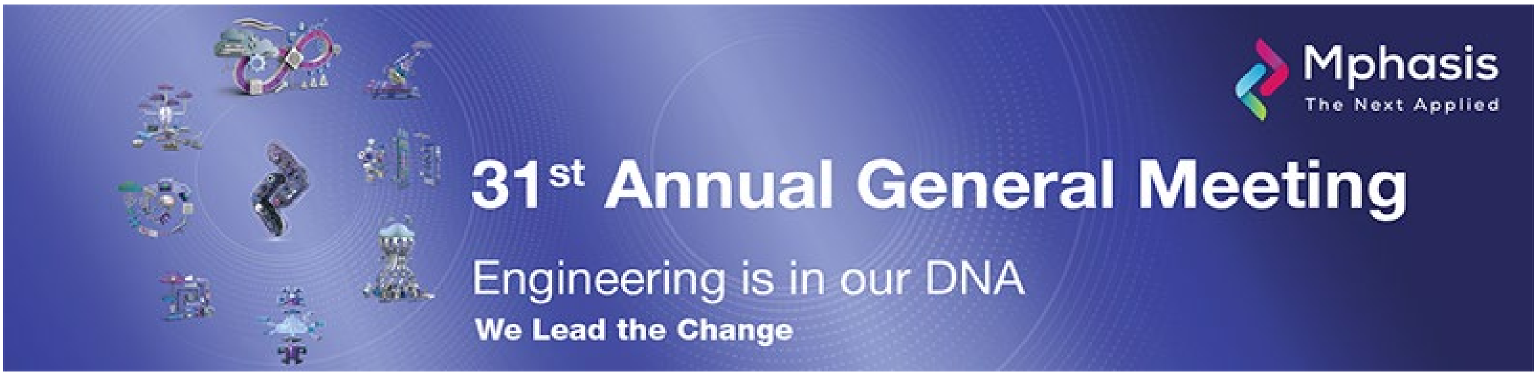

MPHASIS SUBSIDIARIES FINANCIALS
FY 2022

B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
Off Intermediate Ring Road,
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000
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Independent Auditor's Report

To the Members of Msource (India) Private Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The 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 financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 29 to the financial statements.

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 37b to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 37b to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

AMIT SOMANI

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Date: 2022.06.30 17:03:18 +05'30'

Amit Somani

Partner

Membership No.: 060154

ICAI UDIN:22060154ALYYZF7801

Place: Bangalore

Date: 30 June 2022

Annexure A to the Independent Auditor's Report on the Financial Statements of Msource (India) Private Limited for the year ended 31 March 2022

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology solution services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans and advances in the nature of loans during the year to companies and other parties, details of which are stated below. The Company has not granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

(a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans and advances in the nature of loans to companies and other parties as below:

Particulars	Loan to Intermediate Holding Company (Rs. in lakhs)	Advances in the nature of loans – Employee advances (Rs. in lakhs)
Aggregate amount granted during the year -Other parties	20,000	28.8

Balance outstanding as at the balance sheet date -Other parties	9,900	34.3

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not made any investments or provided any security or guarantee as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employee State Insurance, Income tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs.) in Lakhs*	Period to which the amount relates (Financial Year)
Income Tax Act, 1961	Income Tax	0.41	2002-03, 2003-04 and 2010-11
		1,473.13	2006-07, 2007-08, 2008-09, 2009-10, 2011-12, 2014-15, 2015-16 and 2017-18
Maharashtra Value Added Tax Act, 2002	Sales Tax	11.65	2012-13
GST Act, 2017	GST	17.56	2017-18
Finance Act, 1994	Service Tax	52.88	October 2006 to September 2011
Provident Fund Act, 1952	Provident Fund	3,100	April 2017 to March 2019

*Net of amounts paid under protest amounting to Rs. 3,695.72 lakhs

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, 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 examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, there were no short term funds raised by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Msource (India) Private Limited for the year ended 31 March 2022 *(Continued)*

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

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

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios,

Annexure A to the Independent Auditor's Report on the Financial Statements of Msource (India) Private Limited for the year ended 31 March 2022 *(Continued)*

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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

AMIT SOMANI

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Date: 2022.06.30 17:03:52 +05'30'

Amit Somani

Partner

Membership No.: 060154

ICAI UDIN:22060154ALYYZF7801

Place: Bangalore

Date: 30 June 2022

Annexure B to the Independent Auditor's Report on the financial statements of Msource (India) Private Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Msource (India) Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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.

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

Annexure B to the Independent Auditor's Report on the financial statements of Msource (India) Private Limited for the year ended 31 March 2022 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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

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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

AMIT SOMANI

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Date: 2022.06.30 17:04:16 +05'30'

Amit Somani

Partner

Place: Bangalore

Membership No.: 060154

Date: 30 June 2022

ICAI UDIN:22060154ALYYZF7801

Msource (India) Private Limited

Audited financial statements as at and for the year ended 31 March 2022

Msource (India) Private Limited
Financial Statements

BALANCE SHEET			(₹ lakh)
	Notes	**As at 31 March 2022**	**As at 31 March 2021**
ASSETS			
Non-current assets			
Property, plant and equipment	3	872.78	971.93
Capital work-in-progress		6.60	-
Right-of-use assets	4	3,317.10	4,338.24
Other intangible assets	5	22.63	122.22
Financial assets			
Investments	6	25,881.61	12,185.09
Other financial assets	8	400.21	709.28
Deferred tax assets (net)	21	397.67	-
Income tax assets (net)	21	5,191.05	5,084.62
Other assets	9	101.15	35.89
Total non-current assets		**36,190.80**	**23,447.27**
Current assets			
Financial assets			
Investments	10	56,074.24	68,696.83
Trade receivables	11		
Billed		1,116.95	1,726.09
Unbilled		1,323.02	595.03
Cash and cash equivalents	12	713.01	438.61
Bank balances other than cash and cash equivalents	13	1,640.00	8,848.98
Loans	7	9,929.57	17.62
Other financial assets	8	1,191.04	411.15
Other assets	9	517.36	639.28
Total current assets		**72,505.19**	**81,373.59**
TOTAL ASSETS		**108,695.99**	**104,820.86**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	668.53	668.53
Other equity	15	98,529.26	97,104.13
Total equity		**99,197.79**	**97,772.66**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		2,544.71	3,517.16
Other financial liabilities	18	0.25	-
Employee benefit obligations	16	266.51	178.18
Deferred tax liabilities (net)	21	-	105.48
Total non-current liabilities		**2,811.47**	**3,800.82**
Current liabilities			
Financial liabilities			
Lease liabilities		972.45	1,256.42
Trade payables	17		
- outstanding dues to micro and small enterprises		7.79	10.63
- outstanding dues to creditors other than micro and small enterprises		1,433.16	1,245.35
Other financial liabilities	18	395.28	178.03
Other liabilities	19	88.14	70.85
Employee benefit obligations	16	61.30	50.28
Provisions	20	3,509.52	376.15
Income tax liabilities (net)	21	219.09	59.67
Total current liabilities		**6,686.73**	**3,247.38**
TOTAL EQUITY AND LIABILITIES		**108,695.99**	**104,820.86**

Summary of significant accounting policies 2
The accompanying notes form an integral part of these financial statements.
As per our report of even date attached.

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

AMIT SOMANI Digitally signed by AMIT SOMANI Date: 2022.06.30 16:58:53 +05'30'

Amit Somani
Partner
Membership No. 060154

Bengaluru
30 June 2022

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

MANISH DUGAR Digitally signed by MANISH DUGAR

Manish Dugar
Director
Bengaluru

VEMBU GANESH

Ganesh Vembu
Director
Bengaluru

SRINIVASAN SUDARSHAN Digitally signed by SRINIVASAN SUDARSHAN

Sudarshan Srinivasan
Company Secretary

Bengaluru
30 June 2022

STATEMENT OF PROFIT AND LOSS (₹ lakh)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	22	10,147.77	9,232.58
Other income	23	4,899.07	4,731.06
Total income (I)		**15,046.84**	**13,963.64**
Expenses			
Employee benefits expense	24	3,467.66	3,522.53
Finance costs	25	235.48	132.60
Depreciation and amortization expense	26	1,563.55	1,373.47
Other expenses	27	4,929.99	4,939.16
Total expenses (II)		**10,196.68**	**9,967.76**
Profit before exceptional item and tax (III) [(I)-(II)]		**4,850.16**	**3,995.88**
Exceptional item	38	3,115.17	-
Profit after exceptional item and before tax		**1,734.99**	**3,995.88**
Tax expenses	21		
Current tax		810.95	244.49
Deferred tax		(502.63)	149.36
Total tax expenses		**308.32**	**393.85**
Profit for the year before exceptional item		**4,541.84**	**3,602.03**
Profit for the year after exceptional item (A)		**1,426.67**	**3,602.03**
Other comprehensive income / (losses) ('OCI')			
Items to be reclassified to profit or loss in subsequent years			
Net change in fair value of derivatives designated as cash flow hedges		51.76	45.66
Income tax effect on the above		(13.03)	(11.49)
Items not to be reclassified to profit or loss in subsequent years			
Re-measurement gains / (losses) on defined employee benefit plans		(53.82)	(119.63)
Income tax effect on the above		13.55	30.11
Total OCI for the year, net of tax (B)		**(1.54)**	**(55.35)**
Total comprehensive income for the year (A+B)		**1,425.13**	**3,546.68**
Earnings per equity share (par value ₹ 10 per share)	28		
Basic and Diluted (₹) before exceptional items		67.94	53.88
Basic and Diluted (₹) after exceptional items		21.34	53.88

Summary of significant accounting policies 2
The accompanying notes form an integral part of these financial statements.
As per our report of even date attached.

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

AMIT SOMANI Digitally signed by AMIT SOMANI Date: 2022.06.30 16:59:37 +05'30'

Amit Somani
Partner
Membership No. 060154

Bengaluru
30 June 2022

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Sudarshan Srinivasan
Company Secretary
Bengaluru
30 June 2022

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in lakh	₹ lakh
As at 1 April 2020	66.85	668.53
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2020	**66.85**	**668.53**
Issue of shares	-	-
As at 31 March 2021	**66.85**	**668.53**
As at 1 April 2021	66.85	668.53
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2021	**66.85**	**668.53**
Issue of shares	-	-
As at 31 March 2022	**66.85**	**668.53**

b. Other equity

(₹ lakh)

	Attributable to the equity owners of the Company				
	Reserves and surplus			Items of OCI	
	a	b	c	d	
	Securities Premium	Retained earnings	Capital redemption reserve	Hedging reserve	Total
As at 1 April 2020	**5,653.02**	**87,824.81**	**47.55**	**32.07**	**93,557.45**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April 2020	**5,653.02**	**87,824.81**	**47.55**	**32.07**	**93,557.45**
Profit for the year	-	3,602.03	-	-	**3,602.03**
Other comprehensive income / (losses), net of tax	-	(89.52)	-	34.17	**(55.35)**
As at 31 March 2021	**5,653.02**	**91,337.32**	**47.55**	**66.24**	**97,104.13**
As at 1 April 2021	**5,653.02**	**91,337.32**	**47.55**	**66.24**	**97,104.13**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April 2021	**5,653.02**	**91,337.32**	**47.55**	**66.24**	**97,104.13**
Profit for the year	-	1,426.67	-	-	**1,426.67**
Other comprehensive income / (losses), net of tax	-	(40.27)	-	38.73	**(1.54)**
As at 31 March 2022	**5,653.02**	**92,723.72**	**47.55**	**104.97**	**98,529.26**

Loss of ₹ 40.27 and ₹ 89.52 on re-measurement of defined employee benefit plans (net of tax) is recognised as part of retained earnings for the years ended 31 March 2022 and 31 March 2021, respectively.

