, computation and allowability of tax holiday benefits, re-computation of Arms-Length Price margins, etc. The management evaluated the inquiries/ notices/ orders/ demands received for the matters under dispute and concluded that the Company's position will be upheld and there will not be adverse effect on the Company's financial position and its results on ultimate resolution of these matters.

During the FY 2022-23, the Company has received a favorable order from the Honorable Pune ITAT with respect to the ongoing litigation for FY 2010-11. Accordingly, FY 2010-11 will not be persued by the Company under the APA 1 route. In addition to this, the Company is confident of receiving a favorable resolution/order at the judicial forum in respect of the on-going litigation for the FY 2011-2012 (covered under APA-1), before the settlement of the Advance Pricing Agreement.

v) Advanced Pricing Agreement APA:

In respect of the transactions between the Company and the Capgemini Group entities operating outside India, the Company has filed APA 1- (Covered period - FY 2010-11 to FY 2014-15) , APA 2- (Covered period - FY 2016-17 to FY 2020-21) and APA 3 (Covered period - FY 2021-22 to FY 2025-26). The determination of the arm's length pricing and the consequent tax outcome in respect of these transactions is subject to the approval of the APA by the Central Board of Direct Taxes, India, the Internal Revenue Services, USA and Capgemini USA entities (Bilateral Advance Pricing Agreement application filed by Capgemini USA (APA 1, 2 and 3)), HMRC UK and Capgemini UK entities (Bilateral Advance Pricing Agreement application filed by Capgemini UK (APA 2). The impact of these matters on the financial statements can be ascertained only upon ultimate resolution of the APA's (refer (iv) above).

vi) Bangalore campus matters

The Company's former subsidiary ATHL in 2003 had executed an Agreement with a landowner and a developer ("Developer"), for the development, lease and purchase of land facility ("Property") at Bangalore. Under said Agreement, erstwhile ATHL had an option to purchase the Property, after completion of two years of lease term. Erstwhile ATHL took possession of the Property, but formal lease deed was not executed between the parties. In 2005, the Developer filed a suit to evict erstwhile ATHL and to recover arrears of rent and damages (2005 Suit). In 2007, erstwhile ATHL filed suit for specific performance for acquisition of property (2007 Suit) as per terms of the original Agreement. In 2010, the developer filed another eviction suit and claimed damages (2010 Suit) related to portion of property acquired by it from landowner in 2010. All these suits were consolidated by the City Civil Court, Bangalore and underwent trial for many years of protracted litigation and were adjudicated against erstwhile ATHL on each of the 2005, 2007 and 2010 suits vide Orders dated April 13, 2016. In these rulings, the City Civil Court held that ATHL was not entitled to specific performance of the purchase option in the Agreement and also ordered to pay arrears of rent and damages and to vacate the Property.

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

Against the said Orders dated April 13, 2016 in 2005 suit, 2007 suit and 2010 suit, erstwhile ATHL filed three Appeals at the Hon'ble High Court of Karnataka. In the two appeals against the Orders in 2005 Suit and 2010 Suit, the Company sought protection against Eviction Order and also against the damages awarded against erstwhile. Third appeal was filed against the Order in 2007 suit, wherein the Company's suit for specific performance for execution of sale deed in favour of erstwhile ATHL was dismissed. The Hon'ble High Court admitted erstwhile ATHL's all appeals and also granted an interim injunction (stay) against impugned eviction Orders dated April 13, 2016, subject to payment of an amount as ordered by the City Civil Court to the Developer. Erstwhile ATHL paid Rs. 331 to the Developer as per the Orders of the Hon'ble High Court. In compliance of Hon'ble High Court Orders, erstwhile ATHL is also making monthly payment of an amount equivalent to Rs. 2 to the Developer. However, all the amount paid/payable to the Developer (i.e. initial amount and the monthly payments) are subject to final outcome of the Appeals filed by erstwhile ATHL. In August 2018, erstwhile ATHL has received copies of the cross Appeals filed by the Developer against the Orders dated April 13, 2016 passed in 2005 suit and 2010 suit, seeking damages at the higher rate as against the rate granted by the City Civil Court in the Orders dated April 13, 2016.

Based on legal opinion, the Company believes that it has a good case and possibility of resolution of the matter against the Company is remote. Further, the Company does not believe that the resolution of these matters will have a material adverse effect on the Company's Balance Sheet or Statement of Profit and Loss, or Statement of Cash Flows.

	31 March 2023	31 March 2022
41 Auditors' remuneration		
(a) As Auditor (Statutory audit fees and certification fees (includes fees for certificate mandatorily required to be issued as auditor))	**37**	25
(b) For other services (Tax audit fees, Tax accounts and Group reporting fees)	**27**	23
(c) For reimbursement of expenses*	**2**	-
	66	48

* amount below rounding off norm

42 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at 31 March 2023 and 31 March 2022 is as under:

	31 March 2023	31 March 2022
The amounts remaining unpaid to micro and small suppliers beyond appointed date as at the end of the year		
- Principal	**391**	396
- Interest	**2**	2
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	**20**	2
The amount of interest accrued and remaining unpaid at the end of each accounting year	**22**	4
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 the MSMED Act, 2006	**56**	34

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

43 Employee stock compensation plans

(i) Table below sets out the stock option activity of the various share-based payment plans under which Capgemini SE granted stock options to the Company's employees.

In accordance with Ind AS 102 - Share based payments, the Company has recognised these compensation costs based on equity method. Consequent to this, the Company has recognised a share-based payment reserve of Rs.4,118 as on 31 March 2023 (31 March 2022 - Rs.3,487).

Particulars	31 March 2023				
	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Grant date	03-Oct-18	02-Oct-19	07-Oct-20	06-Oct-21	03-Oct-22
Performance assessment dates	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	148,755	173,950	195,770	281,130	-
Total numbers of options granted during the year	-	-	-	-	316,355
Options exercised	136,213	-	-	-	-
Options forfeited or cancelled during the year	12,542	5,400	7,540	28,975	7,205
Total number of options outstanding at closing date	-	168,550	188,230	252,155	309,150
Weighted average remaining contractual life (in years)	-	0.5	1.5	2.5	3.5
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Fair values of performance conditions (Euro)	98.72	92.71	92.57	156.05	141.80
Main market conditions at grant date:					
Volatility	23.29%	23.14%	29.61%	30.97%	31.24%
Risk free interest rate	-0.109% -	-0.478% -	-0.499% -	-0.4246%	2.8360%
	0.2429%	0.458%	0.4615%	-0.2605%	-2.9520%
Expected dividend rate	1.60%	1.60%	1.60%	1.60%	1.60%
Charge for the year	68	302	354	589	406
Share based payment reserve	-	1,010	855	1,002	406

Notes forming part of standalone financial statements *(Contd.)* *(Currency : INR in million)*

Particulars	31 March 2022				
	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan
Grant date	05-Oct-17	03-Oct-18	02-Oct-19	07-Oct-20	06-Oct-21
Performance assessment dates	Three years for the three performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	106,700	154,185	182,400	204,160	-
Total numbers of options granted during the year	-	-	-	-	292,490
Options exercised	91,010	-	-	-	-
Options forfeited or cancelled during the year	15,690	5,430	8,450	8,390	11,360
Total number of options outstanding at closing date	-	148,755	173,950	195,770	281,130
Weighted average remaining contractual life (in years)	-	0.5	1.5	2.5	3.5
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Fair values of performance conditions (Euro)	79.90	98.72	92.71	92.57	156.05
Main market conditions at grant date:					
Volatility	25.65%	23.29%	23.14%	29.61%	30.97%
Risk free interest rate	-0.17% -	-0.109% -	-0.478% -	-0.499% -	-0.4246%
	0.90%	0.2429%	0.458%	0.4615%	-0.2605%
Expected dividend rate	1.60%	1.60%	1.60%	1.60%	1.60%
Charge for the year	16	328	260	322	413
Share based payment reserve	-	1,073	708	501	413

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

(ii) Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Group were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. On 18 December 2017, 18 December 2018, 18 December 2019, 17 December 2020,16 December 2021 and 16 December 2022 the ultimate parent company issued shares for 2017, 2018, 2019, 2020, 2021and 2022 employee ownership plan respectively. Plan for 2017 has vested during the year on 17 December 2022. The charge for the year for these plans are as below:

Particulars	ESOP 2017		ESOP 2018		ESOP 2019	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Number of shares	**-**	31,417	**36,567**	36,567	**39,681**	39,681
Charge for the year	**5**	4	**7**	7	**8**	7
Share based payment reserve	**30**	25	**33**	26	**26**	18

Particulars	ESOP 2020		ESOP 2021		ESOP 2022	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Number of shares	**51,137**	51,137	**40,005**	40,005	**50,811**	-
Charge for the year	**12**	13	**16**	4	**5**	-
Share based payment reserve	**28**	16	**20**	4	**5**	-

The Company has used fair value method for accounting of the above share-based payments.

44 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities for promoting programs that benefit the communities in and around the Company's work centre and further results in enhancing the quality of life and economic well being of the local populace, express commitment to the social development through responsible business practices and good governance, engage with state and its agencies in pursuing the development agenda for sustainable change for its CSR activities. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on CSR activities is Rs 496 (31 March 2022 - Rs.507). The total expenditure incurred in the Statement of Profit and Loss on 'Corporate Social Responsibility Activities' for the current year is Rs. 496 (31 March 2022 - Rs.1,011).

In current year, the total expenditure incurred on CSR activities exceeds the gross amount required to be spent by Rs.84 such excess amount shall be set off against the requirement to be spend in immediately succeeding three financial years as per Rule 7 of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 in pursuance of its obligation towards the ongoing projects.

Details of ongoing CSR projects under Sec 135(6) of the Act

Balance as at 1st April 2022		Amount required to be spent during the year	Amount spent during the year		Balance as at 31st March 2023	
With the Company	In separate CSR unspent account		From the company's bank account	From separate CSR unspent account	With the Company	In separate CSR unspent account
-	-	496	580	-	-	-

Details of CSR expenditure under section 135 (5) of the Act in respect of other than ongoing projects

Balance unspent as at 1 April 2022	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at 31 March 2023
-	-	-	-	**-**

Details of excess CSR expenditure under Section 135 (5) of the Act

Balance excess spent as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2023
-	496	580	84

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

45 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation 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 is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Company is required to update and put in place the information a month prior to the due date of filing its income tax return. 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 expenses and that of provision for tax.

46 Subsequent event

The Company vide agreement dated 7 June 2023, acquired 100% of the equity shares of Altran Technologies India Pvt. Ltd. (ATIPL) for a total consideration of Rs. 18,519 from Capgemini SE, the Ultimate Parent Company and Altran (Singapore) Pte Ltd.

47 Additional Information

Financial ratios	Numerator	Denominator	31 March 2023	31 March 2022	Variance (in %)
Current ratio	Current assets	Current liabilities	4.46	3.66	22
Debt-equity ratio	Total debt	Shareholder's equity	0.04	0.05	(20)
Debt service coverage ratio	Earnings available for debt service	Debt service	13.73	11.50	19
Return on equity ratio	Net profits after taxes	Average shareholder's equity	18.06%	17.05%	6
Trade receivables turnover ratio	Revenue	Average trade receivable - billed	6.45	7.01	(8)
Trade payable turnover ratio	Purchases of other expense and services	Average trade payables	3.78	4.12	(8)
Net capital turnover ratio	Revenue	Working capital	2.34	2.58	(9)
Net profit ratio	Net Profit	Revenue	10.64%	11.03%	(3)
Return on capital employed	Earnings before interest and taxes	Capital Employed	21.56%	20.59%	5
Return on Investment					
Mutual funds	Income on Mutual fund	Average Investment in mutual funds	5.58%	3.97%	41
Fixed deposit	Interest on fixed deposit	Average Investment in fixed deposit	5.09%	3.80%	34

Reason for variance more than 25%:

1. Return on investment: There is increase in return on investment in mutual fund and fixed deposit during the year on account of higher interest rate regime post covid recovery as compared to lower interest rates during previous year.

Note:

1. Total Debt represents only lease liabilities
2. Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
3. Debt service represents Lease payments for the year
4. Purchase of other expense and services = Other expense + Staff welfare services
5. Working capital = Current asset - Current liabilities
6. Capital employed = Tangible net worth + Deferred tax liabilities + Lease Liabilities

Notes forming part of standalone financial statements *(Contd.)*

(Currency : INR in million)

48 Previous year comparatives

Previous year's figures have been regrouped or reclassified, wherever necessary to conform to current year's presentation.

Account head transferred from	Account head transferred to	Amount
Other non-current liabilities	Provisions	127
Other financial liabilities	Trade receivables	469

These notes form an integral part of the standalone financial statements.

As per our report of even date attached.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Kalpana Rao
Independent Director
DIN: 07093566
Place: Bengaluru

Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Independent Auditors' Report

To the Members of Capgemini Technology Services India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Capgemini Technology Services India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 2.1 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial information as certified by the management referred to in sub-paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

8. 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.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 consolidated financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - 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 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.

10. 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.

11. 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.

Other Matters

12. We did not audit the financial information of 2 subsidiaries, whose financial information reflect total assets of Rs. 1,204 million and net assets of Rs. 1,123 million as at March 31, 2023, total revenue of Rs. 505 million, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 180 million and net cash inflows amounting to Rs. 98 million for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

13. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report issued in respect of the standalone financial statements of the Holding company which is included in these Consolidated Financial Statements.

    Further in our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to any of the subsidiary companies included in these Consolidated Financial Statements.

14. 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 consolidated financial statements have been kept so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records 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.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 14(b) above that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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, if any, of pending litigations on the consolidated financial position of the Group, Refer Note 41 to the consolidated financial statements.

        (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2023 – Refer Note 26 to the consolidated financial statements in respect of such items as it relates to the Group.

        (iii) During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

        (iv) (a) The Management of the Holding Company whose financial statements has been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (b) The Management of the Holding Company whose financial statements has been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us whose financial statements has been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company and its subsidiary companies, has not declared or paid any dividend during the year.

vi As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 048125
UDIN: 23048125BGWQUO9861

Place: Mumbai
Date: July 24, 2023

Annexure A to Independent Auditors' report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Capgemini Technology Services India Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Capgemini Technology Services India Limited (hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, are responsible for establishing and maintaining internal financial controls based on "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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control 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 **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 048125
UDIN: 23048125BGWQUO9861

Place: Mumbai
Date: July 24, 2023

Consolidated Balance Sheet as at 31 March 2023

(Currency : INR in million)

	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	**27,534**	29,955
Right-of-use assets	4	**7,706**	8,217
Capital work-in-progress	5	**232**	234
Goodwill	6	**8,522**	8,522
Other Intangible assets	6	**484**	516
Financial assets			
Investments	7	**472**	668
Loans	8	**1,029**	766
Others	9	**2,558**	1,557
Deferred tax assets (net)	10	**5,283**	6,692
Income tax assets (net)	34	**16,741**	14,240
Other non-current assets	11	**1,630**	2,250
Total non-current assets		**72,191**	73,617
Current assets			
Financial assets			
Investments	12	**81,147**	57,611
Trade receivables	13	**51,564**	48,199
Cash and cash equivalents	14	**9,216**	6,939
Bank balances other than cash and cash equivalents	15	**1**	1
Others	16	**932**	499
Other current assets	17	**10,444**	7,611
Total current assets		**153,304**	120,860
TOTAL ASSETS		**225,495**	194,477
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	**593**	591
Other equity	19	**179,937**	147,424
Equity attributable to share holders of the Company		**180,530**	148,015
Non controlling interests	42	**-**	501
Total equity		**180,530**	148,516
Non-current liabilities			
Financial liabilities			
Lease liabilities	20	**5,146**	5,959
Provisions	21	**5,420**	6,974
Total non-current liabilities		**10,566**	12,933
Current liabilities			
Financial liabilities			
Trade and other payables	22		
-total outstanding dues of micro enterprises and small enterprises		**391**	396
-total outstanding dues of creditors other than micro enterprises and small enterprises		**8,561**	7,924
Lease liabilities	23	**2,235**	1,928
Others	24	**4,239**	4,386
Other current liabilities	25	**5,874**	5,822
Provisions	26	**11,335**	10,122
Income tax liabilities (net)	34	**1,764**	2,450
Total current liabilities		**34,399**	33,028
Total liabilities		**44,965**	45,961
TOTAL EQUITY AND LIABILITIES		**225,495**	194,477

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Kalpana Rao
Independent Director
DIN: 07093566
Place: Bengaluru

Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(Currency : INR in million)

	Note	31 March 2023	31 March 2022
Revenue from operations	27	**278,754**	226,288
Other income	28	**5,099**	4,362
Total income		**283,853**	230,650
Expenses			
Employee benefit expense	29	**202,684**	163,492
Finance costs	30	**566**	759
Depreciation and amortisation expenses	31	**9,830**	8,755
Other expenses	32	**31,040**	25,840
Total expenses		**244,120**	198,846
Profit before tax		**39,733**	31,804
Income tax expense:	34		
Current tax		**9,244**	9,268
Deferred tax		**(1,259)**	(534)
Profit for the year		**31,748**	23,070
Other comprehensive income/(loss)	33		
(i) Items that will not be reclassified to Profit or Loss			
Remeasurements of post-employment benefit obligations		**789**	(2,114)
Income tax relating to above item		**(312)**	638
(ii) Items that will be reclassified to Profit or Loss			
Net (loss) on cash flow hedges		**(3)**	(138)
Income tax relating to above item		**3**	49
Exchange differences on translation of foreign operations		**85**	28
Total other comprehensive income/(loss) for the year, net of tax		**562**	(1,537)
Total comprehensive income for the year		**32,310**	21,533
Profit attributable to:			
Owners of the Company		**31,748**	23,024
Non-controlling interests		**-**	46
Other comprehensive income attributable to:			
Owners of the Company		**562**	(1,536)
Non-controlling interests		**-**	(1)
Total comprehensive income attributable to:			
Owners of the Company		**32,310**	21,488
Non-controlling interests		**-**	45
Earnings per equity share			
Basic and diluted earnings per equity share of face value of Rs. 10 each (in INR)	39	**535.64**	389.32