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

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

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

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

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

Summary of significant accounting policies (note 2)

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

AMIT SOMANI Digitally signed by AMIT SOMANI Date: 2022.06.30 17:00:03 +05'30'

Amit Somani
Partner
Membership No. 060154

Bengaluru
30 June 2022

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

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SRINIVASAN SUDARSHAN Digitally signed by SRINIVASAN SUDARSHAN

Sudarshan Srinivasan
Company Secretary
Bengaluru
30 June 2022

STATEMENT OF CASH FLOWS (₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit before tax after exceptional item	**1,734.99**	**3,995.88**
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	1,563.55	1,373.47
Profit on sale of property, plant and equipment and intangible assets	-	(0.04)
Net gain on investments carried at fair value through profit and loss	(3,706.98)	(4,473.79)
Provision for expected credit loss	1.14	6.20
Finance costs	235.48	132.60
Interest income	(1,110.28)	(258.32)
Unrealized exchange (gain)/loss, net	(1.90)	34.12
Operating profit before changes in operating assets and liabilities	**(1,284.00)**	**810.12**
Changes in operating assets and liabilities		
Trade receivables	(118.09)	(37.17)
Loans	56.23	(38.66)
Other financial assets	(382.63)	49.76
Other assets	56.66	(19.85)
Trade payables	184.97	(602.93)
Other financial liabilities	200.12	(269.03)
Other liabilities	17.29	(12.24)
Provisions and employee benefit obligations	3,178.90	387.91
Total changes in operating assets and liabilities	**3,193.45**	**(542.21)**
Income tax paid (net of refunds)	(748.80)	(268.24)
Net cash flows generated from /(used in) operating activities (A)	**1,160.65**	**(0.33)**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(301.09)	(570.00)
Proceeds from sale of property, plant and equipment and intangible assets	-	0.04
Loans given to related party	(20,000.00)	-
Loans repaid by related party	10,100.00	-
Purchase of investments	(104,545.01)	(142,224.51)
Sale of investments	107,178.06	151,877.93
Interest received	1,117.12	360.54
Investments in bank deposits	(842.40)	(8,850.15)
Redemption / maturity of bank deposits	7,898.97	112.77
Net cash flows generated from investing activities (B)	**605.65**	**706.62**
Financing activities		
Interest paid	(0.27)	-
Repayment of lease liabilities	(1,256.42)	(729.52)
Interest on repayment of lease liabilities	(235.21)	(132.60)
Net cash flows used in financing activities (C)	**(1,491.90)**	**(862.12)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**274.40**	**(155.83)**
Cash and cash equivalents at the beginning of the year	438.61	594.44
Cash and cash equivalents at the end of the year (refer note 12)	**713.01**	**438.61**

Summary of significant accounting policies (note 2)

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

AMIT SOMANI Digitally signed by AMIT SOMANI Date: 2022.06.30 17:00:25 +05'30'

Amit Somani
Partner
Membership No. 060154

Bengaluru
30 June 2022

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

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Manish Dugar
Director
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Director
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Sudarshan Srinivasan
Company Secretary
Bengaluru
30 June 2022

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Msource (India) Private Limited ('the Company'), is a subsidiary of Msource Mauritius Inc., ('the parent company'), a body corporate incorporated in Mauritius having private status as per its governing country norms. The Company is engaged in providing business process outsourcing services including call centre services and software services and projects to its clients. Mphasis Limited ('ML') is an intermediate holding company. Blackstone Capital Partners (Cayman II) VI L.P was the ultimate holding company upto 9 August 2021, from 10 August 2021 BCP Asia (SG) Mirror Holding Pte Ltd is the ultimate holding company.

The Company is considered to be a private limited company primarily based on the reading of the General Circular No.23/2014 dated 25 June 2014 issued by the Ministry of Corporate Affairs which had clarified that the exemption granted in relation to the subsidiaries of the foreign body corporate under the erstwhile Companies act, 1956 continues as at the date of the report under the provisions of the Companies Act, 2013. Further, the circular clarifies that the exemption is available where the immediate holding company is a foreign body corporate, but it does not cover a situation where intermediate holding Company, i.e. Mphasis Limited, is a public Company.

In this case, the Company is a subsidiary of a Private Foreign Body Corporate – Msource Mauritius Inc. and the entire share capital is held by such Body Corporate. Based on the interpretation of the circular and legal advice obtained, management believes that the status of the Company would be a Private Company.

The financial statements for the year ended 31 March 2022 have been approved by the Board of Directors on 29 June 2022.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

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

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

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

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

The financial statements are presented in INR ('₹') which is also the Company's functional currency, and all the values are rounded off to the nearest lakh (INR 00,000) except when otherwise indicated.

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

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

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

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

Use of estimates, assumptions and judgements

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

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

- **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a discounted cash flow ('DCF') model. The cash flows are derived from the forecast for future years. These do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested for impairment. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the long-term growth rates.

- **Taxes**

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

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

- **Defined benefit plans**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, management considers the interest rates of Government bonds in India corresponding with the period of maturity of the underlying defined benefit obligations.

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

- **Fair value measurement of financial instruments**

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

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

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

- **Revenue recognition**

Refer the policy on revenue recognition for discussion on judgements and estimates on revenue.

- **Leases**

The Company evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate. Management estimates the lease term based on past practices and reasonably estimated / anticipated future events. 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.

- **Expected credit loss (‘ECL’) on trade receivables**

The impairment provisions are based on evaluation of the risk of default over the expected life of the receivables and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s past history of collections, customer’s credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Provisions and Contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Judgements include estimating the probability of the cash outflows for the present obligations and accordingly provisions are determined and reviewed at the end of each reporting period and are adjusted to reflect current best estimates.
The Company uses significant judgement to identify and measure contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities in relation to assessment/litigations can involve complex issues, which can only be resolved over extended time periods.

Revenue recognition

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

The Company derives its revenues primarily from call centre and business and knowledge process outsourcing operations and software services and projects.

- Revenue from rendering application development and maintenance services comprise income from time-and-material. Revenues from call center and business & knowledge process outsourcing operations arise from time-based and unit-priced. Revenues from infrastructure outsourcing services arise from time-based, unit-priced contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value of services transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions where customers are given a right to use intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.

- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.
- Revenue from related parties will be recognized on the basis "cost plus mark-up" or other models determined in accordance with terms of the contract entered with related parties.

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

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

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

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

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

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

Property, plant and equipment and intangible assets

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

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

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

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

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

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

Depreciation and amortization

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

The useful lives estimated by the management are given below: **(In Years)**

Asset	Useful life as per Companies Act, 2013	Useful life estimated by the management
Computer equipment	3	3
Furniture and fixtures	10	5
Building	20	20 or remaining lease term whichever is less
Lease hold improvements	Not Applicable	10 or remaining lease term whichever is less
Office equipment	5	5
Plant and equipment	15	4 to7
Server and networks	6	6
Vehicles	8	5
Computer Software	As per Ind AS 38	3

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

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

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

Leases

Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

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

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

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

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

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

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

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

Borrowing costs

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

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

Impairment

a. Financial assets (other than at fair value)

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

b. Non-financial assets

- **Tangible and intangible assets**

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

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

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

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

a. Cash and cash equivalents

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

b. Financial assets at amortised cost

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

c. Financial assets at fair value through other comprehensive income

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

d. Financial assets at fair value through profit or loss

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

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

e. Financial liabilities

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

Derivative financial instruments

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

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

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

a. Cash flow hedges

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

b. Others

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

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

c. De-recognition of financial instruments

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

d. Offsetting of financial instruments

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

e. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

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

f. Fair value hierarchy

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

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

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

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

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

Employee benefits

a. Short-term employee benefits

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

b. Compensated absences

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

c. Defined contribution plans

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company. Contributions to defined contribution schemes such as Provident Fund and Employee State Insurance Schemes are charged to the statement of profit or loss on an accrual basis.

d. Gratuity

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

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

Share based payments

Certain employees of the Company have received stock options (Employee Stock Option Plan 'ESOP'/Restricted Stock Units 'RSU') of the intermediate holding company Mphasis Limited ("ML,") under the ESOP/RSUs instituted by ML. Accordingly, the Company is subject to cross charge of ESOP/RSU costs from Mphasis Limited. The compensation cost relating to share-based payments are measured using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a graded basis. The units generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

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

Foreign currencies

Transactions and balances

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

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

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

Income tax

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

- **Current income tax**

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

- **Deferred income tax**

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

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

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

  During the previous year, the Company has adopted applicable tax rate pursuant to section 115BAA of the Act. Such section prescribes that if the rate applicable under this section is adopted, provisions of section 115JB will not be applicable.

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Earnings per share

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

Recent Pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS - 37 Provisions

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

Ind AS - 16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Annual improvements to Ind AS 109 - Financial instruments

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

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

3. PROPERTY, PLANT AND EQUIPMENT (₹ lakh)

	Plant and equipment	Computer equipment	Servers and networks	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Cost								
At 1 April 2020	**213.07**	**876.55**	**1,559.28**	**145.26**	**95.89**	**14.55**	**395.96**	**3,300.56**
Additions	-	223.40	297.47	14.21	0.36	-	-	**535.44**
Disposals	(1.14)	(5.02)	(7.83)	(0.17)	-	-	-	**(14.16)**
At 31 March 2021	**211.93**	**1,094.93**	**1,848.92**	**159.30**	**96.25**	**14.55**	**395.96**	**3,821.84**
Additions	7.87	228.24	83.80	3.08	0.07	-	-	**323.06**
Disposals	-	-	(11.78)	-	(0.81)	(13.23)	-	**(25.82)**
At 31 March 2022	**219.80**	**1,323.17**	**1,920.94**	**162.38**	**95.51**	**1.32**	**395.96**	**4,119.08**
Depreciation								
At 1 April 2020	**144.72**	**576.51**	**1,145.22**	**108.76**	**62.39**	**11.20**	**395.96**	**2,444.76**
Charge for the year	16.81	180.65	198.06	12.66	8.49	2.64	-	**419.31**
Disposals	(1.14)	(5.02)	(7.83)	(0.17)	-	-	-	**(14.16)**
At 31 March 2021	**160.39**	**752.14**	**1,335.45**	**121.25**	**70.88**	**13.84**	**395.96**	**2,849.91**
Charge for the year	15.46	212.32	172.70	12.91	8.11	0.71	-	**422.21**
Disposals	-	-	(11.78)	-	(0.81)	(13.23)	-	**(25.82)**
At 31 March 2022	**175.85**	**964.46**	**1,496.37**	**134.16**	**78.18**	**1.32**	**395.96**	**3,246.30**
Net block								
At 31 March 2021	**51.54**	**342.79**	**513.47**	**38.05**	**25.37**	**0.71**	**-**	**971.93**
At 31 March 2022	**43.95**	**358.71**	**424.57**	**28.22**	**17.33**	**0.00**	**-**	**872.78**

Capital work-in-progress

At 31 March 2022	6.60
At 31 March 2021	-

CWIP ageing schedule

Particulars (31 March 2022)	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	6.60	-	-	-	**6.60**
Projects temporarily suspended	-	-	-	-	-
	6.60	**-**	**-**	**-**	**6.60**

4.RIGHT-OF-USE ASSETS

	As at 31 March 2022	**As at 31 March 2021**
Buildings		
Cost		
Balance as per previous financial statements	**5,063.30**	**1,648.22**
Additions	19.03	4,383.92
Modification / terminations	-	(968.84)
	5,082.33	**5,063.30**
Depreciation		
Balance as per previous financial statements	**725.06**	**869.12**
Charge for the year	1,040.17	824.78
Modification / terminations	-	(968.84)
	1,765.23	**725.06**
Net block	**3,317.10**	**4,338.24**

During the year ended 31 March 2022, the Company did not incur any expenses towards short-term leases and leases of low-value assets. For the year ended 31 March 2022, the total cash outflows for leases, amounted to ₹ 1,491.63 lakh (March 2021: ₹ 862.12 lakh).
There are no leases not yet commenced as at 31 March 2022 to which the Company is committed as a lease (March 2021: nil)

Lease contracts entered into by the Company primarily pertains to buildings taken on lease to conduct its business in the ordinary course.
The following table presents the various components of lease costs:

	Year ended 31 March 2022	**Year ended 31 March 2021**
Depreciation	1,040.17	824.78
Interest on lease liabilities	235.21	132.60
	1,275.38	**957.38**

5.OTHER INTANGIBLE ASSETS		**(₹ lakh)**
	As at 31 March 2022	**As at 31 March 2021**
Computer Software		
Cost		
Balance as per previous financial statements	**650.20**	**641.67**
Additions	1.58	8.53
	651.78	**650.20**
Amortization		
Balance as per previous financial statements	**527.98**	**398.60**
Amortization	101.17	129.38
	629.15	**527.98**
Net block	**22.63**	**122.22**

	As at 31 March 2022			**As at 31 March 2021**		
	Units	**NAV (₹)**	**₹ lakh**	**Units**	**NAV (₹)**	**₹ lakh**
6. NON-CURRENT INVESTMENTS						
Investments measured at FVTPL						
Quoted Target maturity date ETF						
Bharat Bond ETF – April 2025	1,120,130	1,084.16	12,143.96	-	-	-
Bharat Bond FOF Apr 2025	79,637,328	10.82	8,619.15	640,701	1,022.18	6,549.09
Quoted debentures						
HDB Non- Convertible Debentures - 2023	500	1,023,700.00	5,118.50	-	-	-
Kotak Non-Convertible Debentures - 2022	-	-	-	500	1,127,200.00	5,636.00
Total non-current investments			**25,881.61**			**12,185.09**
Aggregate/Market value of quoted non-current investments			25,881.61			12,185.09

	Non-current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
7. LOANS				
Unsecured - considered good				
Loans given to related party*	-	-	9,900.00	-
Employee advances	-	-	29.57	17.62
	-	**-**	**9,929.57**	**17.62**

* Loan given to related party carries interest @ 6 months State Bank of India MCLR (Marginal cost of funds Lending Rate) + 1.75%. The loan was given for general working capital requirements. The loan is repayable on or before 30 September 2022. (Refer note 30).

	Non-current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
8. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Bank balances (refer note 13)*	1.57	2.99	262.82	108.99
Accrued interest	-	-	124.89	160.22
Recoverable from related parties (refer note 30)	-	-	6.90	0.63
Derivative assets	-	-	146.89	137.71
Deposits	398.64	706.29	628.46	3.60
Others	-	-	21.08	-
	400.21	**709.28**	**1,191.04**	**411.15**

*Includes restricted deposits of ₹ 264.39 lakh (31 March 2021: ₹ 111.98 lakh) placed as a lien against bank guarantees/ statutory registration purposes/ claims.

(₹ lakh)

	Non-current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
9. OTHER ASSETS				
Unsecured - considered good				
Travel advances	-	-	4.75	-
Prepaid expenses	48.27	35.89	250.80	337.76
Advances to suppliers	-	-	8.49	-
Indirect tax recoverable	52.88	-	253.32	301.52
	101.15	**35.89**	**517.36**	**639.28**

	As at 31 March 2022			As at 31 March 2021		
	Units	**NAV (₹)**	**₹ lakh**	**Units**	**NAV (₹)**	**₹ lakh**
10. CURRENT INVESTMENTS						
Investments measured at FVTPL						
Quoted mutual funds						
Kotak Equity Arbitrage Fund Direct growth	35,878,408	31.67	11,362.33	27,651,831	30.28	8,373.28
HDFC Overnight Fund - Direct Plan - Growth	186,128	3,157.45	5,876.89	2,328	3,058.09	71.20
Nippon India Arbitrage Advantage Fund-Direct Plan - Growth	82,187,848	22.83	18,761.84	82,076,360	21.83	17,914.81
HDFC Money Market - Direct Growth Plan	84,518	4,654.80	3,934.16	-	-	-
UTI Money Market Fund - Direct Growth Plan	408,468	2,490.77	10,174.02	-	-	-
IDFC Low Duration Fund - Direct Plan Growth	-	-	-	19,606,262	30.66	6,010.85
Axis Treasury Advantage Fund - Direct Plan - Growth	-	-	-	235,208	2,481.49	5,836.68
Kotak Savings Fund - Direct Plan - Growth	-	-	-	36,082,181	34.68	12,514.31
Quoted debentures						
Kotak Non-Convertible Debentures - 2022	500	1,193,000.00	5,965.00	-	-	-
Kotak Non-Convertible Debentures - 2021	-	-	-	500	1,110,800.00	5,554.00
Investments measured at amortized cost						
Quoted fixed maturity plan securities						
Aditya Birla Sun Life FTP – Series PC Direct growth	-	-	-	40,000,000	12.46	4,983.88
ICICI Prudential Fixed Maturity Plan	-	-	-	25,000,000	12.41	3,102.48
Kotak FMP Series 219	-	-	-	20,000,000	12.39	2,478.25
Reliance Fixed Horizon Fund	-	-	-	15,000,000	12.38	1,857.09
			56,074.24			**68,696.83**
Aggregate value of quoted current investments			56,074.24			68,696.83
Market value of quoted current investments			56,074.24			68,896.88

	Non-current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
11. TRADE RECEIVABLES - BILLED				
Unsecured - considered good				
Trade receivables*	-	-	1,118.92	1,731.02
Allowance for doubtful receivables	-	-	(1.97)	(4.93)
	-	-	**1,116.95**	**1,726.09**
Credit impaired				
Trade receivables	-	-	63.51	64.34
Allowance for doubtful receivables	-	-	(63.51)	(64.34)
	-	-	-	-
	-	-	**1,116.95**	**1,726.09**

*Includes receivables from related parties (refer note 30).

Trade receivables ageing schedule (₹ lakh)

Particulars (31 March 2022)	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from						
Undisputed Trade receivables – considered good	174.81	941.39	2.72	-	-	-	**1,118.92**
Undisputed Trade receivables – credit impaired	-	-	-	-	-	63.51	**63.51**
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-	-
	174.81	**941.39**	**2.72**	**-**	**-**	**63.51**	**1,182.43**
Allowance for doubtful receivables							(65.48)
	174.81	**941.39**	**2.72**	**-**	**-**	**63.51**	**1,116.95**

Particulars (31 March 2021)	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from						
Undisputed Trade receivables – considered good	1,273.03	400.32	57.67	-	-	-	**1,731.02**
Undisputed Trade receivables – credit impaired	-	-	-	-	-	64.34	**64.34**
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-	-
	1,273.03	**400.32**	**57.67**	**-**	**-**	**64.34**	**1,795.36**
Allowance for doubtful receivables							(69.27)
	1,273.03	**400.32**	**57.67**	**-**	**-**	**64.34**	**1,726.09**

	As at 31 March 2022	As at 31 March 2021
12. CASH AND CASH EQUIVALENTS		
In current accounts	443.01	148.61
Deposits with original maturity of less than 3 months	270.00	290.00
	713.01	**438.61**

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS				
Deposits with remaining maturity of more than 12 months	1.57	2.99	-	-
Deposits with remaining maturity of less than 12 months	-	-	1,902.82	8,957.97
	1.57	**2.99**	**1,902.82**	**8,957.97**
Disclosed under other financial assets (refer note 8)	(1.57)	(2.99)	(262.82)	(108.99)
	-	**-**	**1,640.00**	**8,848.98**

	As at 31 March 2022	As at 31 March 2021
14. EQUITY SHARE CAPITAL		
Authorised share capital		
12,000,000 (31 March 2021: 12,000,000) equity shares of ₹ 10 each	1,200.00	1,200.00
Issued, subscribed and fully paid-up shares		
6,685,261 (31 March 2021: 6,685,261) equity shares of ₹ 10 each fully paid-up	668.53	668.53
Total issued, subscribed and fully paid-up share capital	**668.53**	**668.53**

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

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ lakh	Number of shares	₹ lakh
At the beginning of the year	6,685,261	668.53	6,685,261	668.53
Outstanding at the end of the year	**6,685,261**	**668.53**	**6,685,261**	**668.53**

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

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

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

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

	As at 31 March 2022	As at 31 March 2021
Msource Mauritius Inc. (the holding Company) *		
6,685,061 (31 March 2021: 6,685,061) equity shares of ₹ 10 each fully paid	668.51	668.51

* The ultimate holding company was Blackstone Capital Partners (Cayman II) VI L.P upto 9 August 2021, with effect from 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

Shares held by Promoters at the beginning of the year			
Promoter Name	**No of Shares**	**% of total shares**	
Msource Mauritius Inc.	6,685,061	99.99%	
Shares held by Promoters at the end of the year			**% Change during the year**
Promoter Name	**No of Shares**	**% of total shares**	
Msource Mauritius Inc.	6,685,061	99.99%	0%

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Msource Mauritius Inc. (the holding Company)	6,685,061	99.99	6,685,061	99.99

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

(e) The Company has neither allotted any fully paid up equity shares by way of bonus shares, nor has bought back any class of equity shares, nor has issued shares for consideration other than cash during the period of five years immediately preceding the balance sheet date.

(₹ lakh)

	As at 31 March 2022	As at 31 March 2021
15. OTHER EQUITY		
Securities premium		
Balance as per previous financial statements	5,653.02	5,653.02
Closing balance	**5,653.02**	**5,653.02**
Retained earnings		
Balance as per previous financial statements	91,337.32	87,824.81
Re-measurement gains / (losses) on defined benefit plans	(40.27)	(89.52)
Profit for the year	1,426.67	3,602.03
Closing balance	**92,723.72**	**91,337.32**
Capital redemption reserve		
Balance as per previous financial statements	47.55	47.55
Closing balance	**47.55**	**47.55**
Hedging reserve		
Balance as per previous financial statements	66.24	32.07
Transactions during the year	212.13	(122.39)
Transfer to statement of profit and loss	(173.40)	156.56
Closing balance	**104.97**	**66.24**
Total other equity	**98,529.26**	**97,104.13**

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
16. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for gratuity [refer note 34 (a)]	266.51	178.18	-	-
Provision for employee compensated absences	-	-	61.30	50.28
	266.51	**178.18**	**61.30**	**50.28**

	As at 31 March 2022	As at 31 March 2021
17. TRADE PAYABLES		
Outstanding dues of micro and small enterprises ('MSME')	7.79	10.63
Outstanding dues to creditors other than micro and small enterprises*	1,433.16	1,245.35
	1,440.95	**1,255.98**

*Includes payable to related parties (refer note 30).

Trade payables ageing schedule (₹ lakh)

Particulars (31 March 2022)	Outstanding for following periods from due date of payment						
	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
MSME	7.79	-	-	-	-	-	**7.79**
Others	355.08	321.36	0.01	0.14	9.18	747.39	**1,433.16**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	362.87	**321.36**	**0.01**	**0.14**	**9.18**	**747.39**	**1,440.95**

Particulars (31 March 2021)	Outstanding for following periods from due date of payment						
	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
MSME	10.56	0.07	-	-	-	-	**10.63**
Others	595.51	169.50	0.14	0.57	5.95	473.68	**1,245.35**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	606.07	**169.57**	**0.14**	**0.57**	**5.95**	**473.68**	**1,255.98**

Relationship with struck off companies

Name of struck off company (31 March 2022)	Nature of transactions	Transactions during the year	Balance outstanding	Relationship
Webaxyz IT Consulting (Opc) Private Limited	Payables	-	0.14	Vendor
Name of struck off company (31 March 2021)				
Webaxyz IT Consulting (Opc) Private Limited	Payables	-	0.14	Vendor

The Company has amounts due to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31 March 2022 and 31 March 2021. The details in respect of such dues are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount	7.79	10.63
- Interest	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed date during the year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	0.08	0.15
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	28.75	28.67

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
18. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	288.76	86.54
Capital creditors	-	-	102.07	71.93
Other payables	0.25	-	0.07	-
Derivative liabilities	-	-	4.38	19.56
	0.25	**-**	**395.28**	**178.03**

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
19. OTHER LIABILITIES				
Statutory dues	-	-	88.14	70.85
	-	**-**	**88.14**	**70.85**

(₹ lakh)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
20. PROVISIONS				
Provisions	-	-	3,509.52	376.15
	-	-	**3,509.52**	**376.15**

	As at 31 March 2022	As at 31 March 2021
Balance as per previous financial statements	**376.15**	-
Additions (refer note 38)	3,133.37	376.15
Closing Balance	**3,509.52**	**376.15**
Current	3,509.52	376.15
Non-current	-	-

21. TAXES

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

	Year ended 31 March 2022	Year ended 31 March 2021
Taxes		
Current taxes	810.95	244.49
Deferred taxes	(502.63)	149.36
Total taxes	**308.32**	**393.85**

The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to tax deductions and tax effect on allowances / disallowances.