The accompanying notes form an integral part of the consolidated financial statements

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Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Consolidated Statement of Cash Flows for the year ended 31 March 2023

(Currency : INR in million)

		31 March 2023	31 March 2022
A.	**Cash flows from operating activities**		
	Profit before tax	**39,733**	31,804
	Adjustments for:		
	Depreciation and amortisation expenses	**9,830**	8,755
	Profit on sale of non-current investments	**(13)**	(65)
	Income on mutual funds	**(3,770)**	(2,255)
	Provisions no longer required written back	**(18)**	(151)
	Provision for doubtful trade receivables written (back)/off	**(57)**	(326)
	Bad trade receivables written off	**2**	334
	Provision for doubtful security deposits	**(2)**	(14)
	Profit on sale / disposal of assets (net)	**(206)**	(171)
	Gain on sale of net assets of branches	**-**	(749)
	Interest on deposits with banks	**(409)**	(108)
	Other interest income	**(400)**	(21)
	Interest expense on income tax	**-**	112
	Interest on lease obligations	**544**	642
	Interest under MSMED Act, 2006	**22**	2
	Employee stock compensation expense	**1,772**	1,374
	Unrealised foreign currency (gain)/loss (net)	**149**	(128)
	Other miscellaneous income	**-**	(53)
	Operating profit before working capital changes	**47,177**	38,982
	Changes in working capital		
	Increase in trade and other payables	**593**	2,229
	Increase in other current financial liabilities	**110**	439
	Increase in other non current liabilities	**-**	3
	Decrease in other non current financials liabilities	**-**	(4)
	Increase in other current liabilities	**52**	1,401
	Increase in provisions	**448**	1,717
	Increase in trade receivables	**(3,352)**	(13,508)
	Decrease/ (Increase) in non-current assets	**367**	(369)
	Increase in other current assets	**(2,830)**	(1,956)
	Decrease in other financial assets	**171**	269
	Cash generated from operations	**42,736**	29,203
	Taxes paid, net	**(9,705)**	(10,124)
	Net cash generated from operating activities (A)	**33,031**	19,079
B.	**Cash flows from investing activities**		
	Purchase of tangible and intangible assets	**(5,103)**	(8,531)
	Proceeds from sale of tangible and intangible assets	**284**	78
	Proceed from partial redemption of non-current investments	**208**	(784)
	Receipt of excess purchase consideration (refer note 35(b))	**9**	-
	Proceeds from liquidation of subsidiary	**-**	5
	Purchase of non-current investments	**-**	(20)
	Proceed from sale of non-current investments	**-**	177
	Purchase of current investments	**(248,784)**	(194,209)
	Proceeds from sale of current investments	**229,016**	185,641
	Consideration received on sale of net assets of branches	**22**	1,602
	Loans given	**(230)**	(541)
	Interest received on fixed deposits	**296**	193
	Amount invested in fixed deposits	**(1,443)**	-
	Net cash used in investing activities (B)	**(25,725)**	(16,389)

Consolidated Statement of Cash Flows for the year ended 31 March 2023 *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
C.	**Cash flows from financing activities**		
	Payment towards share based payment liability	**(2,049)**	(1,487)
	Payment to non- controlling interests of Aricent Technologies (Holdings) Limited (refer note 35(a))	**(19)**	-
	Interest on lease obligations	**(544)**	(642)
	Payment of lease liabilities	**(2,357)**	(2,334)
	Net cash used in financing activities (C)	**(4,969)**	(4,463)
	Net decrease in cash and cash equivalents (A+B+C)	**2,337**	(1,773)
	Effect of exchange differences on translation of foreign currency cash and cash equivalent	**(60)**	61
	Less: transfer of cash and cash equivalent as a part of slump sale of net assets of branches	**-**	(456)
	Cash and Cash equivalents at the beginning of the year	**6,939**	9,107
	Cash and Cash equivalents at the end of the year	**9,216**	6,939
Notes :			
1)	**Reconciliation of cash and cash equivalents:**		
	Cash and cash equivalents comprise of:		
	Current accounts	**1,429**	2,886
	EEFC accounts	**772**	780
	Deposit accounts	**6,390**	3,273
	Remittances in transit	**625**	-
	Cash and cash equivalents at the end of the year (refer note 14)	**9,216**	6,939

2) Purchase of tangible and intangible assets include payments for items in capital work in progress, capital creditors and advance for purchase of such tangible and intangible assets and movement from capital creditors.

3) For non-cash investing activity, refer additions to right-of-use assets in note 4.

4) Previous year's figures have been regrouped, wherever necessary to conform to the current year's classification.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

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Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31 March 2023

(Currency : INR in million)

		31 March 2023	31 March 2022
(a)	**Equity share capital**		
	Equity share capital balance at the beginning	**591**	591
	Movement during the year (refer note 35(a))	**2**	-
	Equity share capital balance at the end	**593**	591

(b) Other equity

Particulars	Attributable to the equity holders of the Company												
	Reserves and Surplus							Other reserves			Equity attributable to Equity share holders of the Company	Non con-trolling Interest	Total other equity
	Building reval-uation reserve	Securities premium	Capital redemption reserve	General reserve	Share based payment reserve	Special Economic Zone re-investment reserve	Retained earnings	Cash flow hedging reserve	Exchange differ-ences on translation of foreign operations	Remeas-urements of post- employ-ment benefit obligations			
Balance at 1 April 2021	**1**	**1,327**	**3,812**	**1,432**	**2,669**	**663**	**116,554**	**102**	**26**	**(537)**	**126,049**	**456**	**126,505**
Employee stock compensation expense for the year (refer note 43)	-	-	-	-	1,374	-	-	-	-	-	1,374	-	1,374
Recharge of share based payment from ultimate parent company	-	-	-	-	(556)	-	(931)	-	-	-	(1,487)	-	(1,487)
Utilisation from Special Economic Zone re-investment reserve	-	-	-	-	-	(182)	182	-	-	-	-	-	-
Transferred to Special Economic Zone re-investment reserve	-	-	-	-	-	664	(664)	-	-	-	-	-	-
Profit for the year (a)	-	-	-	-	-	-	23,024	-	-	-	23,024	46	23,070
Other comprehensive income for the year (b)	-	-	-	-	-	-	-	(87)	28	(1,477)	(1,536)	(1)	(1,537)
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**-**	**-**	**-**	**23,024**	**(87)**	**28**	**(1,477)**	**21,488**	**45**	**21,533**
Balance at 31 March 2022	**1**	**1,327**	**3,812**	**1,432**	**3,487**	**1,145**	**138,165**	**15**	**54**	**(2,014)**	**147,424**	**501**	**147,925**

Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31 March 2023 *(Contd.)*

(Currency : INR in million)

Particulars	Attributable to the equity holders of the Company												
	Reserves and Surplus							Other reserves			Equity attributable to Equity share holders of the Company	Non con-trolling Interest	Total other equity
	Building reval-uation reserve	Securities premium	Capital redemption reserve	General reserve	Share based payment reserve	Special Economic Zone re-investment reserve	Retained earnings	Cash flow hedging reserve	Exchange differ-ences on translation of foreign operations	Remeas-urements of post- employ-ment benefit obligations			
Balance at 1 April 2022	1	1,327	3,812	1,432	3,487	1,145	138,165	15	54	(2,014)	147,424	501	147,925
Issue of equity share capital to Non controlling interest (refer note 35(a))	-	856	-	-	-	-	-	-	-	-	856	-	856
Settlement made to Non controlling interest	-		-	-	-	-	(376)	-	-	-	(376)	(501)	(877)
Employee stock compensation expense for the year (refer note 43)	-	-	-	-	1,772	-	-	-	-	-	1,772	-	1,772
Recharge of share based payment from ultimate parent company	-	-	-	-	(1,141)	-	(908)	-	-	-	(2,049)	-	(2,049)
Utilisation from Special Economic Zone re-investment reserve	-	-	-	-	-	(1,054)	1,054	-	-	-	-	-	-
Transferred to Special Economic Zone re-investment reserve	-	-	-	-	-	771	(771)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	31,748	-	-	-	31,748	-	31,748
Other comprehensive income for the year (b)	-	-	-	-	-	-	-	-	85	477	562	-	562
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**-**	**-**	**-**	**31,748**	**-**	**85**	**477**	**32,310**	**-**	**32,310**
Balance at 31 March 2023	**1**	**2,183**	**3,812**	**1,432**	**4,118**	**862**	**168,912**	**15**	**139**	**(1,537)**	**179,937**	**-**	**179,937**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

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Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

Notes forming part of consolidated financial statements

(Currency : INR in million)

1 Corporate overview

Capgemini Technology Services India Limited ("the Company" or "CTSIL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. These consolidated financial statements comprise the Company and its subsidiaries (refer 2.1(i)) (collectively referred to as the 'Group'). The Group is primarily engaged in providing Information Technology ("IT") and IT – enabled operations, offshore outsourcing solutions, software product development services, software consulting services and BPO (business process outsourcing) services to large and medium-sized organizations using an offshore/onsite model. The Group has its subsidiaries and branches in Singapore, United States of America, Germany, Belgium, Finland, South Korea and Canada. IT services and IT-enabled operations offshore outsourcing solutions are delivered using the offshore centres located in Bengaluru, Bhubaneshwar, Chennai, Delhi, Gandhinagar, Gurugram, Hyderabad, Kolkata, Mumbai, Noida, Pune, Salem and Trichy in India.

2 Significant accounting policies

2.1 Statement of compliance and basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act read with the Companies (Indian Accounting Standards) Rules as amended from time to time. These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective:

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

i) Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements include the financial statements of the Company and its subsidiaries, which are owned and controlled. The financial statements of the Company and its majority owned/ controlled subsidiaries which are drawn up to the same reporting date have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intra-group balances/transactions and resulting unrealised gain/loss.

The financial statements of the following entities in the Group are prepared using uniform accounting policies and are drawn up to the same accounting period as that of the Group

Name of the entity	Relationship	Country	Voting power % as at	
			31 March 2023	31 March 2022
1. Annik Inc.	Subsidiary	USA	**100**	100
2. Annik UK LTD (liquidated with effect from 18 September 2021)	Subsidiary	UK	**-**	-
3. Liquidhub PTE. LTD.	Subsidiary	Singapore	**100**	100
4. Aricent Technologies (Holdings) Limited (w.e.f. 23 November 2020)*	Subsidiary	India	**-**	98.25

* refer note 35(a)

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

ii) Subsidiaries

Subsidiaries are entities controlled by the Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than majority of voting or similar rights over an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Rights arising from other contractual arrangements
- Potential voting rights held by the Group

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Non-controlling interests in the results and equity of subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2 Functional currency and presentation currency

These consolidated financial statements are prepared in Indian Rupees (INR) which is also the Group's functional currency. All amounts included in the financial statements are reported in millions of Indian Rupees (INR in million) except share and per share data, unless otherwise stated.

2.3 Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of contract costs to be incurred to complete software development project, provision for taxes, employee benefit plans, provision for doubtful debts and advances and estimated useful life of property, plant and equipment. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Group to estimate the costs expended to date as a proportion of the total costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Taxes

The Group provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions if required as a result of differing interpretation or due to retrospective amendments, if any. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in deferred tax assets.

In the year in which the MAT credit becomes eligible for utilisation, there will not be any reduction in the taxable profits and the current income taxes to be recognized in the profit and loss account. Accordingly, the Group utilises the MAT credit towards settlement of current tax liability and hence such utilisation is not routed through profit and loss account.

Business combination

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgements, estimates, and assumptions can materially affect the results of operations.

Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases 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.

Allowance for trade receivables

The Group follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Useful life of property, plant and equipment

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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any indication exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Also, Goodwill is tested for impairment on an annual basis and accordingly, the recoverable amount is estimated on an annual basis.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are combined together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Provisions and contingent liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The Group uses significant judgement to disclose contingent liabilities.

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

2.4 Business combinations

Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill

The goodwill that arises is tested annually for impairment.

Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration does not meet the definition of a financial instrument it is classified as equity and is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the Statement of Profit and Loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the Statement of Profit and Loss or OCI, as appropriate.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve. In the absence of the capital reserve, consideration in excess of carrying value of the net assets (including the reserves) taken over is adjusted to the Retained earnings.

2.5 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
b. it is held primarily for the purpose of being traded;
c. it is expected to be realised within 12 months after the reporting date; or
d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current assets.

All other assets are classified as non-current.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the group's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, generally twelve month is considered as operating cycle.

2.6 Property, plant and equipment

Freehold land is carried at historical cost. All other Property, plant and equipment are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and other non-refundable taxes or levies and directly attributable costs of bringing the asset to its working condition for the intended use and estimated costs of dismantling the assets at the site at which it is located. Trade discounts and rebates, if any, are deducted while computing the cost.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from disposal of property, plant and equipment 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 and Loss when the asset is disposed.

Assets that will be recovered primarily through sale rather than through continuing use are classified as held for sale.

2.7 Capital work in progress

The cost of property, plant and equipment not ready for use before the balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of property, plant and equipment outstanding as at balance sheet date is disclosed under other non-current assets.

2.8 Depreciation on property, plant and equipment

The Group has provided for depreciation using straight line method over the useful life of the assets as estimated by management. Pursuant to a change in business strategy and macro-economic conditions, the Group had revised its estimate of useful life for property, plant and equipment with effect from 1 January 2016 other than assets acquired by the Group pursuant to amalgamation. The revised useful lives are applicable for assets capitalised on or after 1 January 2016.

Gross block	Assets capitalised on or before 31 December 2015	Assets capitalised post 1 January 2016
Leasehold Land	Over the lease period	Over the lease period
Buildings*	25-40 years	30 years
Leasehold Improvements	Lower of lease period or primary lease period	Lower of lease period or 6 years
Computers*	3 years	3-5 years
Furniture and fixtures*	5 years	5-7 years
Office equipment*	5 years	2-15 years
Vehicles*	4-5 years	3-5 years

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Assets acquired by the Group pursuant to amalgamation of Capgemini India Private Limited have useful lives as below -

Gross block	Useful life
Leasehold Land	Over the lease period
Buildings*	30 years
Leasehold Improvements	Lower of lease period or 6 years
Computers*	3-5 years
Furniture and fixtures*	7 years
Office equipment*	7 years
Vehicles*	5 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation is charged on a proportionate basis from / up to the date the assets are purchased / sold during the year.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'other current assets'. A property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

2.9 Intangible assets

(i) Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(ii) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis over the estimated useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from disposal 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 and Loss.

Gross block	Useful life
Computer software	lower of license period or 3 - 5 years
Customer contract	1.5 years
Customer relationships	5 - 8 years
Trade name	3 years
Non-compete	3 - 5 years

2.10 Leases

(a) Group as a lessee

In accordance with Ind AS 116, at the inception of a contract, the Group assesses whether the contract is or contains a lease. The Group determines that a contract is or contains a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration.

The Group recognises lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature, except for lease of low value items.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The future lease payments for non-cancellable period is discounted using the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the Group under residual value guarantee, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Group shall exercise termination option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The Group also recognises a right-of-use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Group and estimated costs to dismantle or remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payment, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease lability is remeasured in this way, a corresponding adjustment is made to carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying value of the right-of-use asset has been reduced to zero.

Right-of-use assets is amortised over the lease term. Subsequently, right-of-use assets are measured at their inception value less amortisation and impairment if any.

The Group presents right-of-use assets under 'Right-of-use assets' and lease liabilities in 'Financial liabilities' in the Balance sheet.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(b) Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized based on contract terms.

2.11 Revenue recognition

The Group primarily derives revenue from rendering IT, IT related services and business process outsourcing services.

Revenue is recognised upon transfer of control of promised products or services to customers at the contracted price which the Group receives in exchange for those products or services. The method for recognizing revenue depends on the nature of the services rendered:

(i) Time and material contracts

Revenue from time and material contracts is recognised over the time as the related services are rendered. Revenue from these contracts are measured based on the number of hours spent on the contract and the contracted rate.

(ii) Fixed price contracts

Revenue from fixed-price development contracts is recognised using the percentage of completion method, under which the contract performance is determined by relating the actual costs incurred to date to the estimated total costs for each contract. The cost incurred (or input) method is used to measure progress as there is a direct relationship between input and productivity. If the Group does not have a sufficient basis to measure the progress of completion, revenue is recognised only to the extent contract costs incurred, for which recoverability is probable. The related costs on deliverable-based contracts are expensed as incurred.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The Group earns contractually the right to bill upon achievement of specified milestones or upon customer acceptance of work performed. The difference between cumulative billings and cumulative revenue recognised is reflected in the balance sheet as contract assets or contract liabilities.

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

Revenue from fixed price maintenance contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance. Recurring services are considered to be one single performance obligation, comprised of a series of distinct daily units of service satisfied over time.

(iii) Products

Revenue on software product licenses where the customer obtains a "right to use" are recognized when the customer obtains control of the specified asset usually on delivery of the software license to the customer. However, where the delivery is subject to acceptance from the customer the revenue is recognized on receipt of acceptance from the customer. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

(iv) Others

- As part of its operational activities, the Group may be required to resell hardware, software and services purchased from third- party suppliers to its customers. The Group acts as a "principal" when it obtains control of the hardware, software or services before transferring them to the customer. In such case, the transaction is presented on a gross basis in the Statement of Profit and Loss. If the Group acts as an "agent", the transaction is presented on a net basis in the Statement of Profit and Loss. For example, transactions are recorded on a net basis when the Group does not have the primary responsibility for the fulfilment of the contract and does not bear inventory and customer acceptance risk.
- Revenue from services rendered to parent company, ultimate parent company and fellow subsidiaries is recognised on cost plus mark-up basis determined on arm's length principle as and when the related services are rendered.
- Revenue on multi- deliverable contracts is recognised applying the appropriate method as specified above, depending on the performance obligations identified. The transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.
- The Group does not expect to have any contracts where the period between the transfer of the promised services or goods to the Customer and payment by the Customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Costs to obtain and fulfill contracts

Sales commission incurred to obtain multi-year service contracts are capitalised and amortised over the contract period. Commissions are not capitalised if the amortisation period is one year or less.