Msource (India) Private Limited has entered into international and specified domestic transactions with its associated enterprises within the meaning of section 92B and section 92BA respectively of the Income Tax Act, 1961. The Company is of the view that all the aforesaid transactions have been made at arms' length terms.

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

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

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax after exceptional item	**1,734.99**	**3,995.88**
Applicable tax rates in India	25.170%	25.170%
Computed tax charge (A)	**436.70**	**1,005.76**
Tax effect of income chargeable at a differential tax rate	(193.19)	(777.65)
Tax effect on non - deductible expenses	26.00	31.16
Provision relating to earlier years	(18.14)	100.45
Others, net	56.95	34.13
Total adjustments (B)	**(128.38)**	**(611.91)**
Total tax expenses (A+B)	**308.32**	**393.85**

Deferred tax asset on carry forward business losses has not been recognized in absence of necessary evidence on future taxable profits.

	As at 31 March 2022	As at 31 March 2021
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	5,191.05	5,084.62
	5,191.05	**5,084.62**
Income tax liabilities (net)		
Provision for taxation	219.09	59.67
	219.09	**59.67**
Net income tax asset	**4,971.96**	**5,024.95**

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

	As at 31 March 2022	As at 31 March 2021
Deferred tax (liability) / asset (net)		
Property, plant and equipment and other intangible assets	328.89	356.01
Provision for expected credit loss and others	117.27	112.59
Provision for employee benefits	403.35	77.86
Brought forward capital losses	-	97.23
Derivative assets	(35.31)	(22.28)
Unrealised gain on investments	(460.69)	(763.96)
Others	44.16	37.07
	397.67	**(105.48)**

Significant components of net deferred tax assets are as follows: **(₹ lakh)**

	As at 1 April 2021	Statement of Profit and loss	OCI	As at 31 March 2022
Deferred tax (liability) / asset (net)				
Property, plant and equipment and other intangible assets	356.01	(27.12)	-	328.89
Provision for expected credit loss and others	112.59	4.68	-	117.27
Provision for employee benefits	77.86	311.94	13.55	403.35
Brought forward capital losses	97.23	(97.23)	-	-
Derivative assets	(22.28)	-	(13.03)	(35.31)
Unrealised gain on investments	(763.96)	303.27	-	(460.69)
Others	37.07	7.09	-	44.16
Total	**(105.48)**	**502.63**	**0.52**	**397.67**

	As at 1 April 2020	Statement of Profit and loss	OCI	As at 31 March 2021
Deferred tax (liability) / asset (net)				
Property, plant and equipment and other intangible assets	440.26	(84.25)	-	356.01
Provision for expected credit loss and others	15.00	97.59	-	112.59
Provision for employee benefits	45.65	2.10	30.11	77.86
Brought forward capital losses	467.72	(370.49)	-	97.23
Derivative assets	(10.79)	-	(11.49)	(22.28)
Unrealised gain on investments	(963.87)	199.91	-	(763.96)
Others	31.29	5.78	-	37.07
Total	**25.26**	**(149.36)**	**18.62**	**(105.48)**

	Year ended 31 March 2022	Year ended 31 March 2021
22. REVENUE FROM OPERATIONS		
Sale of services	9,974.37	9,389.14
Profit / (loss) on cash flow hedges reclassified to revenue	173.40	(156.56)
	10,147.77	**9,232.58**

Information in relation to revenue disaggregation is disclosed in note 31 and note 32.

Reconciliation of revenue recognised with contracted price is as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Contracted price	10,060.07	9,483.25
Reductions towards variable consideration components *	(85.70)	(94.11)
Revenue as per statement of profit and loss	**9,974.37**	**9,389.14**

* The reduction towards variable consideration comprises of discounts.

Remaining performance obligations

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

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

There were no performance obligations that are completely or partially unsatisfied as of 31 March 2022 and 31 March 2021.

(₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
23. OTHER INCOME		
Interest income on		
Bank deposits	352.29	184.13
Bonds	91.57	52.68
Others*	666.42	21.51
Net gain on investments measured at FVTPL **	3,706.98	4,473.79
Foreign exchange gain/(loss), (net)	81.43	(1.24)
Profit on sale of fixed assets, (net)	-	0.04
Miscellaneous income	0.38	0.15
	4,899.07	**4,731.06**

* Includes interest income from related parties (refer note 30).

** Includes profit on sale of investments amounting to ₹ 5,791.98 lakh (31 March 2021: ₹ 3,493.83 lakh). Upon sale of investments, MTM gains amounting to ₹ 4,103.66 lakh (31 March 2021: ₹ 2,221.87 lakh) were reversed during the period and realized profits on sale of investments were recorded.

	Year ended 31 March 2022	Year ended 31 March 2021
24. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	3,132.77	3,265.29
Contribution to provident and other funds	272.21	209.59
Employee share based payments	24.71	4.88
Staff welfare expenses	37.97	42.77
	3,467.66	**3,522.53**

	Year ended 31 March 2022	Year ended 31 March 2021
25. FINANCE COSTS		
Interest expense	0.27	-
Interest expense on lease liabilities	235.21	132.60
	235.48	**132.60**

	Year ended 31 March 2022	Year ended 31 March 2021
26. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of property, plant and equipment (refer note 3)	422.21	419.31
Amortization of intangible assets (refer note 5)	101.17	129.38
Depreciation of right-of-use assets (refer note 4)	1,040.17	824.78
	1,563.55	**1,373.47**

(₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
27. OTHER EXPENSES		
Subcontracting charges	1,288.47	1,338.23
Legal and professional charges	909.21	779.51
Facility expenses	177.63	54.95
Travel	16.98	(17.03)
Software support and annual maintenance charges	832.72	665.53
Communication expenses	419.06	321.57
Power and fuel	254.63	256.25
Rates and taxes	8.15	36.70
Repairs and maintenance - others	115.35	104.18
Provision for expected credit loss	1.14	6.20
Corporate support cost	448.79	547.28
Sales support and marketing expenses	-	12.48
Corporate Social Responsibility expense (refer note 41)	103.30	123.80
Security charges	292.24	289.36
Miscellaneous expenses	52.39	410.45
Auditor's remuneration (refer details below)	9.93	9.70
	4,929.99	**4,939.16**

	Year ended 31 March 2022	Year ended 31 March 2021
Auditor's remuneration *		
Statutory audit fee	8.00	8.00
Other services (certification fees)	1.70	1.70
Reimbursement of expenses	0.23	-
	9.93	**9.70**

* excluding Goods and Services Tax.

28. EARNINGS PER SHARE ('EPS')

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

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year before exceptional item (₹ in lakh)	4,541.84	3,602.03
Number of weighted average shares considered for calculation of basic earnings per share	6,685,261	6,685,261
Add: Dilutive effect of stock options	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	**6,685,261**	**6,685,261**
Earnings per equity share (par value ₹ 10 per share)		
Basic and Diluted (₹)	67.94	53.88
Profit for the year after exceptional item (₹ in lakh)	1,426.67	3,602.03
Number of weighted average shares considered for calculation of basic earnings per share	6,685,261	6,685,261
Add: Dilutive effect of stock options	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	**6,685,261**	**6,685,261**
Earnings per equity share (par value ₹ 10 per share)		
Basic and Diluted (₹)	21.34	53.88

29. CONTINGENT LIABILITIES AND COMMITMENTS

a. The Company has disputes with income tax authorities in India. The ongoing disputes pertain to various assessment years from 2003-04 to 2018-19. The matters under dispute pertain to transfer pricing and tax treatment of certain expenses claimed as deductions, or allowances. Claims against the Company in relation to direct taxes, indirect taxes and transfer pricing matters not acknowledged as debts amount to 4,907.28 lakh (31 March 2021: 4,771.10 lakh).

b. These demands are being contested by the Company based on management evaluation, advice of tax consultants and legal advice obtained. No provision has been made in the books of accounts. The Company has filed appeals against such orders with the appropriate appellate authorities.

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

c. Outstanding bank guarantees as at 31 March 2022: ₹ 387.91 lakh (31 March 2021: ₹ 387.91 lakh); pertains to guarantees on behalf of the Company to regulatory authorities.

d. In addition to the above matters, the Company does not have any claims not acknowledged as debts (31 March 2021: ₹ 3,103.28 lakh).

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

e. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2022: ₹ 176.36 lakh (31 March 2021: ₹ 133.74 lakh).

30. RELATED PARTY TRANSACTIONS

a. Entities who have control over the Company:

The related parties which exercise control are as follows:

- BCP Asia (SG) Mirror Holding Pte Ltd (Ultimate holding company from 10 August 2021)
- BCP Topco IX Pte Ltd (Intermediate holding company from 10 August 2021)
- Blackstone Capital Partners (Cayman II) VI L.P. (Ultimate holding company upto 9 August 2021)
- Blackstone Capital Partners (Singapore) VI Holding Co Pte Ltd (Intermediate holding company upto 9 August 2021)
- Marble I Pte Ltd. (Intermediate holding company upto 9 August 2021)
- Marble II Pte Ltd. (Intermediate holding company upto 9 August 2021)
- Mphasis Limited (‘ML’, the holding company of Mphasis USA)
- Mphasis Corporation (‘Mphasis USA’, the holding company of Mphasis Europe BV)
- Mphasis Europe BV (‘Mphasis Europe BV’, the holding company of Msource Mauritius)
- Msource Mauritius Inc. (‘Msource Mauritius Inc.’, the holding company)

b. Post-employment benefit trust of the Company

- Msource India Pvt Ltd Employees Group Gratuity Fund Trust

c. Key management personnel

The key management personnel of the Company are as mentioned below:

- Sudarshan Srinivasan – Company Secretary. (Appointed w. e. f. 18 June 2020)

Non-executive directors on the board of the Company

▪ Ajit Kumar Gopala Krishna Kurup	Director
▪ Manish Dugar	Director (Appointed w.e.f. 24 August 2020)
▪ Ganesh Vembu	Director
▪ V. Suryanarayanan	Director (Resigned w.e.f. 24 August 2020)

d. Other related parties with which transactions have taken place:

The Company has entered into transactions during the year with the following parties which are fellow subsidiaries:

- Mphasis UK Limited (‘Mphasis UK’)
- Mphasis Belgium BV (‘Mphasis Belgium’)
- Digital Risk Mortgage Services LLC (‘DRMS’)
- Mphasis Poland s.p.z.o.o
- Mphasis Pte Limited (‘Mphasis Singapore’)
- Mphasis Australia Pty Ltd (‘Mphasis Australia’)