Costs incurred prior to the signature of an enforceable contract are capitalised only if they are directly attributable to the design or set- up phase of a specifically identified contract, if the signature of the contract is probable, and if the costs are expected to be recoverable from the contract.

Other costs incurred to fulfill a contract are expensed as incurred, with the exception of certain initial set- up costs, such as transition and transformation costs.

Reimbursements received from customers are recognised as revenue.

A provision for onerous contracts is recorded if the unavoidable costs of fulfilling the contract exceed the related benefits.

Contract Assets and Liabilities

Contract assets are presented separately from financial asset. Contract assets reflect revenue recognized for which the corresponding rights to receive consideration are contingent upon something else other than the passage of time, such as the Group's future performance, achievement of billing milestones, or customer acceptance. Accordingly, contract assets (unbilled revenue) is disclosed under other current assets. When customer contract assets are no longer contingent, except for the passage of time, they convert into financial asset.

Contract liabilities represent consideration received or receivable in advance of performance or billing in excess of revenue. Contract assets and liabilities are presented on a net basis for each individual contract.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(v) Judgements in revenue recognition

- The Group's contracts with customers may include promises to transfer multiple products and services to a customer. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- When multiple performance obligations are identified within a single contract, the Group allocates the total contract price to the performance obligations based on their relative Standalone Selling Price ("SSP"). In the absence of directly observable prices for similar services sold separately to similar customers, SSPs are estimated, based on expected costs plus a margin rate commensurate with the nature and risk of the service. Further, the Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.
- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

(vi) Recognition of dividend income, interest income or expense

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Group's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied on time proportion basis to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.12 Government grant

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established and there is no uncertainty in receiving the same.

2.13 Foreign currency transactions and balances

i) Initial recognition

The Group is exposed to foreign currency transactions including foreign currency revenues, receivables, expenses and payables. Foreign exchange transactions during the year are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

ii) Translation

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

iii) Translation of foreign operations

The assets and liabilities of foreign operations (subsidiaries and branches) are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal.

2.14 Employee benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Post-employment benefits

(a) Defined benefit plan - Provident fund (Upto 30th June 2021)

The provident fund plan is a post-employment benefit plan under which the Group pays specified monthly contributions to a separate Trust. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Additionally, under the plan described above, the Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the interest rate prescribed by the Government every year to be paid on the accumulated contributions. The Group measures this liability for any interest rate shortfall through actuarial valuation as a defined benefit obligation.

Further, based on the legal opinion obtained from an independent legal counsel, the Group is obligated to make good the loss incurred by the Trust in respect of bad investments. The liability is determined based on actuarial valuation.

(b) Defined contribution plan - Provident Fund

In respect of employees covered in 2.14 (a) above, from 1 July 2021 onwards, monthly provident fund contributions are remitted to the Regional Provident Fund Commissioner, a Government authority.

In respect of other employees of the Company, monthly provident fund contributions are remitted to the Regional Provident Fund Commissioner, a Government authority for the entire year. The Company has no further obligation to contribute other than the monthly contributions and, therefore, the plan is accounted as defined contribution plan.

(c) Defined benefit plan - Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The liability or asset recognised in the balance sheet in respect of this plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of the obligation under such benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method.

The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields on Government securities as at the balance sheet date. The net interest cost is calculated by applying the discount rate to the net opening balance of the defined benefit obligation and the fair value of plan assets less estimated employer contribution for the next financial year. This cost is included in employee benefit expenses in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. All other expenses related to defined benefit plan is recognised in employee benefit expense in the Statement of Profit and Loss. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

(d) Defined benefit plan - Pension

The Group provides for superannuation scheme which is applicable to certain eligible employees. The plan provides lump sum payment based on a vesting period. The Group's liability is actuarially determined using Projected Unit Cost method at the end of each year. Actuarial gains and losses are recognised in other comprehensive income, net of taxes, for the period in which they occur.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(iii) Other long-term employee benefit obligations

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields as at the balance sheet date on Government securities, having maturity periods approximating to the terms of the related obligations. To the extent the Group does not have an unconditional right to defer the utilization or encashment of the accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

2.15 Employee stock compensation

Performance and employment linked shares

Capgemini SE, the ultimate parent company has allocated performance and employment linked shares of the ultimate parent company to the employees of the Group. The grant of such performance and employment linked shares relate to the share capital of the ultimate parent company and has no impact on the Group’s share capital. Upon vesting of these shares, the ultimate parent company may recharge the cost of acquisition of these shares to the Group.

In accordance with Ind AS 102 - Share-based payments the Group recognised these compensation costs based on equity method. Accordingly, these employees stock-based awards’ were valued at fair value as at grant date. The stock-based awards’ compensation expenses are recognised under “Employee benefit expense” in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to share-based payment reserve in other equity. On receipt of recharge invoice for a particular plan from the ultimate parent company, the Group utilises the credit available in share-based payment reserve against such plan. Any excess recharge by the ultimate parent company is adjusted in retained earnings.

Employee share ownership plan

Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Group were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. The grant of such option relate to share capital of the ultimate parent company and has no impact on the Group’s share capital. Accordingly, expenses relating to these employee share ownership plan are recognised under “Employee benefit expense” in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to Share based payment reserve in other equity.

2.16 Income taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date in each of the applicable jurisdictions.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in deferred tax assets. The Group reviews the deferred tax assets at each balance sheet date and reduces to the extent that it is no longer probable that the related tax benefit will be realized.

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

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.17 Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. 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 year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of equity shares considered to derive the basic EPS, and also the weighted average number of equity shares that could have been issued on conversion of all the dilutive potential equity shares which are deemed converted at the beginning of reporting year, unless issued at a later date.

2.18 Provisions

A provision is recognised when the Group has a present obligation as a result of 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provision for warranty

Provisions for warranty-related costs are recognised when the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Provision for site restoration

The Group records a provision for site restoration costs to be incurred for the restoration of leased building at the end of the lease period. Site restoration costs are provided at expected costs to settle the obligation and are recognised under other current assets. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate.

The Group records a provision for site restoration costs to be incurred for the restoration of leased land and building at the end of the lease period. Site restoration costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

2.19 Contingent liabilities

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

2.20 Cash Flows

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

2.21 Financial instruments

(i) Recognition and initial measurement

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

(iv) Offsetting

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

(v) Derivative instruments and hedge accounting

The Group uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counter party for these contracts is generally a bank.

The use of foreign currency forward contracts are governed by the Group’s policies, which provide written principles on the use of such financial derivatives consistent with the Group’s risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

The Group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'Cash flow hedging reserve'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss.

The Group designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. The gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity. For hedged forecast transactions, the amount accumulated in other equity is reclassified to the Statement of Profit and Loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, it is reclassified to the Statement of Profit and Loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the Statement of Profit and Loss.

Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit or loss. The Group currently does not have any such derivatives which are not closely related.

2.22 Impairment

(i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet -

- Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
- For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit and Loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.23 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.24 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.25 Segment Information

Operating segments (primary and secondary) are reported in the manner consistent with the internal reporting provided to chief operating decision maker. The Board of Directors, Chief Executive Officer and Chief Financial Officer of the Company (together referred to as the "Management") are responsible to assess the financial performance and position of the Group, and make strategic decisions. Refer Note 37 for segment information presented.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

3 Property, plant and equipment

	Freehold land	Buildings	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Total
Gross block								
Balance as at 1 April 2021	270	19,947	18,103	13,363	8,742	4,678	116	65,219
Additions	-	97	7,431	1,091	84	24	-	8,727
Disposals	-	(1)	(2,610)	(384)	(218)	(720)	(17)	(3,950)
Other adjustment**	-	-	-*	-*	-*	-	-	-
At 31 March 2022	270	20,043	22,924	14,070	8,608	3,982	99	69,996
Additions	-	12	3,321	952	426	101	1	4,813
Disposals	-	(205)	(1,012)	(80)	(51)	(98)	(63)	(1,509)
At 31 March 2023	**270**	**19,850**	**25,233**	**14,942**	**8,983**	**3,985**	**37**	**73,300**
Accumulated depreciation								
Balance as at 1 April 2021	-	(4,535)	(14,262)	(9,939)	(5,818)	(3,318)	(111)	(37,983)
Charge for the year	-	(621)	(3,249)	(1,105)	(490)	(437)	(1)	(5,903)
Disposals	-	1	2,624	369	199	635	17	3,845
Other adjustment**	-	-	-*	-*	-*	-	-	-
At 31 March 2022	-	(5,155)	(14,887)	(10,675)	(6,109)	(3,120)	(95)	(40,041)
Charge for the year	-	(621)	(4,428)	(1,149)	(566)	(347)	(1)	(7,112)
Disposals	-	105	1,023	76	37	84	62	1,387
At 31 March 2023	**-**	**(5,671)**	**(18,292)**	**(11,748)**	**(6,638)**	**(3,383)**	**(34)**	**(45,766)**
Net block								
At 31 March 2022	270	14,888	8,037	3,395	2,499	862	4	29,955
At 31 March 2023	**270**	**14,179**	**6,941**	**3,194**	**2,345**	**602**	**3**	**27,534**

**Other adjustment refers to adjustment pertaining to foreign exchange on conversion of foreign operations

*amount below rounding off norm

4 Right-of-use assets

Carrying value of right-of-use assets at the end of the reporting period by class

	Leasehold land	Lease Building#	Lease Computer Equipment	Lease Vehicles	Total
Gross Block					
Balance as at 1 April 2021	1,445	12,991	31	330	14,797
Additions	-	1,449	-	203	1,652
Disposals / termination	-	(2,471)	(31)	(112)	(2,614)
At 31 March 2022	1,445	11,969	-	421	13,835
Additions	-	1,321	-	727	2,048
Disposals / termination	-	(2,546)	-	(117)	(2,663)
At 31 March 2023	**1,445**	**10,744**	**-**	**1,031**	**13,220**
Accumulated depreciation					
Balance as at 1 April 2021	(34)	(4,621)	(27)	(150)	(4,832)
Charge for the year	(17)	(2,429)	(4)	(107)	(2,557)
Disposals / termination	-	1,637	31	103	1,771
At 31 March 2022	(51)	(5,413)	-	(154)	(5,618)
Charge for the year	(17)	(2,173)	-	(217)	(2,407)
Disposals / termination	-	2,425	-	86	2,511
At 31 March 2023	**(68)**	**(5,161)**	**-**	**(285)**	**(5,514)**
Net Block					
At 31 March 2022	1,394	6,556	-	267	8,217
At 31 March 2023	**1,377**	**5,583**	**-**	**746**	**7,706**

#Includes right-of-use assets in respect of leasehold improvements amounting to Rs. 11 (31 March 2022- Rs. 13) (Net block)

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Amount recognised in Consolidated Statement of Profit and Loss

Particulars	31 March 2023	31 March 2022
Gain on lease terminations / modifications	**45**	219
Amortisation of right-of-use assets	**2,407**	2,557
Interest on lease liabilities	**544**	642
Expenses relating to short-term lease	**72**	197

Amounts recognised in the Consolidated Statement of Cash Flows

Interest on lease obligations	**(544)**	(642)
Payment of lease liabilities	**(2,357)**	(2,334)

Notes:

(i) The Group has used a single discount rate to a portfolio of leases with similar characteristics.

(ii) The incremental borrowing rate of 4.08% to 9.80% has been applied to lease liabilities recognised in the Balance sheet at the date of initial application.

5 Capital work-in-progress

Balance as at 1 April 2021	135
Additions	9,023
Capitalisation	(8,924)
At 31 March 2022	234
Additions	5,090
Capitalisation	(5,092)
At 31 March 2023	**232**

(a) Ageing of projects in progress and projects temporarily suspended:

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	232	-	-	-	232
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023	**232**	**-**	**-**	**-**	**232**

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	234	-	-	-	234
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2022	234	-	-	-	234

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

6 Other Intangible assets

	Computer software	Trade Name	Customer Relationships	Non-compete	Customer Contract	Total other Intangible assets	Goodwill
Gross block							
Balance as at 1 April 2021	3,752	115	1,180	117	112	5,276	8,522
Additions	197	-	-	-	-	197	-
Disposals	(270)	-	-	-	-	(270)	-
At 31 March 2022	3,679	115	1,180	117	112	5,203	8,522
Additions	279	-	-	-	-	279	-
Disposals	(1,091)	-	-	-	-	(1,091)	-
At 31 March 2023	**2,867**	**115**	**1,180**	**117**	**112**	**4,391**	**8,522**
Amortisation							
Balance as at 1 April 2021	(3,590)	(115)	(763)	(61)	(112)	(4,641)	-
Charge for the year	(117)	-	(156)	(22)	-	(295)	-
Disposals	249	-	-	-	-	249	-
At 31 March 2022	(3,458)	(115)	(919)	(83)	(112)	(4,687)	-
Charge for the year	(133)	-	(156)	(22)	-	(311)	-
Disposals	1,091	-	-	-	-	1,091	-
At 31 March 2023	**(2,500)**	**(115)**	**(1,075)**	**(105)**	**(112)**	**(3,907)**	**-**
Net block							
At 31 March 2022	221	-	261	34	-	516	8,522
At 31 March 2023	**367**	**-**	**105**	**12**	**-**	**484**	**8,522**

Impairment tests for goodwill

Goodwill is monitored by management at the level of cash generating units (CGUs).

The Company tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the CGUs is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below:

Key assumptions :	
Revenue growth rate	**4% to 6.5%**
Long-term growth rate	**3%**
Pre-tax discount rate	**12.63%**

Assumption Approach used to determine values

Revenue growth rate over the five-year forecast period is based on past performance and management's expectations of market development.

Annual capital expenditure is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.

Long-term growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

Pre-tax discount rates reflects specific risks relating to the relevant industry and the countries in which they operate.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
7	**Investments**		
	Non-current Investments carried at cost		
	Quoted debt instruments		
	Investment in secured debentures		
	6.75% Piramal Capital & Housing Finance Limited [207,330 (31 March 2022 - 207,330) units of Rs. 925 each]	**192**	202
	Unquoted debt instruments		
	Investment in secured debentures		
	7.65% IL&FS Limited [28,000 (31 March 2022 - 28,000) units of Rs. 1,000 each]	**7**	7
	7.70% IL&FS Limited [82,000 (31 March 2022 - 82,000) units of Rs. 1,000 each]	**21**	21
	7.85% IL&FS Limited [24,000 (31 March 2022 - 24,000) units of Rs. 1,000 each]	**6**	6
	7.88% IL&FS Limited [40,000 (31 March 2022 - 40,000) units of Rs. 1,000 each]	**10**	10
	8.00% IL&FS Financial Services Limited* [28,400 (31 March 2022 - 28,400) units of Rs. 1,000 each]	**-**	7
	8.23% IL&FS Financial Services Limited* [30,000 (31 March 2022 - 30,000) units of Rs. 1,000 each]	**-**	8
	8.30% IL&FS Limited [200,000 (31 March 2022 - 2,00,000) units of Rs. 1,000 each]	**50**	50
	8.51% IL&FS Financial Services Limited* [34,500 (31 March 2022 - 34,500) units of Rs. 1,000 each]	**-**	8
	8.60% IL&FS Financial Services Limited* [26,300 (31 March 2022 - 26,300) units of Rs. 1,000 each]	**-**	7
	8.70% IL&FS Financial Services Limited* [545,000 (31 March 2022 - 5,45,000) units of Rs. 1,000 each]	**-**	136
	8.75% IL&FS Financial Services Limited* [75,500 (31 March 2022 - 75,500) units of Rs. 1,000 each]	**-**	19
	8.85% Reliance Capital Limited [2 (31 March 2022 - 2) units of Rs. 1,000,000 each]	**1**	1
	9.00% IL&FS Limited [555 (31 March 2022 - 555) units of Rs. 1,000,000 each]	**139**	139
	9.00% Reliance Capital Limited [10 (31 March 2022 - 10) units of Rs. 1,000,000 each]	**3**	3
	9.05% IL&FS Limited [100 (31 March 2022 - 100) units of Rs. 1,000,000 each]	**25**	25
	9.10% IL&FS Limited [35 (31 March 2022 - 35) units of Rs. 1,000,000 each]	**9**	9
	9.15% IL&FS Limited [32 (31 March 2022 - 32) units of Rs. 1,000,000 each]	**8**	8

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Investment in unsecured debentures		
8.65% IL&FS Financial Services Limited [129,000 (31 March 2022 - 1,29,000) units of Rs. 1,000 each]	**1**	1
8.68% IL&FS Financial Services Limited* [42,500 (31 March 2022 - 42,500) units of Rs. 1,000 each]	**-**	1
8.90% IL&FS Financial Services Limited* [44,000 (31 March 2022 - 44,000) units of Rs. 1,000 each]	**-**	-
9.55% IL&FS Financial Services Limited* [6,000 (31 March 2022 - 6,000) units of Rs. 1,000 each]	**-**	-
10.40% Reliance Capital Limited* [3 (31 March 2022 - 3) units of Rs. 1,000,000 each]	**-**	-
Unquoted equity instruments		
Investment in shares of bank		
The Saraswat Co-operative Bank Limited*		
[1,530 (31 March 2022 - 1,530) shares of Rs.10 each fully paid up]	**-**	-
The Kapol Co-operative Bank Limited*		
[10 (31 March 2022 - 10) shares of Rs.10 each fully paid up]	**-**	-
	472	668

*amount below rounding off norm

	31 March 2023	31 March 2022
Total non-current investments		
Aggregate amount of quoted investments	**192**	202
Aggregate market value of quoted investments	**190**	196
Aggregate amount of unquoted investments	**280**	466
Aggregate amount of impairment in the value of investments	**-**	-

Note: During the year, the Group received interim distribution on its investment held in IL&FS Financial Services Limited (secured debentures) of Rs.198. The Group has recognised a gain of Rs.13 and is carrying nominal value of investment pending final resolution.