The following is the summary of significant transactions with related parties by the Company: (₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services to entities who have control over the Company	**4,281.71**	**3,806.09**
- Mphasis Limited	4,230.75	3,783.95
- Mphasis USA	37.67	22.14
- Mphasis Europe BV	13.29	-
Rendering of services to fellow subsidiaries	**10.04**	**7.30**
- Mphasis UK	-	7.12
-Mphasis Australia Pty Ltd	9.98	-
- Others	0.06	0.18
Sub-lease rent paid to entities who have control over the Company	**343.89**	**309.46**
- Mphasis Limited	343.89	309.46
Subcontracting charges to entities who have control over the Company	**959.54**	**969.16**
- Mphasis Limited	955.06	964.52
- Mphasis USA	4.48	4.64
Subcontracting charges to fellow subsidiaries	**328.92**	**369.07**
- Mphasis Poland s.p.z.o.o	329.31	364.78
- Mphasis UK	(0.39)	3.84
- Others	-	0.45
Purchase of property, plant and equipment from entities who have control over the Company	**5.86**	**2.71**
- Mphasis Limited	5.86	2.71
Sales support cost to fellow subsidiaries	**-**	**12.48**
- Mphasis UK	-	12.48
Corporate support cost to entities who have control over the Company	**448.79**	**547.28**
- Mphasis Limited	440.84	542.38
- Mphasis USA	7.95	4.90
Unsecured loans given to entities where control exists	**20,000.00**	**-**
- Mphasis Limited	20,000.00	-
Unsecured loans repaid by entities where control exists	**10,100.00**	**-**
- Mphasis Limited	10,100.00	-
Interest income from unsecured loans given to entities where control exists	**647.09**	**-**
- Mphasis Limited	647.09	-
Expenses incurred by related parties who have control over the Company on Company's behalf	**218.87**	**149.80**
- Mphasis Limited	218.87	149.80

Marble II Pte Ltd. ('Marble') (being the erstwhile Promoter of the Mphasis Limited and also the Company) has covered one of the Directors of the Company under an Exit Return Incentive Plan ('the ERI Plan') of Marble, under which Marble could make direct payments upon satisfaction of specified conditions therein, at Marble's discretion. The ERI Plan was approved by the Board of Directors of Mphasis Ltd on 25 May 2017 and the shareholders of Mphasis Ltd at the Annual General Meeting held on 26 July 2017, as required under Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no financial impact / burden to the Company for the payments to be made pursuant to the ERI Plan by Marble. Marble has, since its exit as a shareholder of the Company, made payments of ₹ 413.00 lakh in aggregate under the ERI Plan to the one of the Directors of the Company.

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

The balances receivable from and payable to related parties are as follows:		**(₹ lakh)**
	As at 31 March 2022	**As at 31 March 2021**
Trade receivables from entities who have control over the Company	**1,465.31**	**1,106.54**
- Mphasis Limited	1,417.64	1,102.08
- Mphasis USA	34.25	4.46
- Mphasis Europe BV	13.42	-
Trade receivable from fellow subsidiaries	**2.28**	**0.12**
- Mphasis Australia Pty Ltd	2.28	-
- Others	-	0.12
Other receivables from entities who have control over the Company	**5.35**	**0.13**
- Mphasis Limited	5.35	0.13
Other receivables from fellow subsidiaries	**1.55**	**0.50**
- Mphasis Belgium BV	1.55	0.50
Trade payables to entities who have control over the Company	**599.87**	**473.96**
- Mphasis USA	4.79	3.52
- Mphasis Limited	595.08	470.44
Trade payable to fellow subsidiaries	**105.43**	**80.21**
- Mphasis Poland s.p.z.o.o	105.43	65.98
- Mphasis UK	-	13.81
- Others	-	0.42
Unsecured loans given to entities where control exist	**9,900.00**	**-**
- Mphasis Limited	9,900.00	-
Interest receivable on unsecured loans given to entities where control exists	**65.84**	**-**
- Mphasis Limited	65.84	-

The remuneration to key managerial personnel is paid by Mphasis Limited as they are not employees of the Company.

31. SEGMENT REPORTING

Operating segments are defined as components of the Company for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Board of Directors are the chief operating decision makers (CODM) of the Company.

The Company has identified business segments as reportable segments. During the current year, Banking and Capital Markets business segment has been renamed as Banking and Financial Services and Information Technology Communication and Entertainment business segment has been renamed as Technology Media and Telecom. The business segments identified are Banking and Financial Services, Logistics and transportation, Technology Media and Telecom, Insurance, and Others.
The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company, therefore, believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

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

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

(₹ lakh)

Business segments	Year ended 31 March 2022	Year ended 31 March 2021
Banking and Financial Services	4,935.18	4,329.73
Logistics and Transportation	99.72	42.01
Technology Media and Telecom	4,169.54	4,262.77
Insurance	664.97	644.51
Others	104.96	110.12
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**
Segment result		
Banking and Financial Services	746.56	614.81
Logistics and Transportation	3.94	0.67
Technology Media and Telecom	1,865.69	1,762.38
Insurance	(25.00)	47.45
Others	(8.74)	(12.19)
Unallocated - hedge	173.40	(156.56)
Total segment result	**2,755.85**	**2,256.56**
Interest income	1,018.71	205.64
Other income	3,880.36	4,525.42
Other unallocable expenditure	(2,804.76)	(2,991.74)
Profit before exceptional item and tax	**4,850.16**	**3,995.88**
Exceptional item	(3,115.17)	-
Profit after exceptional item and before tax	**1,734.99**	**3,995.88**
Income taxes	308.32	393.85
Profit for the year before exceptional item	**4,541.84**	**3,602.03**
Profit for the year after exceptional item	**1,426.67**	**3,602.03**

Revenue from three customer groups individually accounted for more than 10% of the total revenue for the years ended 31 March 2022 and 31 March 2021.

Geographic revenues	Year ended 31 March 2022	Year ended 31 March 2021
Americas	5,137.50	4,298.17
India	19.14	30.58
EMEA	4,771.21	5,028.03
ROW	46.52	32.36
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**

32. DISAGGREGATION OF REVENUE

Services rendered	Year ended 31 March 2022	Year ended 31 March 2021
Application Services	432.31	227.35
Business process services	9,366.76	9,015.60
Infrastructure services	175.30	146.19
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**

Delivery location		
Onsite	258.76	272.59
Offshore	9,715.61	9,116.55
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**

(₹ lakh)

Project type	Year ended 31 March 2022	Year ended 31 March 2021
Time and material	7,131.64	6,843.73
Fixed Price	1,093.46	923.38
Transaction based	1,749.27	1,622.03
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**

Market		
Direct	9,941.38	9,339.38
DXC	32.99	49.76
Unallocated - hedge	173.40	(156.56)
Total	**10,147.77**	**9,232.58**

33. CAPITAL MANAGEMENT

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

	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the share holders of the Company (A)	99,197.79	97,772.66
Borrowings (B)	-	-
Total capital C(A+B)	**99,197.79**	**97,772.66**
Total borrowings as a percentage of capital (B / C)	**0.00%**	**0.00%**
Total equity as a percentage of total capital (A / C)	**100.00%**	**100.00%**

The Company is wholly equity financed which is evident from the capital structure table above. The Company is not subject to any externally imposed capital restrictions.

34. EMPLOYEE BENEFITS

a. Gratuity Plan

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

The following tables set out the status of the gratuity plan. (₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
Changes in present value of defined benefit obligations		
Obligations at beginning of the year	336.38	200.32
Service cost	35.33	19.84
Interest cost	17.60	10.93
Benefits paid	(13.30)	(16.06)
Re-measurement (gain) / loss (through OCI)	54.13	121.35
Obligations at end of the year	**430.14**	**336.38**
Change in plan assets		
Plan assets at beginning of the year, at fair value	158.20	130.50
Expected return on plan assets	10.21	38.14
Re-measurement gain / (loss) (through OCI)	0.31	1.72
Employer contributions	15.94	12.60
Benefits paid	(13.30)	(16.06)
Administration charges	(7.73)	(8.70)
Plan assets at end of the year	**163.63**	**158.20**
Present value of defined benefit obligation at the end of the year	430.14	336.38
Fair value of plan assets at the end of the year	163.63	158.20
Net liability recognised in the balance sheet	**(266.51)**	**(178.18)**

		(₹ lakh)
Expenses recognised in statement of profit and loss	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Service cost	35.33	19.84
Interest cost (net)	7.39	(27.21)
Net gratuity cost	**42.72**	**(7.37)**
Re-measurement gains / (losses) in OCI		
Actuarial (gain) / loss due to financial assumption changes	(2.26)	2.58
Actuarial (gain) / loss due to experience adjustments	56.39	118.77
Re-measurement - return on plan assets (greater) less than discount rate	(0.31)	(1.72)
Total expenses routed through OCI	**53.82**	**119.63**
Assumptions		
Discount rate	6.38%	6.15%
Expected rate of return on plan assets	6.38%	6.15%
Salary increase	4.00%	4.00%
Attrition rate	30.00%	30.00%
Retirement age	60 years	60 years
Future payouts (year ended 31 March)		
Year-1	118.97	83.94
Year-2	83.36	68.51
Year-3	63.61	49.02
Year-4	45.82	37.62
Year-5	32.62	27.18
Year-6-10	69.88	56.81
Year-10 and above	15.88	13.30

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

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Insurer managed funds	100%	100%

Sensitivity analysis	**Year ended 31 March 2022**		**Year ended 31 March 2021**	
Change in discount rate	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Effect on the defined benefit obligation	(10.95)	10.33	(8.97)	8.11
Change in salary increase rate				
Effect on the defined benefit obligation	8.64	(9.00)	9.80	(10.59)

b. Provident fund

The Company contributed ₹ 167.82 lakh during the year ended 31 March 2022 (31 March 2021: ₹ 172.63 lakh).

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

35. FINANCIAL INSTRUMENTS

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

Particulars (as at 31 March 2022)	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	713.01	**713.01**
Bank balances other than cash and cash equivalents	-	-	-	1,640.00	**1,640.00**
Investments	81,955.85	-	-	-	**81,955.85**
Trade receivables	-	-	-	2,439.97	**2,439.97**
Loans	-	-	-	9,929.57	**9,929.57**
Derivative assets	-	144.59	2.30	-	**146.89**
Other financial assets	-	-	-	1,444.36	**1,444.36**
Total	**81,955.85**	**144.59**	**2.30**	**16,166.91**	**98,269.65**
Financial liabilities					
Lease liabilities	-	-	-	3,517.16	**3,517.16**
Trade payables	-	-	-	1,440.95	**1,440.95**
Derivative liabilities	-	4.32	0.06	-	**4.38**
Other financial liabilities	-	-	-	391.15	**391.15**
Total	**-**	**4.32**	**0.06**	**5,349.26**	**5,353.64**
Particulars (as at 31 March 2021)	**FVTPL**	**Derivative instruments in hedging relationship**	**Derivative instruments not in hedging relationship**	**Amortized cost**	**Total**
Financial assets					
Cash and cash equivalents	-	-	-	438.61	**438.61**
Bank balances other than cash and cash equivalents	-	-	-	8,848.98	**8,848.98**
Investments	68,460.22	-	-	12,421.70	**80,881.92**
Trade receivables	-	-	-	2,321.12	**2,321.12**
Loans	-	-	-	17.62	**17.62**
Derivative assets	-	105.59	32.12	-	**137.71**
Other financial assets	-	-	-	982.72	**982.72**
Total	**68,460.22**	**105.59**	**32.12**	**25,030.75**	**93,628.68**
Financial liabilities					
Lease liabilities	-	-	-	4,773.58	**4,773.58**
Trade payables	-	-	-	1,255.98	**1,255.98**
Derivative liabilities	-	17.08	2.48	-	**19.56**
Other financial liabilities	-	-	-	158.47	**158.47**
Total	**-**	**17.08**	**2.48**	**6,188.03**	**6,207.59**

Fair Value hierarchy

Particulars	As at 31 March 2022				As at 31 March 2021			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Investments	**81,955.85**	70,872.35	11,083.50	-	**68,460.23**	57,270.23	11,190.00	-
Derivative assets	**146.89**	-	146.89	-	**137.71**	-	137.71	-
Liabilities								
Derivative liabilities	**4.38**	-	4.38	-	**19.56**	-	19.56	-

Offsetting financial assets with liabilities

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

The quantitative information about offsetting financial asset is as follows:

	As at 31 March 2022	As at 31 March 2021
Gross amount of recognised trade receivables (net of provision for ECL) - Billed	1,410.32	1,939.81
Gross amount of volume discount set off in the balance sheet	(293.37)	(213.72)
Net amount presented in balance sheet	**1,116.95**	**1,726.09**

36. FINANCIAL RISK MANAGEMENT

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

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

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

CREDIT RISK

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

Trade receivables

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

Credit risk exposure

The Company's credit period generally ranges from 30 – 60 days. The particulars of outstanding are as below.