8 Loans

	31 March 2023	31 March 2022
Non-current		
Unsecured, considered good		
Loans to related parties (refer note 38)	**1,029**	766

9 Other financial assets

	31 March 2023	31 March 2022
Non-current		
Unsecured, considered good		
Security deposits	**1,115**	1,557
Bank balance other than cash and cash equivalents (refer note below)	**1,443**	-
Unsecured, considered doubtful		
Security deposits	**65**	81
Less: Provision for doubtful deposits	**65**	81
	2,558	1,557

Note: Includes repatriation of funds received from US branch of the Company on account of slump sale.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
10	**Deferred tax assets (net)**		
	Deferred tax liabilities		
	Cash flow hedges	**3**	5
		3	5
	Deferred tax assets		
	Property, plant and equipment and intangible assets	**98**	(951)
	Provisions - employee benefits	**4,635**	4,448
	Provision for doubtful trade receivables	**86**	107
	Merger expenses	**28**	33
	MAT credit carried forward	**133**	2,492
	Others	**306**	568
		5,286	6,697
	Net deferred tax asset (refer note 34)	**5,283**	6,692
11	**Other non-current assets**		
	Capital advances	**31**	284
	Prepaid expenses	**222**	329
	Prepayment of pension liability (refer note 36 (b)(i))	**28**	25
	Balances with statutory/government authorities (VAT/Service tax credit receivable)	**855**	1,116
	Deferred contract costs	**17**	21
	Other assets	**477**	475
		1,630	2,250
12	**Investments**		
	Current investment in mutual funds carried at Fair Value Through Profit and Loss (quoted)		
	924,507 (31 March 2022 - 52,513) units in HDFC Liquid Fund - Direct Plan - Growth	**4,089**	220
	69,575,699 (31 March 2022 - 84,966,471) units in Bandhan Low Duration Fund-Growth-(Direct Plan) (erstwhile IDFC Low Duration Fund-Growth-Direct Plan)	**2,329**	2,708
	1,881,467 (31 March 2022 - 4,173,920) units in ICICI Prudential Saving Fund- Direct Plan - Growth	**870**	1,827
	7,464,552 (31 March 2022 - 2,714,755) units in ICICI Prudential Liquid - Growth Direct Plan	**2,487**	856
	20,919,164 (31 March 2022 - 32,566,026) units in Kotak Savings Fund-Growth - Direct	**796**	1,174
	493,776 (31 March 2022 - 299,373) units in HSBC Liquid Fund - Direct Growth	**1,107**	635
	10,399,644 (31 March 2022 - 17,381,382) units in HDFC Floating Rate Debt Fund - Short Term Plan Direct Plan Wholesale Option - Growth Option	**441**	697
	788,938 (31 March 2022 - 788,938) units in Axis Treasury Advantage Fund - Direct Growth [TA- DG]	**2,154**	2,043
	11,615,831 (31 March 2022 - 14,866,847) units in ICICI Prudential Money Market Fund - Direct Plan -Growth	**3,767**	4,563
	927,569 (31 March 2022 - 927,648) units in Kotak Money Market Fund DP Growth	**3,551**	3,358
	65,405,663 (31 March 2022 - 65,405,663) units in Bandhan Corporate Bond Fund Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund Direct Plan-Growth)	**1,086**	1,049
	205,226 (31 March 2022 - 205,226) units in SBI Magnum Ultra Short Duration Fund Direct Growth	**1,059**	1,005
	110,654 (31 March 2022 - 263,992) units in Invesco India Treasury Advantage Fund - Direct Plan Growth	**369**	838
	239,340,451 (31 March 2022 - 239,410,073) units in HDFC Ultra Short Term Fund Direct Growth	**3,137**	2,972

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
8,797,777 (31 March 2022 - 12,134,281) units in Aditya Birla Sun Life Money Manager Fund-Growth-Direct Plan	**2,782**	3,627
576,944 (31 March 2022 - 75,907) units in SBI Liquid Fund - Direct Plan -Growth	**2,033**	253
133,919 (31 March 2022 - 167,585) units in DSP Blackrock Liquidity Fund Direct Plan- Growth	**431**	510
433,849 (31 March 2022 - 433,849) units in Axis Banking And PSU Debt Fund - Direct Growth [TA-DG]	**993**	949
764,527 (31 March 2022 - 2,036,336) units in Axis Money Market Fund Direct Growth	**931**	2,345
6,290,295 (31 March 2022 - 7,064,213) units in Aditya Birla Sun Life Low Duration Fund Growth Direct	**3,846**	4,085
933,026 (31 March 2022 - 630,535) units in HDFC Money Market Fund Direct Plan Growth Option	**4,592**	2,935
21,758,997 (31 March 2022 - 21,758,997) units in Bandhan Banking & PSU Debt Fund-Direct Plan-Growth (erstwhile IDFC Banking & PSU Debt Fund-Direct Plan-Growth)	**465**	444
36,480,604 (31 March 2022 - 36,480,604) units in Bandhan Money Manager Fund-Growth (Direct Plan) (erstwhile IDFC-Money Manager Fund-Growth-Direct Plan)	**1,345**	1,274
2,268,768 (31 March 2022 - 99,823) units in Bandhan Liquid Fund-Growth Plan (Direct Plan) (erstwhile IDFC Cash Fund-Growth-Direct Plan)	**6,168**	257
1,191,102 (31 March 2022 - 1,340,204) units in Nippon India Money Market Fund Direct Plan Growth Plan Growth Option	**4,225**	4,491
605,925 (31 March 2022 - 1,017,393) units in Tata Money Market Fund Direct Plan Growth	**2,453**	3,891
86,241,542 (31 March 2022 - 88,082,450) units in SBI Savings Fund Direct Plan Growth	**3,240**	3,132
174,678 (31 March 2022 - 174,678) units in Kotak Low Duration Fund Direct Growth	**535**	507
893,972 (31 March 2022 - 750,301) units in Nippon India Low Duration Fund - Direct Growth Plan	**2,986**	2,378
20,222,908 (31 March 2022 - 20,222,908) units in Bandhan Ultra Short Term Fund Direct Plan-Growth (erstwhile IDFC Ultra Short Term Fund Direct Plan-Growth)	**265**	251
79,210 (31 March 2022 - 79,210) units in Invesco India Money Market Fund - Direct Plan - Growth	**211**	201
319,182 (31 March 2022 - Nil) units in Axis Liquid Fund Direct Plan Growth - CFDG	**798**	-
1,096,400 (31 March 2022 - Nil) units in Tata Liquid Fund - Direct Plan - Growth	**3,894**	-
747,298 (31 March 2022 - Nil) units in Kotak Liquid Direct Plan Growth	**3,399**	-
560,301 (31 March 2022 - Nil) units in ICICI Prudential Overnight Fund Direct - Growth	**677**	-
555,171 (31 March 2022 - Nil) Units In Nippon India Liquid Fund-Direct Plan Growth Plan-Growth Option	**3,057**	-
1,101,596 (31 March 2022 - Nil) units in Invesco India Liquid Fund - Direct Plan Growth	**3,404**	-
284,505 (31 March 2022 - Nil) units in SBI Liquid Fund - Direct Plan -Growth	**1,002**	-
142,291 (31 March 2022 - Nil) units in Aditya Birla Sun Life Overnight Fund - Growth-Direct Plan	**173**	-
Nil (31 March 2022 - 748,388) units in Aditya Birla Sun Life Liquid Fund-Growth - Direct Plan (Formerly Aditya Birla Sun Life Cash Plus - Growth Direct Plan)	**-**	257
Nil (31 March 2022 - 2,102,935) units in ICICI Prudential Overnight Fund Direct Growth - Regular	**-**	241
Nil (31 March 2022 - 2,652,732) units in Aditya Birla Sun Life Savings Fund-Growth - Direct Plan	**-**	1,181
Nil (31 March 2022 - 12,119,659) units in Nippon India Floating Rate Fund - Growth - Direct	**-**	457
	81,147	57,611

Total current investments		
Aggregate amount of quoted investments	**81,147**	57,611
Aggregate market value of quoted investments	**81,147**	57,611
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of impairment in the value of investments	**-**	-

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

			31 March 2023	31 March 2022
13	**Trade receivables (unsecured)**			
	Trade receivables - billed		**47,152**	39,754
	Less: allowance for doubtful receivables		**221**	279
	Considered good		**46,931**	39,475
	Trade receivables - billed		**40**	40
	Less: allowance for doubtful receivables		**40**	40
	Credit impaired		**-**	-
		(A)	**46,931**	39,475
	Trade receivables - unbilled	**(B)**	**4,633**	8,724
		(A+B)	**51,564**	48,199
	Trade receivables includes :			
	Dues from related parties - billed (refer note 38)		**39,777**	32,731
	Dues from related parties - unbilled (refer note 38)		**4,633**	7,776
	Dues from other than related parties - billed		**7,154**	6,744
	Dues from other than related parties - unbilled		**-**	948
			51,564	48,199

In determining the allowance for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for external trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

Ageing of Trade receivables

Particulars		Outstanding as on 31 March 2023 from the due date						
	Unbilled	Not Due	Less than 6 Months	6 months -1year	1-2 years	2-3years	More than 3 years	Total
Undisputed Trade receivables – considered good	4,633	44,978	1,964	45	56	*	16	**51,692**
Disputed Trade receivables – considered good	-	-	-	-	-	-	93	**93**
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	40	**40**
	4,633	44,978	1,964	45	56	-	149	**51,825**
Less: Allowance for doubtful trade receivables								**261**
	4,633	44,978	1,964	45	56	-	149	**51,564**

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Particulars	Outstanding as on 31 March 2022 from the due date							
	Unbilled	Not Due	Less than 6 Months	6 months -1year	1-2 years	2-3years	More than 3 years	Total
Undisputed Trade receivables – considered good	8,724	37,222	2,158	80	5	73	123	48,385
Disputed Trade receivables – considered good	-	-	-	-	-	-	93	93
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	40	40
	8,724	37,222	2,158	80	5	73	256	48,518
Less: Allowance for doubtful trade receivables								319
	8,724	37,222	2,158	80	5	73	256	48,199

*amount below rounding off norm

		31 March 2023	31 March 2022
14	**Cash and cash equivalents**		
	Balance with banks :		
	In current accounts	**1,429**	2,886
	In EEFC accounts	**772**	780
	In deposit accounts*	**6,390**	3,273
	Remittances in transit	**625**	-
		9,216	6,939

*The deposits maintained by the Group with banks and financial institutions comprise of time deposits including deposits with maturities more than three months, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

15	**Bank balances other than cash and cash equivalents**		
	Current		
	Balance with banks :		
	Held as margin money with custom authorities (refer note below)	**1**	1

Note : Deposit accounts include restricted bank balances Rs. 0.3 (31 March 2022 - Rs. 0.7) held as margin money deposit against guarantee and Rs. Nil (31 March 2022 - Rs. 0.1) held as margin money against Uttar Pradesh VAT.

16	**Other financial assets**		
	Current		
	Unsecured, considered good		
	Security deposits	**642**	176
	Derivative asset	**36**	30
	Advances to employees	**108**	188
	Interest accrued on fixed deposit	**146**	34
	Purchase consideration receivable (refer note 35(b))	**-**	22
	Others	**-**	49
	Unsecured, considered doubtful		
	Security deposits	**92**	78
	Less: Provision for doubtful deposits	**92**	78
		932	499

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
17	**Other current assets**		
	Prepaid expenses	**5,183**	4,196
	Balances with Government authorities (GST credit receivable)	**379**	238
	Unbilled revenues*	**4,510**	2,863
	Advance to vendors	**309**	290
	Deferred contract costs	**63**	21
	Others	**-**	3
		10,444	7,611

* Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestone.

		31 March 2023	31 March 2022
18	**Equity share capital**		
	Authorised:		
	396,210,000 (31 March 2022 - 256,110,000) equity shares of Rs. 10 each (refer note (i) & (ii) below)	**3,962**	2,561
	50,000,000 (31 March 2022 - 50,000,000) equity shares of Re. 1 each	**50**	50
	10,800,000 (31 March 2022 - 10,800,000) compulsorily convertible preference shares ('CCPS') of Rs. 10 each	**108**	108
	14,000,000 (31 March 2022 - 14,000,000) 5% 10 year redeemable non-cumulative preference shares of Rs. 10 each	**140**	140
	1,500,000,000 (31 March 2022 - Nil) redeemable optionally convertible non-cumulative 0.001% preference shares of Rs. 10 each (refer note (i) below)	**15,000**	-
	100,000 (31 March 2022 - Nil) redeemable preference shares of Rs. 10 each (refer note (i) below)	**1**	-
	Issued, subscribed and fully paid up:		
	59,271,296 (31 March 2022 - 59,139,500) equity shares of Rs. 10 each	**593**	591

Notes -

(i) The authorised share capital of the Company was increased to 396,210,000 equity shares of Rs. 10 each from 256,110,000 equity shares of Rs. 10 each pursuant to approval of the Scheme of Amalgamation of Aricent Technologies (Holdings) Limited (ATHL) vide order of National Company Law Tribunal, Mumbai bench dated 23 December 2022.

The authorised share capital of the Company has a new class of equity shares of 1,500,000,000 redeemable optionally convertible non-cumulative 0.001% preference shares of Rs. 10 each and 100,000 redeemable preference shares of Rs. 10 each pursuant to approval of the Scheme of Amalgamation of ATHL.

(ii) During the previous year, the authorised share capital of the Company was increased to 256,110,000 equity shares of Rs. 10 each from 256,100,000 equity shares of Rs. 10 each w.e.f. 01 April 2021 pursuant to approval of the Scheme of Amalgamation of Solcen Technologies Private Limited vide order of National Company Law Tribunal, Mumbai bench dated 11 March 2022.

a. Reconciliation of shares outstanding at the beginning and at the end of the year:

	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	**59,139,500**	**591**	59,139,500	591
Add: Issued during the year (refer note 35 (a))	**131,796**	**2**	-	-
Balance as at the end of the year	**59,271,296**	**593**	59,139,500	591

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

b. Right, preferences and restrictions attached to equity shares

The Company has only one class of issued, subscribed and fully paid-up equity shares having par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. The Company declares and pays dividends in Indian rupees. Any dividends proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

c. Shares held by parent / ultimate parent company and its subsidiary

Out of total shares issued by the Company, shares held by the parent company, ultimate parent company and their subsidiaries are as below:

	31 March 2023		31 March 2022	
	Number of shares	**Amount**	Number of shares	Amount
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**20,750,621**	**208**	20,750,621	208
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**255**	25,487,362	255
Capgemini North America Inc., subsidiary of ultimate parent company	**12,764,378**	**128**	12,764,378	128
Balance as at the end of the year	**59,002,361**	**591**	59,002,361	591

The number of shares held by promoters as at 31 March 2023 and as at 31 March 2022 are same as disclosed above. There is no change in the number of shares held by promoters during the current and previous year. Pursuant to the merger (refer note 35 (a)), there is a change in the percentage holding by the promoters during the year. Refer note (d) below for the percentage of shareholding. There is no change in the percentage holding by the promoters during the previous year.

d. Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

	31 March 2023		31 March 2022	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**20,750,621**	**35.01%**	20,750,621	35.09%
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**43.00%**	25,487,362	43.10%
Capgemini North America Inc., subsidiary of ultimate parent company	**12,764,378**	**21.54%**	12,764,378	21.58%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31 March 2023	31 March 2022
Equity share capital issued as consideration for acquisition of subsidiary (refer note 35(a))	**2**	-
Securities premium on equity share capital issued as consideration for acquisition of subsidiary (refer note 35(a))	**856**	-
	858	-

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
19	**Other equity**		
	Attributable to the equity holders of the parent		
	Reserves and surplus		
	Building revaluation reserve		
	Balance as at the beginning / end of the year	**1**	1
	Securities premium		
	Balance as at the beginning of the year	**1,327**	1,327
	Issue of equity share capital to Non controlling interest (refer note 35(a))	**856**	-
		2,183	1,327
	Capital redemption reserve		
	Balance as at the beginning / end of the year	**3,812**	3,812
	General reserve		
	Balance as at the beginning / end of the year	**1,432**	1,432
	Share based payment reserve		
	Balance as at the beginning of the year	**3,487**	2,669
	Employee stock compensation expense for the year (refer note 43)	**1,772**	1,374
	Recharge of share based payment from ultimate parent company	**(1,141)**	(556)
		4,118	3,487
	Special Economic Zone re-investment reserve		
	Balance as at the beginning of the year	**1,145**	663
	Utilisation from Special Economic Zone re-investment reserve (pertains to FY 2019-20, 2020-21 and 2021-22 amounting to Rs. 130, Rs. 315 and Rs. 609 respectively)	**(1,054)**	(182)
	Transferred to Special Economic Zone re-investment reserve (current year includes previous year reversal of Rs. 91)	**771**	664
		862	1,145
	Retained earnings		
	Balance as at the beginning of the year	**138,165**	116,554
	Settlement made to Non controlling interest	**(376)**	-
	Recharge of share based payment from ultimate parent company	**(908)**	(931)
	Utilisation from Special Economic Zone re-investment reserve (pertains to FY 2019-20, 2020-21 and 2021-22 amounting to Rs. 130, Rs. 315 and Rs. 609 respectively)	**1,054**	182
	Transferred to Special Economic Zone re-investment reserve (current year includes reversal of previous year amounting to Rs. 91)	**(771)**	(664)
	Profit for the year	**31,748**	23,024
		168,912	138,165
	Total Reserves and surplus (a)	**181,320**	149,369

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Other reserves		
Cash flow hedging reserve		
Balance as at the beginning of the year	**15**	102
Other comprehensive income for the year	**-**	(87)
	15	15
Exchange differences on translation of foreign operations		
Balance as at the beginning of the year	**54**	26
Other comprehensive income for the year	**85**	28
	139	54
Remeasurements of post-employment benefit obligations		
Balance as at the beginning of the year	**(2,014)**	(537)
Other comprehensive income for the year	**477**	(1,477)
	(1,537)	(2,014)
Total of other reserves (b)	**(1,383)**	(1,945)
Total of other equity (a+b)	**179,937**	147,424

Nature and purpose of reserves

(a) Building revaluation reserve

Building revaluation reserve represents gains arising on the revaluation of land and building on 1 January 1995.

(b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(c) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of Section 69 of the Companies Act, 2013.

(d) General reserve

General reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

(e) Share based payment reserve

Capgemini SE, the ultimate parent company allocated performance and employment linked shares to certain employees of the Group. The grant of such performance and employment linked shares relate to the share capital of the ultimate parent company and has no impact on the Group's share capital. The Group determines the compensation cost based on grant date fair value method. This amount is recognised in employee benefit expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the vesting period, with a corresponding adjustment to share based payment reserve. (refer note 43).

(f) Special Economic Zone re-investment reserve

The Special Economic Zone re-investment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income-tax Act,1961. The reserve should be utilised by the Company for acquiring new plant and machinery for the purpose of its business in the terms of Sec 10AA(2) of the Income-tax Act, 1961.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(g) Retained earnings

Retained earnings is the amount of net income retained by the Group after it has paid out dividends to its shareholders.

(h) Cash flow hedging reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Consolidated Statement of Profit and Loss in the period in which the hedged transaction occurs.

(i) Exchange differences on translation of foreign operations

This reserve represents the exchange differences arising from the translation of financial statements of foreign branches and subsidiaries with functional currency other than Indian rupees to reporting currency.

(j) Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Consolidated Statement of Profit and Loss.

		31 March 2023	31 March 2022
20	**Lease liabilities**		
	Non-current		
	Lease liabilities	**5,146**	5,959
	Break-up of current and non-current lease liabilities:		
	Particulars		
	Non-current lease liabilities	**5,146**	5,959
	Current lease liabilities	**2,235**	1,928
	Total	**7,381**	7,887
	Movement in lease liabilities during the year ended:		
	Particulars		
	Lease liabilities at the beginning of the year	**7,887**	9,631
	Addition	**2,048**	1,652
	Disposal	**(197)**	(1,062)
	Interest expense	**544**	642
	Lease payments	**(2,901)**	(2,976)
	Lease liabilities at the end of the year	**7,381**	7,887
21	**Provisions**		
	Non-current		
	Provision for employee benefits		
	Gratuity (refer note 36(a))	**4,637**	6,230
	Other provision		
	Provision for site restoration (refer note (a) below)	**55**	55
	Other provisions (refer note (b) below)	**728**	689
		5,420	6,974

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
(a)	**Movement in provision for site restoration**		
	Balance as at the beginning of the year	**61**	58
	Additions	**-**	3
	Balance as at the end of the year	**61**	61
	Non Current	**55**	55
	Current (refer note 26)	**6**	6
		61	61
(b)	**Movement in other provisions**		
	Balance as at the beginning of the year	**689**	686
	Additions	**39**	3
	Balance as at the end of the year	**728**	689
	Non Current	**728**	689
	Current	**-**	-
		728	689

Other provisions as at Balance sheet date mainly on account of certain service tax related matters on input services amounting to Rs. 396 (31 March 2022 - Rs. 396).The provision is based on best estimate of the liability, as estimated by the Management and cash outflow if any, will depend on the ultimate outcome of the respective litigation.

22 Trade and other payables

	31 March 2023	31 March 2022
Total outstanding dues of micro enterprises and small enterprises	**391**	396
Total outstanding dues of creditors other than micro enterprises and small enterprises	**8,561**	7,924
	8,952	8,320
Trade and other payable includes :		
Dues to related party (refer note 38)	**4,488**	3,288
Other payables	**4,464**	5,032

Ageing of trade and other payables

Particulars	Outstanding as on 31 March 2023 from the due date of payment						
	Provision	Not Due	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
Undisputed trade payables							
MSME	-	368	19	2	2	-*	**391**
Others	2,959	2,893	2,628	28	21	32	**8,561**
	2,959	3,261	2,647	30	23	32	**8,952**

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Particulars	Provision	Not Due	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
	Outstanding as on 31 March 2022 from the due date of payment						
Undisputed trade payables							
MSME	-	134	258	4	-*	-*	396
Others	3,186	2,926	1,669	78	5	60	7,924
	3,186	3,060	1,927	82	5	60	8,320

*amount below rounding off norm

		31 March 2023	31 March 2022
23	**Lease liabilities**		
	Current		
	Lease liabilities (refer note 20)	**2,235**	1,928
24	**Other financial liabilities**		
	Current		
	Capital creditors and other payables	**317**	583
	Interest accrued under MSMED Act, 2006	**56**	34
	Payable for retention money	**91**	124
	Bonus and incentives	**3,443**	2,877
	Employees salaries payable	**271**	700
	Deferred purchase consideration (refer note 35(b))	**-**	13
	Other financial liabilities	**61**	55
		4,239	4,386
25	**Other current liabilities**		
	Unearned revenue	**638**	805
	Statutory dues payable*	**5,236**	4,994
	Advance from customers	**-**	23
		5,874	5,822

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

*Statutory dues payable comprises of -

	31 March 2023	31 March 2022
Goods and Service Tax payable	**301**	329
Tax Deducted at Source payable	**3,351**	3,238
Provident and other funds payable	**1,549**	1,392
Profession Tax payable	**29**	30
Employees State Insurance payable	**6**	5
	5,236	4,994

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
26	**Provisions**		
	Current		
	Provision for employee benefits		
	Compensated absences (refer note 36(d))	**10,144**	8,807
	Gratuity (refer note 36(a))	**-**	142
	Other defined benefit obligation (refer note 36(c)(ii))	**1,134**	1,134
	Other provision		
	Provision for site restoration (refer note 21(a))	**6**	6
	Provision for onerous contract	**18**	-
	Provision for warranty (refer note (a) below)	**33**	33
		11,335	10,122
(a)	**Movement in provision for warranty**		
	Balance as at the beginning of the year	**33**	31
	Additions	**-**	2
	Balance as at the end of the year	**33**	33
	Current	**33**	33
	Non Current	**-**	-
		33	33
27	**Revenue from operations**		
	Revenue from software operations	**278,449**	226,229
	Revenue from sale of products	**305**	59
		278,754	226,288

Revenue from software operations includes Rs. 5,131 (previous year Rs.3,042) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography :

	31 March 2023	31 March 2022
Revenue by geography:		
UK & Europe	**116,125**	93,713
America	**106,742**	86,133
India	**39,105**	33,473
Rest of the world	**16,782**	12,969
Total	**278,754**	226,288
Reconciliation of revenue recognized with the contracted price is as follows :		
Contracted price	**278,978**	226,769
less: Discounts	**224**	481
Revenue recognised	**278,754**	226,288

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2023 is Rs. 2,168 (31 March 2022: Rs. 2,574) . Out of this, the Company expects to recognise revenue of around 85% (31 March 2022: 99.7%) within the next one year and remaining thereafter.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

All other IT consulting contracts are for periods of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

The Group has presented contract assets as “unbilled revenues” in other current assets and contract liabilities as “unearned revenues” in other current liabilities in the balance sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

	31 March 2023		31 March 2022	
	Contract assets / Unbilled revenue	**Contract liabilities / Unearned revenue**	Contract assets / Unbilled revenue	Contract liabilities / Unearned revenue
Opening balance	**2,863**	**(805)**	1,951	(473)
Revenue recognised during the year	**4,510**	**805**	2,863	473
Invoices raised during the year	**(2,863)**	**(638)**	(1,951)	(805)
Balances as at the end of the year	**4,510**	**(638)**	2,863	(805)

Changes in contract assets and liabilities in respective financial years are due to timing differences between revenue recognition, billing and collection, leading to the recognition of trade receivables, contract assets and contract liabilities.

		31 March 2023	31 March 2022
28	**Other income**		
	Interest on deposits with banks	**409**	108
	Rent income	**27**	18
	Other interest	**499**	21
	Profit on sale of non-current investments (refer note (a) below)	**13**	65
	Income on mutual funds	**3,770**	2,255
	Gain on sale of net assets of branches (refer note (b) below)	**-**	749
	Provisions no longer required written back	**18**	151
	Profit on sale / disposal of assets (net)	**206**	171
	Export incentives	**9**	-
	Other miscellaneous income	**148**	261
	Net gain on foreign currency transactions	**-**	563
		5,099	4,362

(a) During the previous year, the Company liquidated its investment in Annik UK Ltd. amounting to Rs. 6 and recognised profit of Rs.5

(b) During the previous year, net assets of the US, Canada and Germany branches were sold to Capgemini America Inc, Capgemini Canada Inc and Altran Deutschland S.A.S & Co. KG respectively on slump sale basis. For US and Canada branches net assets excluding cash were transferred, for Germany branch net assets excluding cash, tax assets and liabilities were transferred. The gain as result of these transactions is as per below table:

US branch	350
Canada branch	81
Germany branch	318
	749

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
29	**Employee benefits expense**		
	Salaries, bonus and incentives	**185,054**	148,005
	Contribution to provident and other funds (refer note 36(c))	**7,899**	6,283
	Retirement benefits expense (refer note 36(a) & 36(b))	**2,796**	1,936
	Compensated absences (refer note 36(d))	**3,623**	4,207
	Employee stock compensation expense (refer note 43)	**1,772**	1,374
	Staff welfare expenses	**1,540**	1,687
		202,684	163,492
30	**Finance costs**		
	Interest on lease obligations	**544**	642
	Interest on Tax	**-**	112
	Unwinding of asset restoration provision	**-**	3
	Interest under MSMED Act, 2006	**22**	2
		566	759
31	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment (refer note 3)	**7,112**	5,903
	Depreciation of right-of-use assets (refer note 4)	**2,407**	2,557
	Amortisation of intangible assets (refer note 6)	**311**	295
		9,830	8,755
32	**Other expenses**		
	Sub-contracting expenses	**6,138**	6,811
	Repairs and maintenance:		
	- Buildings	**918**	936
	- Computer and network maintenance	**699**	1,053
	- Office maintenance	**1,860**	1,291
	- Others	**204**	402
	Rent	**127**	275
	Rates and taxes (net)	**693**	391
	Insurance	**82**	87
	Power and fuel	**966**	755
	Advertisement and sales promotion	**195**	157
	Communication	**1,424**	1,384
	Travelling and conveyance	**5,111**	1,397
	Legal and professional fees	**655**	929
	Bank charges	**23**	33
	Auditors' remuneration	**66**	48
	Merger and reorganization expenses	**13**	72
	Expenditure towards corporate social responsibility initiatives	**496**	1,011

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023	31 March 2022
Software and hardware expenses	**4,284**	3,246
Provision for doubtful trade receivables written back	**(57)**	(326)
Bad trade receivables written off	**2**	334
Provision for doubtful security deposits	**(2)**	(14)
Provision for warranty	**-**	2
Provision on onerous contracts	**18**	-
Group management fee	**2,077**	1,387
Training and recruitment	**4,115**	3,455
Directors sitting fees	**1**	2
Net loss on foreign currency transactions	**223**	-
Miscellaneous expenses	**709**	722
	31,040	25,840

33 Statement of other comprehensive income

	31 March 2023	31 March 2022
(i) Items that will not be reclassified to Profit or Loss		
Remeasurements of post-employment benefit obligations	**789**	(2,114)
Income tax relating to above item	**(312)**	638
(ii) Items that will be reclassified to Profit or Loss		
Net (loss) on cash flow hedges	**(3)**	(138)
Income tax relating to above item	**3**	49
Exchange differences on translation of foreign operations	**85**	28
Total other comprehensive income/(loss) for the year, net of tax	**562**	(1,537)

34 Income tax expense

(a) Income tax expense recognised in the Consolidated Statement of Profit and Loss:

	31 March 2023	31 March 2022
1. Current income tax		
Current tax on profits for the year	**10,194**	9,384
Adjustments for current tax of earlier years	**(950)**	(116)
	9,244	9,268
2. Deferred income tax		
Deferred tax charged	**(1,029)**	(943)
Adjustment of deferred tax for earlier years	**(230)**	409
	(1,259)	(534)
Income tax expense for the year	**7,985**	8,734

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

(b) Income tax expense recognised in other comprehensive income:

	31 March 2023			31 March 2022		
	Before tax	**Tax (expense) / benefit**	**Net of tax**	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to Profit or Loss						
Remeasurements of post-employment benefit obligations (net)	**789**	**(312)**	**477**	(2,114)	638	(1,476)
Items that will be reclassified to Profit or Loss						
Net (loss) on cash flow hedges	**(3)**	**3**	**-**	(138)	49	(89)
Exchange differences on translation of foreign operations	**85**	**-**	**85**	28	-	28
	871	**(309)**	**562**	(2,224)	687	(1,537)

(c) Reconciliation of effective tax rate

	31 March 2023	31 March 2022
Profit before tax	**39,733**	31,804
Tax using the Group's domestic tax rate (Current year and previous year 34.944%)	**13,884**	11,114
Tax effect of:		
Tax effect due to income tax holidays	**(3,682)**	(2,950)
Tax effect due to share based payments	**(341)**	(379)
Expenses not deductible for tax purposes	**180**	291
Effect of change in tax rates	**716**	384
Income taxes relating to prior years	**(1,180)**	293
Impact of tax benefit on intangibles	**(1,490)**	-
Others	**(102)**	(19)
Total income tax expense	**7,985**	8,734
Effective Tax Rate	**20.10%**	27.46%

The Company is eligible to claim income tax holiday on profits derived from the export of software services from divisions registered under Special Economic Zone ("SEZ") 2005 scheme and profits and gains derived from business of developing a Special Economic Zone u/s 80-IAB. Profits derived from the export of software services from the divisions registered under the SEZ scheme are eligible for a 100% tax holiday during the initial five consecutive assessment years, followed by 50% for further five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions from the date of commencement of operations by the respective SEZ units. In addition to this, the Company is also eligible to claim income tax holiday on profits and gains derived from business of developing a Special Economic Zone u/s 80-IAB. Profit derived from the business of developing a Special Economic Zone can be claimed as deduction equal to 100% of the profits and gains derived from such business for a period of ten consecutive assessment years. The Company is eligible to claim deductions with respect to the new workmen employed subject to the satisfaction of the conditions prescribed u/s 80JJAA of the Act. The total impact of tax holiday units, developer unit and claim of deduction u/s 80JJAA resulted in a tax benefit of Rs. 3,682 and Rs. 2,950 for current and previous year respectively. The tax holiday will begin to expire from FY 2023-24 through FY 2034-35.

The Special Economic Zone (SEZ) Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 (the Act). The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of Section 10AA(2) of the Income-tax Act, 1961. During the year, a net amount of Rs. (283) (31 March 2022 - Rs 482) was transferred to SEZ Re-investment Reserve net of utilization.

The Company has acquired 98.25% shares in Aricent Technologies (Holdings) Limited (ATHL) on 23 November 2020 for a cash consideration of Rs. 43,018. Pursuant to this acquisition, the Company has filed an application with the National Company Law Tribunal (NCLT) for the merger of ATHL with the Company and the approval from NCLT is received vide order dated 23 December 2022 for the merger with the appointed date of 1 October 2021(refer note 35(a)). Consequent to the merger, for the purpose of tax filings, the Company has obtained the purchase price allocation report from an independent valuer. Basis this report, the Company has recognized a customer relationship intangible assets of Rs.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

7,289 in Form 3CD of FY 21-22, as an addition to the block of assets under the category of Intangible assets as of 1 October 2021. Considering the deduction of amortisation in tax, the Company has created a deferred tax asset of Rs. 1,490 (net) in accordance with provisions of Ind AS 12 during the FY 22-23. This deferred tax asset created is amortised in the books in the proportion of the tax benefit availed on the claim of tax amortisation on intangibles as per the provisions of section 32 of the Income Tax Act, 1961.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('the Ordinance') issued on 20 September 2019 and which is effective 1 April 2019, domestic companies have an option to pay corporate tax rate at 22% plus applicable surcharge and cess (new tax rate) subject to certain conditions.

The Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax regime till the Company has utilised its accumulated Minimum Alternate Tax (MAT) Credit. However, in accordance with the accounting standards, the Company has evaluated the deferred tax asset balance as on 31 March 2023 and has reversed an amount of Rs. 716 (31 March 2022 - Rs 384) through the Statement of Profit and Loss, which pertains to the re-measurement of deferred tax asset that is expected to reverse in the period subsequent to Company migrating to the new tax regime.