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	2,439.97	2,321.12
Total	**2,439.97**	**2,321.12**

The concentration risk with respect to trade receivables is low since they are spread across multiple customers, geographies, industries.
The allowance for lifetime expected credit loss for the years ended 31 March 2022 and 31 March 2021 was ₹ 1.14 lakh and ₹ 6.20 lakh respectively. The reconciliation is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance as per previous financial statements	71.19	64.99
Charge/credit for the year	1.14	6.20
Closing balance	**72.33**	**71.19**

Financial instruments and deposits with banks

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

LIQUIDITY RISK

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	713.01	438.61
Bank balances other than cash and cash equivalents	1,640.00	8,848.98
Current investments	56,074.24	68,696.83
Total	**58,427.25**	**77,984.42**

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

Financial liabilities (31 March 2022)	On demand	0-180 days	180 to 365 days	365 days and above	Total
Trade payables	5.54	1,435.41	-	-	**1,440.95**
Lease liabilities	-	610.14	536.74	2,746.60	**3,893.48**
Other financial liabilities	0.51	394.77	-	0.25	**395.53**
Total financial liabilities	**6.05**	**2,440.32**	**536.74**	**2,746.85**	**5,729.96**
Financial liabilities (31 March 2021)					
Trade payables	5.78	1,250.20	-	-	**1,255.98**
Lease liabilities	-	880.19	611.43	3,893.48	**5,385.10**
Other financial liabilities	0.51	177.52	-	-	**178.03**
Total financial liabilities	**6.29**	**2,307.91**	**611.43**	**3,893.48**	**6,819.11**

FOREIGN CURRENCY EXCHANGE RATE RISK

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

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

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

Below is the summary of foreign currency exposure of Company's financial assets and liabilities:

31 March 2022			**₹ lakh**			
Financial assets	**USD**	**EUR**	**GBP**	**CAD**	**Others**	**Total**
Trade receivables	34.22	675.17	53.61	257.06	2.27	**1,022.33**
Other financial assets	-	1.55	-	-	-	**1.55**
Total financial assets	**34.22**	**676.72**	**53.61**	**257.06**	**2.27**	**1,023.88**
Financial liabilities						**Total**
Trade payables	10.41	-	-	-	105.43	**115.84**
Total financial liabilities	**10.41**	**-**	**-**	**-**	**105.43**	**115.84**
Net financial assets	**23.81**	**676.72**	**53.61**	**257.06**	**(103.16)**	**908.04**

31 March 2021			**₹ lakh**			
Financial assets	**USD**	**EUR**	**GBP**	**CAD**	**Others**	**Total**
Trade receivables	4.45	938.23	33.68	245.33	-	**1,221.69**
Other financial assets	-	0.51	-	-	-	**0.51**
Total financial assets	**4.45**	**938.74**	**33.68**	**245.33**	**-**	**1,222.20**
Financial liabilities						**Total**
Trade payables	50.64	-	13.81	-	65.99	**130.44**
Total financial liabilities	**50.64**	**-**	**13.81**	**-**	**65.99**	**130.44**
Net financial assets	**(46.19)**	**938.74**	**19.87**	**245.33**	**(65.99)**	**1,091.76**

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

Forward contracts outstanding against financial assets as at 31 March 2022 and 31 March 2021 are as below:

Currency	**As at 31 March 2022**		**As at 31 March 2021**	
Balance sheet hedges	**Amount (lakh)**	**Amount in (₹ lakh)**	**Amount (lakh)**	**Amount in (₹ lakh)**
CAD	3.29	198.86	4.87	282.84
EUR	9.67	814.31	11.37	974.75

Forward contracts outstanding against financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

Currency	**As at 31 March 2022**		**As at 31 March 2021**	
Balance sheet hedges	**Amount (lakh)**	**Amount in (₹ lakh)**	**Amount (lakh)**	**Amount in (₹ lakh)**
PLN	3.00	54.33	3.78	69.71

Sensitivity analysis

For every 1% appreciation/depreciation of the respective foreign currencies, the Company's profit before taxes will be impacted approximately by ₹ 0.45 lakh for the year ended 31 March 2022 (31 March 2021: ₹ 0.99 lakh).

37. ADDITIONAL REGULATORY INFORMATION

a. ANALYTICAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2022 - before exceptional item (A)	As at 31 March 2022 - after exceptional item	As at 31 March 2021 (B)	% Variance (A-B)	Reason for variance >25%
Current ratio (in times)*	Current assets	Current liabilities	20.30	10.84	25.06	-18.99%	
Debt equity ratio (in times)*	Debt (borrowings + lease liabilities)	Shareholders equity	0.03	0.04	0.05	-29.59%	Reduction in lease liabilities.
Debt service coverage ratio (in times)*	Earnings for Debt Service (Profit after tax+Depreciation+finance cost+Profit on sale of property,plant and equipment)	Debt Service (Interest and lease payments + Principal repayments)	4.3	2.2	5.9	-28.27%	Increase in lease payments.
Return on equity ratio (in %)*	Net Profit for the year	Average shareholders equity	4.54%	1.45%	3.75%	20.99%	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.26	4.26	3.97	7.24%	
Trade payables turnover ratio	Other expenses	Average trade payables	3.66	3.66	3.17	15.28%	
Net capital turnover ratio*	Revenue from operations	Working Capital (current assets - current liabilities)	0.15	0.15	0.12	24.57%	
Net profit ratio (in %)*	Net Profit for the year	Revenue from operations	44.76%	14.06%	39.01%	14.72%	
Return on capital employed (in %)*	Profit before tax and finance costs	Capital employed (Net worth + borrowings + lease liabilities)	4.81%	1.92%	4.03%	19.36%	
Return on investment (in %)	Income generated from treasury investments	Average invested funds in treasury investments	5.00%	5.00%	5.50%	-9.09%	

*The analytical ratios are significantly impacted on account of the exceptional item (refer note 38). The Company has hence disclosed the ratios pre and post the impact of the exceptional item.

b. OTHERS

There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company; or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

There have been no funds that have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38. The Company has an ongoing demand for statutory dues for the periods from March 2006 to October 2011. Based on legal advice obtained and management’s internal assessment a provision for ₹ 3,115.17 lakhs has been recorded during the current year. Management continues to contest this demand with the statutory authorities.

39. FAIR VALUES

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

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

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

- The fair values of the quoted investments are based on price quotations at the reporting date.
- The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The models incorporate various inputs including the credit quality of

counterparties, foreign exchange spot and forward rates. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

40. HEDGING ACTIVITIES AND DERIVATIVES

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

The Company has taken cash flow hedges on account of highly probable forecast transactions. Designated cash flow hedges are measured at FVTOCI. Other derivatives which are not designated as hedge are measured at FVTPL.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The following are outstanding forward contracts which has been designated as cash flow hedges:

	As at 31 March 2022			As at 31 March 2021		
Currency	**Number of contracts**	**Notional amount (lakh)**	**Fair value gain/(loss) (₹ lakh)**	**Number of contracts**	**Notional amount (lakh)**	**Fair value gain/(loss) (₹ lakh)**
EUR	11	28.90	139.04	12	37.30	105.59
CAD	9	9.00	1.23	12	22.30	(17.08)
Total			**140.27**			**88.51**

The Company has entered into derivative instruments not in hedging relationships by way of foreign exchange forwards. As at 31 March 2022 and 31 March 2021, the notional amount of outstanding contracts aggregated to ₹ 958.84 lakh and ₹ 1,187.88 lakh, respectively and the respective fair value of these contracts have a net gain of ₹ 2.24 lakh and ₹ 29.64 lakh respectively.

The movement in cash flow hedging reserve for derivatives designated as cash flow hedges is as follows: **(₹ lakh)**

	As at 31 March 2022	**As at 31 March 2021**
Balance as per previous financial statements	66.24	32.07
Change in fair value of effective portion of cash flow hedge	225.16	(110.90)
(Gain) / loss transfered to statement of profit and loss on occurrence of forecasted hedges	(173.40)	156.56
Income tax effect on the above	(13.03)	(11.49)
Closing balance	**104.97**	**66.24**

Sensitivity analysis

Every 1% appreciation/depreciation of the respective underlying foreign currencies, the Company's OCI will increase or decrease approximately by ₹ 29.71 lakh for the year ending 31 March 2022 (31 March 2021: ₹ 45.00 lakh).

41. CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on creating opportunities for the disadvantaged with emphasis on persons with disabilities and technology driven community development.

(₹ lakh)

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Amount required to be spent by the company during the year	103.30	123.80
Amount of expenditure incurred on :		
Construction / acquisition of any asset	-	-
On purposes other than above	103.30	123.80
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	-	-
Nature of CSR activities	Promoting education and COVID 19 relief.	

42. Certain employees of the Company have received stock options of the intermediate holding company Mphasis Limited ("ML,") under the ESOP/RSU instituted by ML. All the ESOP/RSUs are in respect of ML shares, where each stock option is equivalent to one share. Such cost aggregating to ₹ 24.71 lakh (31 March 2021: ₹ 4.88 lakh) has been cross charged to the Company and the same has been charged to statement of profit and loss under the head employee share-based payments.

43. Consequent to Schedule III amendments being made effective 1 April 2021, previous year numbers pertaining to security deposits of ₹ 3.60 lakh and ₹ 706.29 lakh have been reclassed from current and non-current loans to current and non-current financial assets respectively.

As per our report of even date attached.

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

AMIT SOMANI Digitally signed by AMIT SOMANI Date: 2022.06.30 17:01:23 +05'30'

Amit Somani
Partner
Membership No. 060154

Bengaluru
30 June 2022

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

MANISH DUGAR Digitally signed by MANISH DUGAR

Manish Dugar
Director
Bengaluru

VEMBU GANESH

Ganesh Vembu
Director
Bengaluru

SRINIVASAN SUDARSHAN Digitally signed by SRINIVASAN SUDARSHAN

Sudarshan Srinivasan
Company Secretary

Bengaluru
30 June 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Mphasis Software & Services (India) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mphasis Software & Services (India) Private Limited ("the Company") which comprises the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), and the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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

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

In preparing the financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 the management and Board of Directors 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.

- Materiality is the magnitude of misstatement in the financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The Company is a private limited company and it falls under the exemption specified vide notification No. G.S.R 583(E) dated 13th June, 2016 issued by the Ministry of Corporate Affairs. Hence we have not reported on the adequacy of operating effectiveness of internal financial controls over financial reporting as per the requirements of Section 143(3)(g) of the Act, and

g) 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, 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 16 to the financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which provision for material foreseeable losses is required under the applicable law or accounting standards;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a) No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company ('Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) No funds have been received by the Company from any persons or entities, including foreign entities("Funding Parties"), with the understanding, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner 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

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub clause (a) and (b) by the management contain any material misstatements.

c) The company has not declared any dividend during the year.

For ASA & Associates LLP
Chartered Accountant
Firm Registration No: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
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Date: 2022.06.13 22:46:47 +05'30'

Vinay K.S
Partner
Membership No. 223085
UDIN: 22223085AKWCQV6505

Place: Bangalore
Date: 13th June,2022

Annexure-A to the independent Auditor's Report

As referred to in paragraph 1 of our report of even date to the members of Mphasis Software & Services (India) Private Limited on the financial statements for the year ended March 31, 2022.

(i) The company does not own any property, plant & equipment or intangible assets during the year. Accordingly reporting under clause 3(i)(a) to (d) of the Order is not applicable.