	31 March 2023	31 March 2022
(d) Income tax assets and liabilities		
Income tax assets (net)*	**16,741**	14,240
Income tax liabilities (net)	**1,764**	2,450

* Includes deposits paid under dispute of Rs. 12,925 (31 March 2022 - Rs.10,663)

(e) Movement in deferred tax balances

	Net balance 1 April 2022	**Recognised in Statement of Profit and Loss**	**Recognised in OCI**	**Utilisation of tax credits**	**Net balance 31 March 2023**
Deferred tax liabilities					
Cash flow hedges	5	1	(3)	-	3
	5	**1**	**(3)**	**-**	**3**
Deferred tax assets					
Property, plant and equipment and intangible assets	(951)	1,049	-	-	98
Provisions - employee benefits	4,448	499	(312)	-	4,635
Provision for doubtful trade receivables	107	(21)	-	-	86
Merger expenses	33	(5)	-	-	28
MAT Credit carried forward	2,492	-	-	(2,359)	133
Others	568	(262)	-	-	306
	6,697	**1,260**	**(312)**	**(2,359)**	**5,286**
Deferred tax asset/(liability) net	**6,692**	**1,259**	**(309)**	**(2,359)**	**5,283**

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

	Net balance 1 April 2021	Business combination	Recognised in Statement of Profit and Loss	Recognised in OCI	Utilisation of tax credits	Net balance 31 March 2022
Deferred tax liabilities						
Cash flow hedges	85	(31)	(49)	-	-	5
Others	559	(559)	-	-	-	-
	644	(590)	(49)	-	-	5
Deferred tax assets						
Property, plant and equipment and intangible assets	(710)	(241)	-	-	-	(951)
Provisions - employee benefits	3,723	628	638	-	(541)	4,448
Provision for doubtful trade receivables	173	(66)	-	-	-	107
Merger expenses	41	(8)	-	-	-	33
MAT Credit carried forward	6,213	(2)	-	-	(3,719)	2,492
Others	935	(367)	-	-	-	568
	10,375	(56)	638	-	(4,260)	6,697
Deferred tax asset/(liability) net	9,731	534	687	-	(4,260)	6,692

The Company has utilised MAT credits amounting to Rs. 2,359 and 3,719 (net) for the current and previous year respectively.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Group has tax losses (which arose in Singapore jurisdiction) amounting to Rs. Nil as of 31 March 2023 (31 March 2022: Rs. Nil) that are available for offsetting in the future years against future taxable profits.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The Company has not recognized deferred tax liability on undistributed profits amounting to Rs. 980 as at 31 March 2023 and Rs.25,913 as at 31 March 2022 of its subsidiaries as it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

35 Amalgamation of wholly owned subsidiaries

(a) Aricent Technologies (Holdings) Limited

The Board of Directors, at their meeting held on 10 January 2022, approved the Scheme of Amalgamation ('the Scheme') of Aricent Technologies (Holdings) Limited (ATHL) ('transferor company'), subsidiary of the Company, with the Company. The Company filed an application with the National Company Law Tribunal, Mumbai (NCLT) to merge ATHL with the Company. NCLT approved the Scheme of Amalgamation on 23 December 2022 with effect from 1 October 2021 (appointed date).

In terms of the Scheme of Amalgamation, the whole of the undertaking of ATHL as a going concern stands transferred to and vested in the Company with effect from the appointed date. ATHL was primarily engaged in providing software product development services and software consulting services. The said amalgamation is accounted for under the "Pooling of Interest" method as prescribed under Appendix C of Ind AS 103 'Business Combinations' companies under common control.

As per the Scheme, the Company has issued 1 equity share of Rs. 10 each fully paid up for every 17 equity shares of ATHL of Rs. 10 each fully paid up at Rs. 6,509.62 each. The Company has issued 131,796 equity shares of Rs. 10 each and Rs. 19 is paid in cash towards fractional share held by non-controlling interest (NCI) shareholders of ATHL. Consequently, following amount has been recognised in the retained earnings:

Particulars	1 April 2022
Equity share capital issued to NCI	2
Share premium on Equity share capital issued to NCI	856
Amount paid for fractional allotment	19
Less : NCI as 1 April 2022	501
Amount recognised in retained earnings (net)	**376**

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(b) Solcen Technologies Private Limited

As per agreement dated 21 October 2020, CTSIL acquired 100 percent of the equity shares of Solcen Technologies Private Limited (STPL), for a total consideration (which includes deferred consideration) of Rs.536 million from Surya Software Systems Private Limited (SSSPL) and Chanel Limited.

Due to reduction in purchase consideration during the previous year, out of the total purchase consideration, Rs. 492 was paid till 31 March 2022 and balance purchase consideration amounting to Rs. 13 shown under 'Current financial liabilities' is paid during the current year. Further, 'Current financial assets' included a recoverable amount relating to purchase consideration amounting to Rs. 22 is fully recovered during the year.

The Board of Directors, at their meeting held on 26 May 2021, approved the Scheme of Amalgamation ('the Scheme') of STPL ('transferor company'), wholly owned subsidiary of the Company, with the Company. The Company filed an application with the National Company Law Tribunal, Mumbai (NCLT) to merge STPL with the Company. NCLT approved the Scheme of Amalgamation on 11 March 2022 effective 1 April 2021 (appointed date).

In terms of the Scheme of Amalgamation, the whole of the undertaking of STPL as a going concern stands transferred to and vested in the Company with effect from the appointed date. STPL was primarily engaged in providing software services and solutions for systems implementation, configuration, and maintenance and implementation services. The said amalgamation was accounted for under the "acquisition method" as prescribed under provisions of Ind AS 103 'Business Combinations'.

36 Employee benefit plans

(a) *Gratuity benefits*

The Group operates a post-employment benefit plan that provides for gratuity benefit to eligible employees. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive fifteen days salary for each year of completed service at the time of retirement / exit.

The following table summarises the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and the position of assets and obligations relating to the plan.

		31 March 2023	31 March 2022
Present value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**10,817**	9,851
Projected benefit obligation assumed on amalgamation		**-**	6
Current service cost		**2,415**	1,727
Interest cost		**713**	598
Benefits paid		**(1,901)**	(1,847)
Actuarial loss / (gain)		**(826)**	482
Projected benefit obligation at the end of the year	**(A)**	**11,218**	10,817
Fair value of plan asset			
Fair Value of plan assets at beginning of the year		**4,445**	5,697
Contributions by employer		**3,744**	258
Expected return		**331**	406
Actuarial (loss) / gain		**(38)**	(69)
Benefits paid		**(1,901)**	(1,847)
Fair Value of plan assets at end of the year	**(B)**	**6,581**	4,445
	(A-B)	**4,637**	6,372
Amounts in the Consolidated Balance Sheet			
Liabilities			
Current (refer note 26)		**-**	142
Non-current (refer note 21)		**4,637**	6,230

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

	31 March 2023	31 March 2022
Included in OCI		
Opening amount recognised in OCI outside the Consolidated Statement of Profit and Loss	**(7)**	(545)
OCI recognized on account of acquisition	**-**	(13)
Demographic assumptions	**(400)**	(48)
Financial assumptions	**(389)**	865
Experience adjustment	**(37)**	(335)
Return on plan assets excluding interest income	**38**	69
	(795)	(7)
Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	**2,415**	1,727
Interest cost	**713**	598
Expected return on plan assets	**(331)**	(406)
Total included in "Employee benefit expense" (refer note 29)	**2,797**	1,919

The Group provides the gratuity benefit through annual contributions to a fund managed by a trust. Under this plan, the settlement obligation remains with the Group, although the trust administers the plan and determines the contribution required to be paid by the Group. The trust has invested the plan assets in the Insurer managed funds. The expected rate of return on plan assets is based on the expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligation.

	31 March 2023	31 March 2022
Category of Assets	**%**	%
Insurer managed funds	**99%**	97%
Others	**1%**	3%
The principal assumptions used in determining the gratuity benefit are shown below: -		
Salary escalation rate	**7% to 9%**	7% to 9%
Discount rate	**7.30%**	6.80%

The average duration of remaining service of employees in the Group as on 31 March 2023 is 4.91years

The estimates of future salary increases, considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the long term yield on government bonds. Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below -

(i) As of 31 March 2023, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs.(367) and Rs.389 respectively.

As of 31 March 2022, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs.(397) and Rs.422 respectively.

(ii) As of 31 March 2023 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs.381 and Rs.(363) respectively.

As of 31 March 2022 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs.412 and Rs.(392) respectively.

Expected contributions to the fund post 31 March 2023 is Rs. 4,125

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

	31 March 2023
Expected benefit payments are as follows:	
Year ending 31 March	
2024	**1,412**
2025 - 2028	**5,321**
Thereafter	**13,717**

(b) ***Pension benefits***

(i) ***Pension - CTSIL***

Certain employees who have elected to continue under the defined benefit scheme are entitled to a pension on retirement subject to vesting conditions of 45 years of age and 15 years of service. In the event of earlier cessation of employment a deferred pension is payable from the normal retirement date. Employee who retires from the service of the Company is entitled to a pension at the rate of 2% of pensionable Salary, "PENSAL" (last drawn Basic Salary plus Variable Pay, limited to 20% for eligible managers) for each year of service, subject to a maximum of 70% of PENSAL. Pension as determined above is payable for a period of 15 years certain and thereafter during the lifetime of the Member. On his/her death in retirement or whilst in service, 66.67% of Member's pension is payable to the spouse during her/ his lifetime.

		31 March 2023	31 March 2022
Present value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**26**	24
Current service cost		**1**	1
Interest cost		**2**	2
Actuarial losses / gain		**(2)**	(1)
Benefits paid		**-**	*
Projected benefit obligation at the end of the year	**(A)**	**27**	26
Fair value of plan assets			
Fair Value of plan assets at beginning of the year		**64**	59
Expected return		**4**	4
Contributions by the Company		**1**	1
Benefits paid		**-**	*
Fair value of plan assets at end of the year	**(B)**	**69**	64
Amount not recognised as an asset (in accordance with Ind AS 19 para 64(b)	**(C)**	**14**	13
	(A-B+C)	**(28)**	(25)
Amount recognised in the Consolidated Balance Sheet			
Assets			
Non-current (refer note 11)		**28**	25
Opening value of asset ceiling		**13**	12
Interest on opening balance of asset ceiling		**1**	1
Remeasurements due to:		**-**	-
Change in surplus/ deficit		*****	*
Closing value of asset ceiling		**14**	13

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

	31 March 2023	31 March 2022
Included in OCI		
Opening amount recognised in OCI outside the Consolidated Statement of Profit and Loss	**(10)**	(9)
Remeasurement loss / (gain):		
Return on plan assets excluding interest income	**-**	(1)
Adjustments to recognise the effect of asset ceiling	**1**	*
Financial assumptions	**(1)**	2
Experience adjustment	**(1)**	(2)
	(11)	(10)
Expense recognised in the Consolidated Statement of Profit and Loss		
Current Service Cost	**1**	1
Interest cost	**(2)**	(1)
Expected return on plan assets	**-**	-
Total included in "Employee benefits expense" (refer note 29)	**(1)**	*

*amount below rounding off norm

Category of Assets	**%**	%
Insurer Managed Funds	**100%**	100%
The Company provides the pension benefit through contributions to a fund managed by a trust.		
The principal assumptions used in determining pension benefit are shown below:		
Discount rate (p.a)	**7.30%**	6.80%
Salary escalation rate	**9%**	9%

(i) Discount Rate:

The discount rate is based on the prevailing market yields of Indian government bonds as at the Balance Sheet date for the estimated term of the obligations.

(ii) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Expected contributions to the fund post 31 March 2023 is Rs. Nil

	31 March 2023
Expected benefit payments are as follows:	
Year ending March 31	
2024	**3**
2025*	**-**
2026*	**-**
2027	**2**
2028*	**-**
thereafter	**29**

*amount below rounding off norm

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(ii) ***Pension - ATHL***

The Group maintained a defined benefit pension plan in respect of employees transferred from Lucent Technologies GmbH ('Lucent') in terms of an agreement executed on 18 February 2003 whereby certain pension benefit obligations were transferred to the Company. During the previous year, these liabilities were transferred as part of branch slump sale to Altran Deutschland S.A.S. & Co. KG.

	31 March 2022
Present Value of defined benefit obligation	
Projected benefit obligation at the beginning of the year	254
Current service cost	1
Interest cost	2
Exchange gain / (loss)	(5)
Actuarial losses / (gain)	(15)
Benefits paid	(2)
Liabilities transferred as part of branch slump sale	(235)
Projected benefit obligation at the end of the year	-
Amount recognised in the Consolidated Balance Sheet	
Liability	
Current	-
Non-current	-
Expense recognised in the Consolidated Statement of Profit and Loss	
Current Service Cost	1
Interest cost	2
Total included in "Employee benefits expense" (refer note 29)	3
Included in OCI	
Changes on account of Financial assumptions	(15)

(c) ***Provident fund***

(i) Defined Contribution Plan

In respect of the defined contribution plan as explained in accounting policy 2.14(ii)(b), the Group has contributed Rs. 5,916 for the year (31 March 2022 - Rs. 3,871). These contributions are charged to the Statement of Profit and Loss as they accrue.

(ii) Defined Benefit Plan

The Group had a defined benefit plan for provident fund through three trusts. During the year, the Group filed an application for surrender of exemption granted from the EPF Scheme, 1952 w.e.f. 1 July 2021 for the EPF trusts i.e., Capgemini India Private Limited Employees' Provident Fund, Capgemini Business Services (India) Limited - Employees' Provident Fund and Aricent Technologies Provident Fund Trust. The surrender application was filed with Regional Provident Fund Commissioner (RPFC) Pune, Bengaluru and Delhi respectively. The applications were accepted by the RPFC and the group surrendered its trusts with effect from 1 July 2021. As a process of transfer of activities to RPFC, all the investments held by the Trust were liquidated and the liabilities as on 30 June 2021 were transferred to RPFC. A deficit funding of Rs. 916 was made by the Group during the year prior to surrender of the trusts.

As on 30 June 2021, the Group determined its liability at Rs. 2,264 in respect of provident fund based on actuarial valuation. Post the surrender of the trusts, and funding the deficit of Rs 1,130, the Group is carrying a liability of Rs.1,134 as on 31 March 2023.

Post the surrender, i.e. from 1 July 2021, the provident fund is accounted as defined contribution plan as mentioned in 36(c)(i)

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

In respect of the defined benefit plan as explained in accounting policy 2.14(ii)(a), the following tables set forth the movement in plan:

		30 June 2021
Present value of defined benefit obligation		
Projected benefit obligation at the beginning of the year		42,651
Projected benefit obligation assumed on amalgamation		8,482
Current service cost		641
Interest cost		817
Actuarial (gain)/ losses		307
Employees contribution		990
Liabilities transferred in / (out)		577
Benefits paid		(2,063)
Projected benefit obligation as at	**(A)**	52,402
Fair value of plan assets		
Fair value of plan assets at beginning of the year		41,246
Fair Value of plan assets assumed on acquisition		8,333
Expected return		792
Remeasurements due to :		
Actual return on plan assets less interest on plan assets		(3,591)
Movement on account of asset diminution		2,312
Employer contribution during the year		1,542
Employee contribution during the year		990
Assets transferred in / (out)		577
Benefits paid		(2,063)
Fair Value of plan assets as at	**(B)**	50,138
Deficit funding post surrender	**(C)**	1,130
Amount recognised in Consolidated Balance Sheet	**(A-B-C)**	1,134

	31 March 2023	31 March 2022
Amounts in the Consolidated Balance Sheet:		
Liabilities		
Current (refer note 26)	**1,134**	1,134
Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost		641
Interest cost		817
Expected return on plan assets		(792)
Total included in “Employee benefits expense” (refer note 29)		666
Amounts included in OCI		
Opening amount recognised in OCI outside the Statement of Profit and Loss		1,091
Actuarial loss/ (gain) arising from:		
Financial assumptions		99
Experience adjustment		209
Actual return on plan assets less interest on plan assets plus shortfall on asset diminution		1,279
Closing amount recognised in OCI outside the Statement of Profit and Loss		2,678

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

	30 June 2021
Plan Asset Category	
Government securities	53%
Corporate bonds	29%
Equity linked mutual funds	2%
Bank balance	14%
Others	2%
	100%

The Group provides the provident fund benefit through monthly employer and employee contributions to a fund managed by a trust.

	30 June 2021
The principal assumptions used in determining the defined benefit obligation are as follows:	
Discount rate	6.20% to 6.30%
Expected rate of return on plan assets	7.90% to 9.00%
Discount rate for the remaining term to maturity of investment	6.45% to 6.5%
Average historic yield on the investment	9.16% to 9.25%
Guaranteed rate of return	8.50%

(iii) The Group contributed Rs. 1,983 (31 March 2022 - Rs. 1,738) to the Central Government towards pension, as required by the PF Rules.

(d) Compensated absences:

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below -

	31 March 2023	31 March 2022
Amounts in the Consolidated Balance Sheet:		
Liabilities		
Non-current provisions	**-**	-
Current provisions (refer note 26)	**10,144**	8,807
Actuarial assumptions		
Discount rate	**7.30%**	6.80%
Salary escalation rate	**7% to 9%**	7% to 9%

37 Segment reporting

(i) The Group's operations predominantly relate to providing Information Technology ('IT') services, IT Enabled services, software product development services, software consulting services and business process outsourcing services delivered to customers globally through an onsite / offshore model. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group considers all of these services to be relating to one segment i.e. IT enabled services. The Group has evaluated its service offerings and has concluded that the risks and rewards of all these services are identical. Accordingly, the Board of Directors and the Chief Executive Officer who have been identified as the chief operating decision maker of the Company, review the performance of the Company as one reportable business segment i.e. IT and IT- enabled operations, solutions and services.

(ii) Geographical Segments: The Group's geographical segment is based on the location of customers. Revenue in relation to geographic areas is categorised based on the location of the specific customer entity for which services are rendered, irrespective of the customer entity that is billed for the services and whether the services are delivered onsite or offshore.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
(a)	**Revenue**		
	- UK & Europe	**116,125**	93,713
	- America	**106,742**	86,133
	- India	**39,105**	33,473
	- Rest of the world	**16,782**	12,969
		278,754	226,288

Note: Revenue of Rs. 99,280 (March 31, 2022 - Rs.78,957) is derived from a single customer. This revenue is attributed to America Segment.

(b)	**Segment assets**		
	Trade receivables (excluding allowance for doubtful receivables)		
	- UK & Europe	**17,712**	14,303
	- America	**18,742**	15,849
	- India	**7,114**	7,189
	- Rest of the world	**3,624**	2,922
		47,192	40,263
	Unbilled revenue		
	- UK & Europe	**2,599**	3,441
	- America	**2,097**	3,946
	- India	**4,175**	3,502
	- Rest of the world	**272**	697
		9,143	11,586

The total of non-current assets (other than certain financial instruments, deferred tax assets and income tax assets) of Rs.46,108 (31 March 2022: Rs. 49,694) are mainly located in the Group entity's country of domicile i.e., India.

(c)	**Segment liabilities**		
	Unearned revenue		
	- UK & Europe	**12**	279
	- America	**40**	84
	- India	**561**	376
	- Rest of the world	**26**	66
		639	805

38 Related party disclosures

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

Related parties where control exists

Parent companies

Capgemini SE, the ultimate parent company

Capgemini North America, Inc., a subsidiary of the ultimate parent company

Entity having significant influence over the Company

Capgemini America, Inc., subsidiary of Capgemini North America, Inc.

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

Other related parties

Key Management Personnel
Aiman Ezzat - Non Executive Director
Anne Catherine Lebel - Non-executive director (w.e.f. 23 March 2023)
Armin Billimoria - Company Secretary
Arul Kumaran Paramanandam - Chief Operating Officer
Aruna Jayanthi - Non-executive director (w.e.f. 26 May 2021)
Ashwin Yardi - Wholetime Director and Chief Executive Officer
Hubert Paul Henri Giraud - Non- executive director (till 06 October 2022)
Kalpana Rao - Independent director
Maria Pernas - Non-executive director (w.e.f. 23 August 2021)
Paul Hermelin - Non- executive director
Ramaswamy Rajaraman - Independent director
Shobha Meera - Non-executive director (w.e.f. 28 March 2022)
Srinivasa Rao Kandula - Wholetime director (till 10 January 2022)
Sujit Sircar - Chief Financial Officer

Employee benefit trusts of the Company or of entity related to the Company
Capgemini India Private Limited Employees' Provident Fund
Capgemini Business Services (India) Limited - Employees' Provident Fund
Capgemini India Private Limited Employees' Benevolent Fund
Capgemini Business Services (India) Limited Employees' Group Gratuity Assurance Scheme
Capgemini Business Services (India) Ltd. Employees' Superannuation Scheme
Capgemini India Employees Gratuity Fund (formerly known as IGATE Global Solutions Limited Employees Gratuity Fund)
AXA Technologies Shared Services Private Limited Employees Gratuity Trust
TCube Employees Gratuity Trust
The Liquidhub India Private Limited Employees' Gratuity Scheme
Aricent Technologies Provident Fund Trust
Aricent Technologies Gratuity Trust
Aricent Technologies Superannuation Trust

Fellow subsidiaries
Altran (Singapore) PTE LTD
Altran AG (Switzerland) (merged into Capgemini Suisse S.A. w.e.f. 1 January 2022)
Altran Australia PTY Ltd
Altran Canada Solutions (Corp) (merged into Capgemini Solutions Canada Inc. w.e.f. 30 September 2021)
Altran Connected Solutions S.A.S.
Altran Deutschland SAS & Co. Kg
Altran Engineering Solutions Inc
Altran Innovacion (Spain)
Altran Israel Ltd. (formerly known as Aricent Israel Ltd.)
Altran Italia S.P.A. (merged into Capgemini Italia SPA w.e.f. 12 January 2022)
Altran Japan Ltd
Altran Lab S.A.S.
Altran Nederland B.V.
Altran Prototypes Automobiles SAS
Altran Software US Inc (merged with Capgemini America, Inc. w.e.f. 30 September 2021)
Altran Solutions De Mexico (merged into Capgemini Mexico S. de R.L de C.V. w.e.f. 1 October 2021)
Altran Technologies India Pvt. Ltd.
Altran Technologies SAS
Altran Technology & Engineering Center S.A.S.
Altran UK
Altran US Corp (till 30 September 2021)
Aricent Belgium SRL (liquidated w.e.f. 31 December 2021)

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

Aricent N.A. Inc. (merged into Capgemini America, Inc. w.e.f. 30 September 2021)
Aricent Spain SA
Aricent Technologies Cayman (merged into Capgemini America, Inc. w.e.f. 28 July 2022)
Aricent Technologies Malaysia Snd. Bhd.
Aricent Technologies Mauritius Ltd.
Aricent Technologies Sweden AB
Cambridge Consultants (Uk)
Capgemini (China) Co. Ltd.
Capgemini (Kun Shan) Co., Ltd.
Capgemini Asia Pacific Pte Ltd. - Taiwan Branch
Capgemini Australia (New Zealand Branch)
Capgemini Australia PTY Limited
Capgemini Belgium NV/S.A.
Capgemini Brasil S.A.
Capgemini Business Services (China) Limited
Capgemini Business Services Brasil - Assessoria Empresarial Ltda.
Capgemini Canada Inc.
Capgemini Colombia SAS
Capgemini Consulting Österreich AG
Capgemini Consulting S.A.S.
Capgemini Czech Republic s.r.o
Capgemini Danmark A/S
Capgemini Deutschland GmbH
Capgemini Deutschland Holding GmbH
Capgemini Educational Services B.V.
Capgemini Egypt LLC
Capgemini Engineering Act S.A.S (formerly known as Altran ACT)
Capgemini Engineering Research and Development S.A.S. (formerly known as Capgemini DEMS France SAS)
Capgemini Engineering Sverige AB (formerly known as Altran Sverige AB)
Capgemini España S.L.
Capgemini Finance Tech S.R.L.
Capgemini Finland Oy
Capgemini France S.A.S.
Capgemini Government Solutions LLC
Capgemini Hong Kong Limited
Capgemini Ireland Limited
Capgemini IT Solutions India Pvt. Ltd.
Capgemini Italia spA
Capgemini Japan K.K.
Capgemini Magyarorszag Kft.
Capgemini Mexico S. de R.L de C.V.
Capgemini Nederland B.V.
Capgemini New Zealand Limited
Capgemini Norge A/S
Capgemini Outsourcing Services GmbH
Capgemini Philippines Corp.
Capgemini Polska Sp. z.o.o
Capgemini Portugal S.A.
Capgemini Saudi Limited
Capgemini Singapore Pte. Ltd.
Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch
Capgemini Singapore Pte. Ltd. - Dubai Branch
Capgemini Solutions Canada Inc.
Capgemini Suisse S.A.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Capgemini Sverige AB
Capgemini Technologies LLC
Capgemini Technology Services S.A.S.
Capgemini UK Plc
Capgemini UK Plc - South Africa Branch
Capgemini Vietnam Co Ltd
CHCS Services Inc - India Branch (till 31 August 2021)
CHCS Services Inc. (till 31 August 2021)
Frog Business Consultancy Limited
Frog Design BV
Frog Design Europe Gmbh
Frog Design Group UK Ltd
Frog Design Srl (merged into Capgemini Italia SPA w.e.f. 4 January 2022)
Frog Design, Inc.
Global Edge Software Limited
Inergi Inc.
Information Risk Management Limited
LLC Lohika Ltd
Lohika Systems Inc (merged into Capgemini America Inc. w.e.f. 30 September 2021)
Matiq A/S
New Horizons Systems Solutions Inc
RADI Software Do Brasil Ltda.
Societe en commandite Capgemini Quebec - Capgemini Quebec LP
Sogeti Deutschland GmbH
Sogeti Luxembourg S.A.
Sogeti Nederland B.V.
Sogeti Sverige AB
Sogeti UK Limited
Sogeti USA LLC
Tessella Limited (UK)
Tessella Inc (USA) (merged into Capgemini America, Inc. w.e.f. 31 March 2022)

Related party transactions

		31 March 2023	31 March 2022
a)	**Revenues from operations**		
	Capgemini America, Inc.,	**99,280**	79,376
	Capgemini UK Plc	**24,721**	20,397
	Others	**113,066**	89,525
b)	**Expenses cross charged***		
	Capgemini Service S.A.S.	**5,252**	3,510
	Capgemini SE	**2,841**	2,142
	Others	**2,888**	2,919

* it includes expense in the nature of software and hardware expense, training and recruitment, sub-contracting expenses, group management fees and other

c)	**Other income**		
	Altran Technologies India Pvt. Ltd.	**18**	8
	Aricent Technologies Mauritius Ltd.	**-**	128
	Capgemini IT Solutions India Pvt. Ltd.	**9**	10
	Others	**-**	15

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

		31 March 2023	31 March 2022
d)	**Profit on liquidation of subsidiary**		
	Annik UK Ltd (liquidated w.e.f. 18 September 2021)	**-**	5
e)	**Profit on sale / disposal of branch (net)**		
	Capgemini America Inc.	**-**	350
	Capgemini Canada Inc.	**-**	81
	Altran Deutschland SAS & Co. Kg	**-**	318
f)	**Sale of branches**		
	Capgemini America Inc.	**-**	1,455
	Capgemini Canada Inc.	**-**	147
	Altran Deutschland SAS & Co. Kg	**-**	22
g)	**Interest on loan given**		
	Capgemini North America, Inc.	**34**	3
h)	**Payments to employee benefit funds**		
	Capgemini India Employees Gratuity Fund Trust	**2,386**	-
	Capgemini India Private Limited Employees' Provident Fund	**-**	2,311
	Capgemini Business Services (India) Limited - Employees' Provident Fund	**-**	187
	Capgemini India Employees Gratuity Fund (formerly known as IGATE Global Solutions Limited Employees Gratuity Fund)	**1,022**	-
	Aricent Technologies Gratuity Trust	**335**	250
	Aricent Employees Provident Fund Trust	**-**	334
i)	**Key management personnel compensation**		
	Short-term employee benefits	**94**	132
	Post-employment benefits	**2**	7
	Employee share-based payment	**79**	196
	Director sitting fees	**1**	2
j)	**Purchase of investments**		
	Capgemini India Pvt. Ltd. Employees' Provident Fund	**-**	630
	Capgemini Business Services (I) Ltd EPF Trust	**-**	32
	Aricent Technologies Provident Fund Trust	**-**	122
k)	**Loans given**		
	Capgemini North America, Inc.	**263**	541
i)	**Sale of asset**		
	Altran Technologies India Pvt. Ltd.	**7**	-

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

		31 March 2023	31 March 2022
Balances outstanding			
a)	**Trade receivables - billed**		
	Capgemini America, Inc.	**17,583**	14,708
	Others	**22,194**	18,023
b)	**Trade receivables - unbilled**		
	Capgemini America, Inc.	**1,780**	3,607
	Capgemini Engineering Act S.A.S (formerly known as Altran ACT)	**922**	-
	Others	**1,931**	4,169
c)	**Unearned revenue**		
	Capgemini Technology Services S.A.S.	**-**	25
	Capgemini America, Inc.	**-**	53
	Capgemini UK Plc	**-**	153
	Others	**-**	25
d)	**Other financial assets - loans**		
	Capgemini North America, Inc.	**1,029**	766
e)	**Other current assets**		
	Capgemini Polska Sp Z.O.O	**-**	54
	Capgemini Service S.A.S.	**-**	2
	Capgemini Business Services (India) Limited Employees' Group Gratuity Assurance Scheme	**2**	2
f)	**Other current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**2,571**	1,511
	Others	**3**	26
g)	**Other current assets - unbilled revenues**		
	Capgemini America, Inc.	**11**	-
h)	**Trade payables**		
	Capgemini Service S.A.S.	**3,853**	2,478
	Others	**635**	810
i)	**Other financial liabilities**		
	Capgemini IT Solutions India Pvt. Ltd.	**2**	2

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

The Group has the following related party transactions for the year ended 31 March 2023 and 31 March 2022:

Transactions	Parent companies		Entity having significant influence over the Company		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Revenues from operations	**104**	79	**99,280**	79,376	**137,683**	109,843	**-**	-	**-**	-
Expenses cross charged	**2,841**	2,142	**303**	430	**7,837**	5,999	**-**	-	**-**	-
Other income	**-**	-	**-**	-	**27**	161	**-**	-	**-**	-
Profit on liquidation of subsidiary	**-**	-	**-**	-	**-**	5	**-**	-	**-**	-
Profit on sale / disposal of branch (net)	**-**	-	**-**	350	**-**	399	**-**	-	**-**	-
Sale of branches	**-**	-	**-**	1,455	**-**	169	**-**	-	**-**	-
Interest on loan given	**34**	3	**-**	-	**-**	-	**-**	-	**-**	-
Payments to employee benefit funds	**-**	-	**-**	-	**-**	-	**-**	-	**3,743**	3,082
Purchase of investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	784
Sale of asset	**-**	-	**-**	-	**7**	-	**-**	-	**-**	-
Loans given	**263**	541	**-**	-	**-**	-	**-**	-	**-**	-
Key managerial personnel compensation	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
- Remuneration	**-**	-	**-**	-	**-**	-	**96**	139	**-**	-
- Employee share- based payment	**-**	-	**-**	-	**-**	-	**79**	196	**-**	-
- Director sitting fees	**-**	-	**-**	-	**-**	-	**1**	2	**-**	-

The Group has the following related party balances for the year ended 31 March 2023 and 31 March 2022:

Balances outstanding	Parent companies		Entity having significant influence over the Company		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Trade receivables - billed	**20**	13	**17,583**	14,708	**22,174**	18,010	**-**	-	**-**	-
Trade receivables - unbilled	**-**	-	**1,780**	3,607	**2,853**	4,169	**-**	-	**-**	-
Unearned revenue	**-**	-	**-**	53	**-**	203	**-**	-	**-**	-
Other financial assets - loans	**1,029**	766	**-**	-	**-**	-	**-**	-	**-**	-
Other current assets	**-**	-	**-**	-	**-**	56	**-**	-	**2**	2
Other current assets - prepaid expenses	**-**	-	**-**	-	**2,574**	1,537	**-**	-	**-**	-
Other current assets - unbilled revenues	**-**	-	**11**	-	**-**	-	**-**	-	**-**	-
Trade payables	**161**	125	**76**	172	**4,251**	2,991	**-**	-	**-**	-
Other financial liabilities	**-**	-	**-**	-	**2**	2	**-**	-	**-**	-

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

39 Earnings per share (EPS)

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

The following table reflects the profit and share data used to compute basic and diluted EPS:

		31 March 2023	31 March 2022
(A)	Profit attributable to equity shareholders	**31,748**	23,024
(B)	Weighted average number of equity shares in calculating basic EPS (nos.)	**59,271,296**	59,139,500
(C)	Weighted average number of equity shares in calculating diluted EPS (nos.)	**59,271,296**	59,139,500
(A/B)	Basic earning per share of face value of Rs.10/- each (in INR)	**535.64**	389.32
(A/C)	Diluted earning per share of face value of Rs.10/- each (in INR)	**535.64**	389.32

40 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Group classifies its inputs used to measure fair value into the following hierarchy:

Level 1 : Unadjusted quoted prices in active market for identical assets or liabilities. The mutual funds are valued using the closing NAV.

Level 2 : Inputs other than quoted prices that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Unobservable inputs for assets and liabilities that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Carrying amount				Fair value			
31 March 2023	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	9,216	9,216	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1	1	-	-	-	-
Current investments	81,147	-	-	81,147	81,147	-	-	81,147
Non-current investments	-	-	472	472	-	-	-	-
Loans	-	-	1,029	1,029	-	-	-	-
Trade receivables	-	-	51,564	51,564	-	-	-	-
Other non-current financial assets	-	-	2,558	2,558	-	-	-	-
Other current financial assets	17	19	896	932	-	36	-	36
	81,164	**19**	**65,736**	**146,919**	**81,147**	**36**	**-**	**81,183**
Financial liabilities								
Trade and other payables	-	-	8,952	8,952	-	-	-	-
Lease liabilities - current and non-current	-	-	7,381	7,381	-	-	-	-
Other current financial liabilities	-	-	4,239	4,239	-	-	-	-
	-	**-**	**20,572**	**20,572**	**-**	**-**	**-**	**-**

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

31 March 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	6,939	6,939	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1	1	-	-	-	-
Current investments	57,611	-	-	57,611	57,611	-	-	57,611
Non-current investments	-	-	668	668	-	-	-	-
Loans	-	-	766	766	-	-	-	-
Trade receivables	-	-	48,199	48,199	-	-	-	-
Other non-current financial assets	-	-	1,557	1,557	-	-	-	-
Other current financial assets	8	22	469	499	-	30	-	30
	57,619	22	58,599	116,240	57,611	30	-	57,641
Financial liabilities								
Other non-current financial liabilities	-	-	-	-	-	-	-	-
Trade and other payables	-	-	8,320	8,320	-	-	-	-
Lease liabilities - current and non current	-	-	7,887	7,887	-	-	-	-
Other current financial liabilities	-	-	4,386	4,386	-	-	-	-
	-	-	20,593	20,593	-	-	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring fair values:

Financial instruments measured at fair value

Type	Valuation technique
Foreign exchange forward contracts	The Group's derivative financial instruments consist of foreign exchange forward contracts. Fair value of derivative financial instruments are based on prices as provided by the banks and are classified as Level 2. Inputs include current market-based parameters such as forward rates, yield curves and credit default swap pricing.
Investments	The Group's investments consist primarily of investment in debt linked mutual funds. Fair value of debt linked mutual funds are based on prices as stated by the issuers of mutual funds and are classified as Level 1 or 2 after considering whether the fair value is readily determinable.

During the reporting years ended 31 March 2023 and 31 March 2022, there have been no transfers of financial instruments between Level 1 or Level 2 or Level 3 fair value measurements.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of current financial assets / liabilities recognised in the financial statements at amortised value, approximate their fair values due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The fair value of long-term security deposit is Rs.1,115 as at March 31, 2023 and is Rs. 1,557 as at March 31, 2022. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

The fair value of Non-current investments is Rs. 470 as at 31 March 2023 and Rs. 661 as at 31 March 2022. The fair value was calculated based on quoted market price for some securities and valuation report obtained by the Company.