(ii) The company's business does not hold any physical Inventories during the year. Accordingly, the requirement under paragraph 3(ii)(a) of the Order is not applicable to the company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it and/ or services provided by it. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) a) According to the information provided and explanations given to us and based on our examination of records of the company, the Company is regular in depositing with appropriate authorities undisputed statutory dues and Goods and services tax applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these become payable

b) According to the information and explanations given to us and based on our examination of records of the company, the dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax & cess on account of any dispute are as follows:

Nature of Statute	**Nature of dues**	**Amount (Rs)**	**Amount paid under protest**	**Period to which the amount relates (FY)**	**Forum where the dispute is pending**
Income Tax Act, 1961	Tax/Interest	1,10,69,992	1,10,69,992	2001-02	Remanded back to AO
	Adjustment for Transfer Pricing and Other Disallowances	3,46,10,202	3,46,10,202	2007-08	HC
		1,32,07,147	1,32,07,147	2008-09	CIT(A)
		3,16,787	NIL	2009-10	CIT(A)
	Tax/Interest	9,84,270	NIL	2010-11	CIT(A)
	Tax/Interest	1,07,444	NIL	2009-10	ACIT(TDS)
	Tax/Interest	1,47,764	NIL	2017-18	CIT(A)/AO

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year.

(ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any loans during the year. Hence, clause 3(ix)(a) of the order is not applicable.

(x) a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b) According to the information and explanations available with us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, the company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act,2013 or SEBI LODR regulations and accordingly reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, there are no transactions entered with the related parties. Hence reporting in compliance with sections 177 and 188 of Companies Act, 2013 as per clause 3(xiii) of the order is not applicable.

(xiv) a) According to the information and explanations given to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Companies Act, 2013
b) The Company is not required to and does not have an internal audit system as per Section 138 of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv)(b) of the Order is not applicable.

(xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

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

(xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the immediately preceding financial year. Hence reporting under the clause 3(xvii) of the order is not applicable.

(xviii) There has no been resignation of the statutory auditors during the year, and reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH

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Date: 2022.06.13 22:47:16 +05'30'

Vinay K.S
Partner
Membership No. 223085
UDIN: 22223085AKWCQV6505

Place: Bangalore
Date: 13th June,2022

Mphasis The Next Applied

Mphasis Software and Services (India) Private Limited

Audited financial statements as at and for the year ended 31 March 2022

BALANCE SHEET (₹ lakh)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Other financial assets	3	-	5,934.00
Income tax assets (net)	12	1,127.44	1,086.04
Total non-current assets		**1,127.44**	**7,020.04**
Current assets			
Financial assets			
Investments	4	11,507.74	7,364.81
Cash and cash equivalents	5	18.55	12.89
Bank balances other than cash and cash equivalents	6	5,934.00	3,795.00
Other financial assets	3	342.09	132.29
Other assets	7	40.70	40.20
Total current assets		**17,843.08**	**11,345.19**
TOTAL ASSETS		**18,970.52**	**18,365.23**
EQUITY AND LIABILITIES			
Equity			
Share capital	8	1,000.00	1,000.00
Other equity	9	17,622.23	17,015.25
Total equity		**18,622.23**	**18,015.25**
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	10		
outstanding dues of creditors other than micro and small enterprises		1.30	1.71
Income tax liabilities (net)	12	346.99	347.58
Other liabilities	11	-	0.69
Total current liabilities		**348.29**	**349.98**
TOTAL EQUITY AND LIABILITIES		**18,970.52**	**18,365.23**
Summary of significant accounting policies.	2		

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

***for* ASA & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 009571N/N500006

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

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.13 19:41:37 +05'30'

MANIKANTAN THYAGARAJAN Digitally signed by MANIKANTAN THYAGARAJAN Date: 2022.06.13 12:46:33 +05'30'

BADRINARAYANAN RAJAGOPALAN Digitally signed by BADRINARAYANAN RAJAGOPALAN

P R KARTHIC Digitally signed by P R KARTHIC

Vinay K S
Partner
Membership No. 223085
Bengaluru
13 June 2022

Manikantan T
Director
DIN No. 00451051
Bengaluru
13 June 2022

Badrinarayanan. R
Director
DIN No. 06965494

P R Karthic
Company Secretary
Membership No. A39225

			(₹ lakh)
STATEMENT OF PROFIT AND LOSS	**Notes**	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Income			
Other income	13	796.50	909.53
Total income (I)		**796.50**	**909.53**
Expenses			
Other expenses	14	28.64	29.19
Total expenses (II)		**28.64**	**29.19**
Profit before tax (III) [(I)-(II)]		**767.86**	**880.34**
Tax expenses			
Current tax	12	160.88	372.01
Total tax expenses		**160.88**	**372.01**
Profit for the year (A)		**606.98**	**508.33**
Other comprehensive income (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**606.98**	**508.33**
Earnings per equity share (par value ₹ 10 per share)	15		
Basic & Diluted (₹)		6.07	5.08

Summary of significant accounting policies. 2

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

***for* ASA & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 009571N/N500006

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

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.13 19:42:06 +05'30'

MANIKANTAN THYAGARAJAN Digitally signed by MANIKANTAN THYAGARAJAN Date: 2022.06.13 12:46:53 +05'30'

BADRINARAYANAN RAJAGOPALAN Digitally signed by BADRINARAYANAN RAJAGOPALAN

P R KARTHIC Digitally signed by P R KARTHIC

Vinay K S
Partner
Membership No. 223085
Bengaluru
13 June 2022

Manikantan T
Director
DIN No. 00451051
Bengaluru
13 June 2022

Badrinarayanan. R
Director
DIN No. 06965494

P R Karthic
Company Secretary
Membership No. A39225

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in Lakh	₹ lakh
As at 1 April 2020	100.00	1,000.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2020	**100.00**	**1,000.00**
Issue of shares	-	-
As at 31 March 2021	**100.00**	**1,000.00**
As at 1 April 2021	100.00	1,000.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2021	**100.00**	**1,000.00**
Issue of shares	-	-
As at 31 March 2022	**100.00**	**1,000.00**

b. Other equity

Attributable to the equity holders of the Company (₹ lakh)

	Capital redemption reserve	Retained earnings	Total
As at 1 April 2020	**940.00**	**15,566.92**	**16,506.92**
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2020	**940.00**	**15,566.92**	**16,506.92**
Profit for the year	-	508.33	**508.33**
As at 31 March 2021	**940.00**	**16,075.25**	**17,015.25**
As at 1 April 2021	**940.00**	**16,075.25**	**17,015.25**
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2021	**940.00**	**16,075.25**	**17,015.25**
Profit for the year	-	606.98	**606.98**
As at 31 March 2022	**940.00**	**16,682.23**	**17,622.23**

Summary of significant accounting policies. (Note 2)

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

***f*or ASA & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.13 19:42:28 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
13 June 2022

***f*or and on behalf of the Board of Directors**

MANIKANTAN THYAGARAJAN Digitally signed by MANIKANTAN THYAGARAJAN Date: 2022.06.13 12:47:13 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
13 June 2022

BADRINARAYANAN RAJAGOPALAN Digitally signed by BADRINARAYANAN RAJAGOPALAN

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Director
DIN No. 06965494

P R KARTHIC Digitally signed by P R KARTHIC

P R Karthic
Company Secretary
Membership No. A39225

STATEMENT OF CASH FLOWS **(₹ lakh)**

	Year ended 31 Mar 2022	Year ended 31 March 2021
Operating activities		
Profit before tax	**767.86**	**880.34**
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Net gain on investments carried at fair value through profit and loss	(353.46)	(221.88)
Interest income	(443.04)	(687.65)
Operating loss before changes in operating assets and liabilities	**(28.64)**	**(29.19)**
Changes in operating assets and liabilities		
Other assets	(0.50)	(1.59)
Trade payables	(0.41)	(0.81)
Other liabilities	(0.69)	0.69
Total changes in operating assets and liabilities	**(1.60)**	**(1.71)**
Income tax paid (net of refunds)	(202.87)	(147.15)
Net cash flows used in operating activities (A)	**(233.11)**	**(178.05)**
Investing activities		
Purchase of investments	(30,208.49)	(23,675.81)
Sale of investments	26,419.02	23,050.38
Interest received	233.24	642.89
Investment in bank deposits	-	(9,729.00)
Redemption / maturity of bank deposits	3,795.00	-
Net cash flows (used in) / generated from investing activities (B)	**238.77**	**(9,711.54)**
Net (decrease)/increase in cash and cash equivalents (A+B)	**5.66**	**(9,889.59)**
Cash and cash equivalents at the beginning of the year	12.89	9,902.48
Cash and cash equivalents at the end of the year (refer note 5)	**18.55**	**12.89**

Summary of significant accounting policies. (Note 2)

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

***for* ASA & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 009571N/N500006

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

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.13 19:42:50 +05'30'

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Membership No. A39225

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mphasis Software and Services (India) Private Limited ('the Company'), is a subsidiary of Mphasis Europe BV, Netherlands (`the Parent Company'), which is a subsidiary of Mphasis Corporation. Mphasis Corporation is a wholly owned subsidiary of Mphasis Limited ('ML'). Mphasis Limited is an intermediate holding company.

The Company is considered to be a private limited Company primarily based on the reading of the General Circular No.23/2014 dated 25 June 2014 issued by the Ministry of Corporate Affairs which had clarified that the exemption granted in relation to the subsidiaries of the foreign body corporate under the erstwhile Companies Act, 1956 continues as at the date of the report under the provisions of the Companies Act, 2013.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for Investments classified as Fair Value Through Profit or Loss ('FVTPL').

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

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

The financial statements are presented in INR ('₹') and all the values are rounded off to the nearest lakh (INR 00,000) except when otherwise indicated.

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

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

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

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022.

Use of estimates, assumptions and judgements

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

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

- **Taxes**

  The Company's major tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, tax credits including the amount expected to be paid or refunded.

Revenue recognition

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

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

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call centre and business & knowledge process outsourcing operations arise from time-based, unit-priced and fixed price contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value transferred to the customer.
- Revenue from license transactions where customer's are given a right to use intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

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

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

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

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

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

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

Property, plant and equipment and intangible assets

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

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

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

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

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

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

Depreciation and amortization

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

(In Years)

Asset	Useful life as per Companies Act, 2013	Useful life estimated by the management
Computer equipment	3	3
Furniture and fixtures	10	5
Building	20	20 or remaining lease term whichever is less
Lease hold improvements	Not Applicable	10 or remaining lease term whichever is less
Office equipment	5	5
Plant and equipment	15	4 to7
Server and networks	6	6
Computer Software	As per Ind AS 38	3
Vehicles	8	5

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

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

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, deposits with banks, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include trade payables and eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

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

b. Financial assets at amortised cost

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

c. Financial assets at fair value through other comprehensive income

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

d. Financial assets at fair value through profit or loss

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

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

e. Financial liabilities

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

f. De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

g. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are 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 realize the asset and settle the liability simultaneously.

h. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

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

i. Fair value hierarchy

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

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

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 — Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

FOREIGN CURRENCIES

Transactions and balances

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

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

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

Income taxes

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

- **Current income tax**

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Earnings per share

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

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

Recent pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS - 16 Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

(₹ lakh)

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
3. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Bank balances (refer note 6)	-	5,934.00	-	-
Accrued interest	-	-	342.09	132.29
	-	**5,934.00**	**342.09**	**132.29**

	As at 31 March 2022			As at 31 March 2021		
	Units	**NAV (₹)**	**₹lakh**	**Units**	**NAV (₹)**	**₹lakh**
4. CURRENT INVESTMENTS						
Investments measured at FVTPL						
Quoted mutual funds						
Nippon India Arbitrage Advantage Fund-Direct Plan - Growth	18,119,952	22.83	4,136.42	367,680	21.83	80.26
Aditya Birla Life Savings Fund - Growth Direct Plan	-	-	-	917,402	426.84	3,915.80
HDFC Overnight Fund - Direct Plan - Growth	106,659	3,157.46	3,367.71	-	-	-
HDFC Money Market - Direct Growth Plan	16,312	4,654.80	759.28	-	-	-
UTI Money Market Fund - Direct Growth Plan	130,253	2,490.77	3,244.33	140,647	2,395.17	3,368.75
Aggregate value of quoted current investements			**11,507.74**			**7,364.81**