The fair value of non-current financial liabilities approximates its carrying value.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
• Credit risk ;
• Liquidity risk ; and
• Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Group periodically assesses the financial reliability of its customers, taking into account the financial conditions, current economic trends and analysis of historic bad debts and ageing of accounts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Group has trade receivables primarily from intercompanies. On analysis of historic bad debts and ageing of accounts of these receivables, the probability of default is assessed to be Nil and the Group does not foresee any credit risk.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group's exposure to customers is diversified and there is no single customer (other than related parties) contributing more than 10% of total outstanding trade receivable and unbilled revenue.

The expected loss rates are based on the payment profiles of customers over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. Out of the total trade receivables of Rs. 51,825 and Rs. 48,518 as of 31 March 2023 and 31 March 2022 respectively, the Group has receivables which are past due and impaired as detailed below -

	31 March 2023	31 March 2022
Balance at the beginning of the year	**319**	644
Impairment provision written back	**(57)**	(255)
Impairment provision utilised for write off	**(1)**	(70)
Foreign currency translation reserve*	**-**	-
Balance at the end of the year	**261**	319
% of trade receivables from other than related parties	**3.65%**	4.15%

*amount below rounding off norm

Others

Credit risk of the Group on cash and cash equivalents and investments is subject to low credit risk since the investments of the Group are only in debt mutual funds, fixed maturity plan securities with banks and financial institutions with a high credit rating by domestic and international credit rating agencies. Counter parties to foreign currency forward contracts are generally multinational banks with appropriate market standing.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group also has sufficient overdraft credit facilities with financial institutions to meet any liquidity requirements.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

The Group consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 March 2023		Contractual cash flows		
	Carrying amount	Within one year	One year but not more than five years	More than five years
Lease liabilities	**7,381**	**2,689**	**5,719**	**153**
Current financial liabilities	**4,239**	**4,239**	**-**	**-**
Trade and other payables	**8,952**	**8,952**	**-**	**-**

31 March 2022		Contractual cash flows		
	Carrying amount	Within one year	One year but not more than five years	More than five years
Lease liabilities	7,887	2,540	6,225	773
Current financial liabilities	4,386	4,386	-	-
Trade and other payables	8,320	8,320	-	-

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and market value of its investments. The exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 is as below:

Unhedged foreign currency exposures as on 31 March 2023

Particulars	Cash and cash equivalents	Trade receivables*	Trade Payables	Other financial liabilities	Other financial assets
USD	1,296	968	344	54	-
EUR	101	225	2,480	1	-
SGD	-	9	32	-	-
JPY	-	5	129	-	-
GBP	-	1	59	-	-
CAD	-	8	15	-	-
AUD	-	-	5	-	-
CNY	-	-	27	-	-
AED	-	-	1	-	-
PLN	-	-	1	-	-
DKK	-	-	*	-	-
MYR	-	-	9	-	-
NZD	-	-	*	-	-
HKD	-	-	*	-	-

*excludes allowance for doubtful receivables

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

Unhedged foreign currency exposures as on 31 March 2022

Particulars	Cash and cash equivalents	Trade receivables*	Trade Payables	Other financial liabilities	Other financial assets
USD	692	1,196	696	117	-
EUR	88	259	2,638	16	21
SGD	-	-	74	-	-
JPY	-	29	6	-	-
GBP	-	-	56	-	-
CAD	-	-	1	-	-
AUD	-	7	1	-	-
CNY	-	-	1	-	-
PLN	-	54	10	-	-
DKK	-	-	2	-	-
HKD	-	-	10	-	-
KRW	-	-	1	28	-
MYR	-	-	12	-	-
TWD	-	-	1	-	-
OMR	-	-	-	-	-

*excludes allowance for doubtful receivables

As at 31 March 2023 and 31 March 2022 every 1% increase / decrease in exchange rates of the respective foreign currencies compared to functional currency of the Company would result in (decrease) / increase in profit of the Company by approximately Rs. 5 and Rs. 13 respectively.

Currency risk

The Group is exposed to currency risk on account of its receivables and payables in foreign currencies. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, with a maturity period of generally less than one year. The Group does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as of 31 March 2023 and 31 March 2022:

Category	**31 March 2023**		31 March 2022	
	In million	**In Rs. million**	In million	In Rs. million
Forward contracts				
Hedges of recognized assets and liabilities				
USD/INR	**19**	**1,565**	30	2,335
EUR/INR	**16**	**1,441**	-	-
Hedges of highly probable forecasted transactions				
USD/INR	**84**	**6,948**	34	2,583
EUR/INR	**18**	**1,627**	-	-

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

The table below analyses the derivative financial instruments to relevant maturity groupings based on the remaining period as on the balance sheet date:

	31 March 2023	31 March 2022
Forward contracts in USD		
Not later than one month	**823**	610
One to 6 months	**3,931**	3,149
6-12 months	**3,759**	1,159
	8,513	4,918
Forward contracts in EUR		
One to 6 months	**3,068**	-
	3,068	-

The following table provides the reconciliation of cash flow hedge reserve for the year ended 31 March 2023 and 31 March 2022:

	31 March 2023	31 March 2022
Balance at the beginning of the year	**15**	102
Loss recognised in other comprehensive income during the year	**(3)**	(7)
Amount reclassified to Consolidated Statement of Profit and Loss during the year	**-**	(129)
Tax impact on above	**3**	49
Balance at the end of the year	**15**	15

Interest Risk

The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk.

	31 March 2023	31 March 2022
41 Contingent liabilities and commitments		
A) Commitments		
(i) Estimated value of contracts on capital account remaining to be executed [net of advances Rs. 31 (31 March 2022 - Rs. 284)]	**1,494**	2,027
(ii) Commitments given on leases consist primarily of the common area maintenance charges of the Group's non-cancellable leases		
Not later than one year	**615**	386
Later than one year but not later than five years	**1,154**	904
Later than five years	**118**	226
	1,887	1,516
B) Contingent liabilities		
(i) Claims not acknowledged as debt	**775**	614

(ii) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending directives from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Group has complied with the order of the SC prospectively effective 1 March, 2019 by including such allowances for PF contribution calculations.

(iii) The Company has ongoing disputes with Sales Tax, Service Tax, VAT and the Customs authorities relating to availment of input tax credits and characterization of certain transactions etc. The management evaluated the inquiries/ notices/ orders received for the matter under dispute and concluded that any consequent claims or demands by the tax authorities will not succeed on ultimate resolution.

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

(iv) The Company has ongoing disputes with income tax authorities that are pending before various judicial forums in relation to tax treatment of certain tax credits, expenses claimed as deductions, levy of buy back taxes, computation and allowability of tax holiday benefits, re-computation of Arms-Length Price margins, etc. The management evaluated the inquiries/ notices/ orders/ demands received for the matters under dispute and concluded that the Company's position will be upheld and there will not be adverse effect on the Company's financial position and its results on ultimate resolution of these matters.

During the FY 2022-23, the Company is received a favorable order from the Honorable Pune ITAT with respect to the ongoing litigation for FY 2010-11. Accordingly, FY 2010-11 will not be persued by the Company under the APA 1 route. In addition to this, the Company is confident of receiving a favorable resolution/order at the judicial forum in respect of the on-going litigation for the FY 2011-2012 (covered under APA-1), before the settlement of the Advance Pricing Agreement (Refer Note - APA).

(v) Advanced Pricing Agreement (APA):

In respect of the transactions between the Company and the Capgemini Group entities operating outside India, the Company has filed APA 1- (Covered period - FY 2010-11 to FY 2014-15) , APA 2- (Covered period - FY 2016-17 to FY 2020-21) and APA 3 (Covered period - FY 2021-22 to FY 2025-26). The determination of the arm's length pricing and the consequent tax outcome in respect of these transactions is subject to the approval of the APA by the Central Board of Direct Taxes, India, the Internal Revenue Services, USA and Capgemini USA entities (Bilateral Advance Pricing Agreement application filed by Capgemini USA (APA 1, 2 and 3)), HMRC UK and Capgemini UK entities (Bilateral Advance Pricing Agreement application filed by Capgemini UK (APA 2). The impact of these matters on the financial statements can be ascertained only upon ultimate resolution of the APA's (refer (iv) above).

(vi) Bangalore campus matters

The Company's former subsidiary ATHL in 2003 had executed an Agreement with a landowner and a developer ("Developer"), for the development, lease and purchase of land facility ("Property") at Bangalore. Under said Agreement, erstwhile ATHL had an option to purchase the Property, after completion of two years of lease term. Erstwhile ATHL took possession of the Property, but formal lease deed was not executed between the parties. In 2005, the Developer filed a suit to evict erstwhile ATHL and to recover arrears of rent and damages (2005 Suit). In 2007, erstwhile ATHL filed suit for specific performance for acquisition of property (2007 Suit) as per terms of the original Agreement. In 2010, the developer filed another eviction suit and claimed damages (2010 Suit) related to portion of property acquired by it from landowner in 2010. All these suits were consolidated by the City Civil Court, Bangalore and underwent trial for many years of protracted litigation and were adjudicated against erstwhile ATHL on each of the 2005, 2007 and 2010 suits vide Orders dated April 13, 2016. In these rulings, the City Civil Court held that ATHL was not entitled to specific performance of the purchase option in the Agreement and also ordered to pay arrears of rent and damages and to vacate the Property

Against the said Orders dated April 13, 2016 in 2005 suit, 2007 suit and 2010 suit, erstwhile ATHL filed three Appeals at the Hon'ble High Court of Karnataka. In the two appeals against the Orders in 2005 Suit and 2010 Suit, the Company sought protection against Eviction Order and also against the damages awarded against erstwhile. Third appeal was filed against the Order in 2007 suit, wherein the Company's suit for specific performance for execution of sale deed in favour of erstwhile ATHL was dismissed. The Hon'ble High Court admitted erstwhile ATHL's all appeals and also granted an interim injunction (stay) against impugned eviction Orders dated April 13, 2016, subject to payment of an amount as ordered by the City Civil Court to the Developer. Erstwhile ATHL paid Rs. 331 to the Developer as per the Orders of the Hon'ble High Court. In compliance of Hon'ble High Court Orders, erstwhile ATHL is also making monthly payment of an amount equivalent to Rs. 2 to the Developer. However, all the amount paid/payable to the Developer (i.e. initial amount and the monthly payments) are subject to final outcome of the Appeals filed by erstwhile ATHL. In August 2018, erstwhile ATHL has received copies of the cross Appeals filed by the Developer against the Orders dated April 13, 2016 passed in 2005 suit and 2010 suit, seeking damages at the higher rate as against the rate granted by the City Civil Court in the Orders dated April 13, 2016.

Based on legal opinion, the Company believes that it has a good case and possibility of resolution of the matter against the Company is remote. Further, the Company does not believe that the resolution of these matters will have a material adverse effect on the Company's Balance Sheet or Statement of Profit and Loss, or Statement of Cash Flows.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

42 Non-controlling interests (NCI)

The table below gives summarised financial information of ATHL that has non-controlling interests. In the current year, pursuant to merger of ATHL, the Company has issued 131,796 equity shares of Rs. 10 each and Rs. 19 is paid in cash towards fractional share held by non-controlling interest (NCI) shareholders of ATHL. (refer note 35(a))

	31 March 2022
Summarised Balance sheet	
Current assets	22,776
Current liabilities	4,485
Net current assets	18,291
Non-current assets	13,640
Non-current liabilities	3,244
Net non-current assets	10,396
Net assets	28,687
Less Deemed contribution to parent	33
	28,654
Accumulated NCI	501
Summarised statement of profit and loss	
Revenue	26,785
Profit for the year	2,625
Other comprehensive income	(73)
Total comprehensive income	2,552
Profit allocated to NCI	45
Summarised cash flows	
Cash flows from operating activities	5,143
Cash flows from investing activities	(2,824)
Cash flows from financing activities	(850)
Net increase/ (decrease) in cash and cash equivalents	1,469

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

43 Employee stock compensation plans

(i) Table below sets out the stock option activity of the various share-based payment plans under which Capgemini SE granted stock options to the Company's employees.

In accordance with Ind AS 102 - Share based payments, the Company has recognised these compensation costs based on equity method. Consequent to this, the Company has recognised a share-based payment reserve of Rs.4,118 as on 31 March 2023 (31 March 2022 - Rs. 3,487).

Particulars	31 March 2023				
	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Grant date	03-Oct-18	02-Oct-19	07-Oct-20	06-Oct-21	03-Oct-22
Performance assessment dates	Three years for four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	148,755	173,950	195,770	281,130	-
Total numbers of options granted during the year	-		-	-	316,355
Options exercised	136,213	-	-	-	
Options forfeited or cancelled during the year	12,542	5,400	7,540	28,975	7,205
Total number of options outstanding at closing date	-	168,550	188,230	252,155	309,150
Weighted average remaining contractual life (in years)	-	0.5	1.5	2.5	3.5
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Fair values of performance conditions (Euro)	98.72	92.71	92.57	156.05	141.80
Main market conditions at grant date :					
Volatility	23.29%	23.14%	29.61%	30.97%	31.24%
Risk free interest rate	-0.109% - 0.2429%	-0.478% - 0.458%	-0.499% - 0.4615%	-0.4246% - 0.2605%	2.8360%/2.9520%
Expected dividend rate	1.60%	1.60%	1.60%	1.60%	1.60%
Charge for the year	68	302	354	589	406
Share based payment reserve	-	1,010	855	1,002	406

Notes forming part of consolidated financial statements *(Contd.)* *(Currency : INR in million)*

Particulars	31 March 2022				
	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan
Grant date	05-Oct-17	03-Oct-18	02-Oct-19	07-Oct-20	06-Oct-21
Performance assessment dates	Three years for three performance conditions	Three years for four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions	Three years for the four performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	106,700	154,185	182,400	204,160	-
Total numbers of options granted during the year	-	-		-	292,490
Options exercised	91,010	-	-	-	-
Options forfeited or cancelled during the year	15,690	5,430	8,450	8,390	11,360
Total number of options outstanding at closing date	-	148,755	173,950	195,770	281,130
Weighted average remaining contractual life (in years)	-	0.5	1.5	2.5	3.5
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Fair values of performance conditions (Euro)	79.90	98.72	92.71	92.57	156.05
Main market conditions at grant date :					
Volatility	25.65%	23.29%	23.14%	29.61%	30.97%
Risk free interest rate	-0.17% - 0.90%	-0.109% - 0.2429%	-0.478% - 0.458%	-0.499% - 0.4615%	-0.4246% - 0.2605%
Expected dividend rate	1.60%	1.60%	1.60%	1.60%	1.60%
Charge for the year	16	328	260	322	413
Share based payment reserve	-	1,073	708	501	413

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

(ii) Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Group were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. On 18 December 2017, 18 December 2018, 18 December 2019, 17 December 2020,16 December 2021 and 16 December 2022 the ultimate parent company issued shares for 2017, 2018, 2019, 2020, 2021 and 2022 employee ownership plan respectively. Plan for 2017 has vested during the year on 17 December 2022. The charge for the year for these plans are as below:

Particulars	ESOP 2017		ESOP 2018		ESOP 2019	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
No. of shares	**-**	31,417	**36,567**	36,567	**39,681**	39,681
Charge for the year	**5**	4	**7**	7	**8**	7
Share based payment reserve	**30**	25	**33**	26	**26**	18

Particulars	ESOP 2020		ESOP 2021		ESOP 2022	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
No. of shares	**51,137**	51,137	**40,005**	40,005	**50,811**	-
Charge for the year	**12**	13	**16**	4	**5**	-
Share based payment reserve	**28**	16	**20**	4	**5**	-

The Group has used fair value method for accounting of the above employee share-based payment.

44 Subsidiaries information

Name of the subsidiary	Net Assets (Total assets-total liabilities)		Share in profit or (loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of total	Amount in Rs.	As % of total	Amount in Rs.	As % of total	Amount in Rs.	As % of total	Amount in Rs.
Parent	99.1%	178,945	93.3%	29,627	84.8%	477	93.2%	30,104
Foreign subsidiaries								
Annik Inc.	0.6%	1,080	0.3%	81	14.5%	81	0.5%	162
Liquidhub PTE. LTD.	0.0%	43	0.0%	14	0.7%	4	0.1%	18
Adjustment arising out of consolidation	0.3%	462	6.4%	2,026	0.0%	-	6.2%	2,026
TOTAL	**100.0%**	**180,530**	**100.0%**	**31,748**	**100.0%**	**562**	**100.0%**	**32,310**

45 Transfer pricing

The group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation 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 group is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The group is required to update and put in place the information a month prior to the due date of filing its income tax return. 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 expenses and that of provision for tax.

46 Subsequent event

The Company vide agreement dated 7 June 2023, acquired 100% of the equity shares of Altran Technologies India Pvt. Ltd. (ATIPL) for a total consideration of Rs. 18,519 from Capgemini SE, the Ultimate Parent Company and Altran (Singapore) Pte Ltd.

Notes forming part of consolidated financial statements *(Contd.)*

(Currency : INR in million)

47 Previous year comparatives

Previous year's figures have been regrouped or reclassified, wherever necessary to conform to current year's presentation.

Account head transferred from	Account head transferred to	Amount
Other non-current liabilities	Non-current provisions	127
Other financial liabilities	Trade receivables	489

These notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No.: 012754N/ N500016

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
CIN-U85110PN1993PLC145950

Jeetendra Mirchandani
Partner
Membership No: 048125

Ashwin Yardi
Wholetime Director & Chief Executive Officer
DIN: 07799277
Place: Mumbai

Kalpana Rao
Independent Director
DIN: 07093566
Place: Bengaluru

Armin Billimoria
Company Secretary
FCS - 8637
Place : Mumbai
Date : 24 July 2023

Sujit Sircar
Chief Financial Officer
Place : Bengaluru

Place : Mumbai
Date : 24 July 2023

https://www.capgemini.com/in-en/what-we-do/group-overview/Capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/

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