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
5. CASH AND CASH EQUIVALENTS				
Balances with banks:				
In current accounts	-	-	18.55	12.89
	-	**-**	**18.55**	**12.89**

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
6. Bank balances other than cash and cash equivalents				
Deposits with remaining maturity of more than 12 months	-	5,934.00	-	-
Deposits with remaining maturity for less than 12 months	-	-	5,934.00	3,795.00
	-	**5,934.00**	**5,934.00**	**3,795.00**
Disclosed under other non-current financial assets (refer note 3)	-	(5,934.00)	-	-
	-	**-**	**5,934.00**	**3,795.00**

(₹ lakh)

	Non-Current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
7. OTHER ASSETS				
Unsecured - considered good				
Advances to suppliers	-	-	0.04	0.05
Indirect tax recoverable	-	-	40.66	40.15
	-	**-**	**40.70**	**40.20**

	As at 31 March 2022	As at 31 March 2021
8. EQUITY SHARE CAPITAL		
Authorised share capital		
10,000,000 (31 March 2021: 10,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00
1,000,000 (31 March 2021: 1,000,000) 8% non-cumulative redeemable preference shares of 100 each	1,000.00	1,000.00
Issued, subscribed and fully paid-up shares		
10,000,000 (31 March 2021: 10,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00
Total issued, subscribed and fully paid-up share capital	**1,000.00**	**1,000.00**

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

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ lakh	Number of shares	₹ lakh
At the beginning of the year	10,000,000	1,000.00	10,000,000	1,000.00
Outstanding at the end of the year	**10,000,000**	**1,000.00**	**10,000,000**	**1,000.00**

(b) Terms/rights attached to the equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2022	As at 31 March 2021
Mphasis Europe BV 9,999,999 (31 March 2021 : 9,999,999) equity shares of ₹ 10 each fully paid	1,000	1,000

Shares held by Promoters at the begining of the year			
Promoter Name	**No of Shares**	**% of total shares**	
Mphasis Europe BV	9,999,999	100.00	
Shares held by Promoters at the end of the year			**% Change during the year**
Promoter Name	**No of Shares**	**% of total shares**	
Mphasis Europe BV	9,999,999	100.00	0%

(d) Details of shareholders holding more than 5% shares in the company

	As at 31 March 2022		As at 31 March 2021	
Name of the shareholder	**Number of shares**	% of holding	**Number of shares**	% of holding
Mphasis Europe BV	9,999,999	100.00%	9,999,999	100.00%

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

	As at 31 March 2022	As at 31 March 2021
9. OTHER EQUITY		
Capital reserve		
Balance as per last financial statements*	940.00	940.00
Closing balance	**940.00**	**940.00**
Retained earnings		
Balance as per previous financial statements	16,075.25	15,566.92
Profit for the year	606.98	508.33
Net surplus in the statement of profit and loss	**16,682.23**	**16,075.25**
Total reserves and surplus	**17,622.23**	**17,015.25**

* Created on redemption of preference shares during FY 2006-07.

(₹ lakh)

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
10. TRADE PAYABLES				
Outstanding dues of creditors other than micro and small enterprises	-	-	1.30	1.71
	-	**-**	**1.30**	**1.71**

Trade payables ageing schedule

Particulars (31 March 2022)	Outstanding for following periods from due date of payment						
	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
MSME	-	-	-	-	-	-	-
Others	1.30	-	-	-	-	-	**1.30**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	1.30	**-**	**-**	**-**	**-**	**-**	**1.30**

Trade payables ageing schedule

Particulars (31 March 2021)	Outstanding for following periods from due date of payment						
	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
MSME	-	-	-	-	-	-	-
Others	1.71						**1.71**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	1.71	**-**	**-**	**-**	**-**	**-**	**1.71**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
11. OTHER LIABILITIES				
Statutory dues	-	-	-	0.69
	-	**-**	**-**	**0.69**

12. TAXES

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

	Year ended 31 March 2022	Year ended 31 March 2021
Tax expenses		
Current taxes	160.88	372.01
Total tax expenses	**160.88**	**372.01**

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

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	**767.86**	**880.34**
Applicable tax rates in India	25.170%	25.170%
Computed tax expenses (A)	**193.27**	**221.58**
Tax effect on exempted non- operating income	(32.39)	67.44
Tax (true up)/true down (pertains to earlier years)	-	82.99
Total adjustments (B)	**(32.39)**	**150.43**
Total tax expenses (A+B)	**160.88**	**372.01**
	As at 31 March 2022	**As at 31 March 2021**
Income tax assets (Net)		
Advance income-tax (net of provision for taxation)	1,127.44	1,086.04
	1,127.44	**1,086.04**
Income tax liabilities (Net)		
Provision for taxation	346.99	347.58
	346.99	**347.58**
Net income tax asset	**780.45**	**738.46**

(₹ lakh)

	Year ended 31 March 2022	Year ended 31 March 2021
13. OTHER INCOME		
Interest income on		
Bank deposits	443.04	669.17
Others	-	18.48
Net gain on investments carried at FVTPL *	353.46	221.88
	796.50	**909.53**

*includes profit on sale of investments amounting to ₹ 229.64 lakh (31 March 2021; ₹ 500.96 lakh).

	Year ended 31 March 2022	Year ended 31 March 2021
14. OTHER EXPENSES		
Legal and professional charges	2.72	7.56
Payment to auditor	0.75	0.75
Rates & taxes	3.35	0.57
Corporate Social Responsibility expense (refer note 20)	21.80	20.30
Miscellaneous expenses	0.02	0.01
	28.64	**29.19**

15. EARNINGS PER SHARE

Reconciliation of basic and diluted shares used in computing earning per share

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year (₹ in Lakh)	606.98	508.33
Number of Weighted average number of shares considered for calculation of Basic earnings per share	10,000,000	10,000,000
Number of Weighted average shares considered for calculation of Diluted earnings per share	10,000,000	10,000,000
Earnings per equity share (par value ₹ 10 per share)		
Basic & Diluted (₹)	6.07	5.08

16. CONTINGENT LIABILITIES AND COMMITMENTS

The Company has received assessment orders for the financial years ended 31 March 2008, 31 March 2009 and 31 March 2010 wherein certain adjustments in respect of transfer pricing under Section 92CA of the Income Tax Act, 1961 and other disallowances have been made to the taxable income and demand orders for ₹ 593.12 Lakh (31 March 2021: ₹ 593.12 Lakh) have been raised on the Company. The management is of the view that the prices determined by it are at arm's length and is confident that the demands raised by the assessing officer are not tenable under law. Further, the demand w.r.t other tax disputes (Other than Transfer Pricing) are disputed by the management and the Company has filed the appeals against the aforesaid orders with appellate authorities. Since the demand is subject to the outcome, no provision has been made in the books of accounts for the aforementioned demand.

17. RELATED PARTY TRANSACTIONS

Entities where control exists:

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

Key **management personnel**

P R Karthic	Company Secretary
Directors on the board of the Company	
Subramanian Narayan	Director
Manikantan T	Director
Badrinarayanan R	Director

18. SEGMENT REPORTIING

Operating segments are defined as components of the Company for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Since there is no revenue for the Company, there are no segment information to be disclosed.

19. FINANCIAL INSTRUMENTS

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

Particulars (as at 31 March 2022)	**FVTPL**	**Amortised cost**	**Total**
Financial assets			
Cash and cash equivalents	-	18.55	18.55
Bank balances other than cash and cash equivalents	-	5,934.00	5,934.00
Investments	11,507.74	-	11,507.74
Other financial assets	-	342.09	342.09
Total	**11,507.74**	**6,294.64**	**17,802.38**
Financial liabilities			
Trade payables	-	1.30	1.30
Total	**-**	**1.30**	**1.30**

Particulars (as at 31 March 2021)	**FVTPL**	**Amortised cost**	**Total**
Financial assets			
Cash and cash equivalents	-	12.89	12.89
Bank balances other than cash and cash equivalents	-	3,795.00	3,795.00
Investments	7,364.81	-	7,364.81
Other financial assets	-	6,066.29	6,066.29
Total	**7,364.81**	**9,874.18**	**17,238.99**
Financial liabilities			
Trade payables	-	1.71	1.71
Total	**-**	**1.71**	**1.71**

Fair value hierarchy:

Particulars	**As at 31 March 2022**				**As at 31 March 2021**			
	Fair value measurements at reporting date				**Fair value measurements at reporting date**			
	Total	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Assets								
Investments	**11,507.74**	11,507.74	-	-	**7,364.81**	7,364.81	-	-

20. ADDITIONAL REGULATORY INFORMATION

ANALYTICAL RATIOS

Ratios	**Numerator**	**Denominator**	**As at 31 March 2022**	**As at 31 March 2021**	**% Variance**
Current ratio (in times) *	Current assets	Current liabilities	51.23	32.42	58.04%
Return on equity ratio (in %)	Net Profit for the year	Average shareholders equity	3.31%	2.86%	15.77%
Trade payables turnover ratio**	Other expenses	Average trade payables	19.03	13.83	37.56%
Return on investment (in %)	Income generated from treasury investments	Average invested funds in treasury investments	4.00%	4.00%	0.00%

*increase in current ratio is due to to increase in current investments and Bank balances during the year.

**Trade payables turnover ratio has increased on account of lower trade payables.

21. CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on creating opportunities for the disadvantaged with emphasis on persons with disabilities and technology driven community development.

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Amount required to be spent by the company during the year	21.80	20.30
Amount of expenditure incurred on :		
Construction / acquisition of any asset	-	-
On purposes other than above	21.80	20.30
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	-	-
Nature of CSR activities	COVID 19 relief	

22. For the year ended 31 March 2022, the Company did not have any revenue, however, basis internal assessments, the management is confident of securing projects in the near future and thus the financial statements of the Company are prepared on a going concern basis and will continue its operations for the foreseeable future.

As per our report of even date

***f*or ASA & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 009571N/N500006

***f*or and on behalf of the Board of Directors**

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.13 19:43:24 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
13 June 2022

MANIKANTAN THYAGARAJAN Digitally signed by MANIKANTAN THYAGARAJAN Date: 2022.06.13 12:47:52 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
13 June 2022

BADRINARAYANAN RAJAGOPALAN Digitally signed by BADRINARAYANAN RAJAGOPALAN

Badrinarayanan. R
Director
DIN No. 06965494

P R KARTHIC Digitally signed by P R KARTHIC

P R Karthic
Company Secretary
Membership No. A39225

上海玛泽会计师事务所（普通合伙）
Mazars Certified Public Accountants

MPHASIS (SHANGHAI) SOFTWARE & SERVICES CO., LTD.

ENGLISH TRANSLATION OF FINANCIAL STATEMENTS
FOR THE YEAR FROM 1 JANUARY 2021 TO 31 DECEMBER 2021
IF THERE IS ANY CONFLICT OF MEANING BETWEEN THE CHINESE AND ENGLISH VERSIONS, THE CHINESE VERSION WILL PREVAIL

mazars
中 审 众 环

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AUDITORS' REPORT

MAZARS-[A]-(2022)-AR-NO.00181

The Board of Directors of Mphasis (Shanghai) Software & Services Co., Ltd:

Opinion

We have audited the accompanying financial statements of Mphasis (Shanghai) Software & Services Co., Ltd. ("the Company") on pages 1 to 16, which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and the financial performance and cash flows of the Company for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing (CSAs) for Certified Public Accountants. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

We draw attention to Note 19 to the financial statements, which describes the effects of COVID and the reasons for maintaining the use of going concern as well as the impact of COVID on the determination of material judgments and estimates. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China, and fairly presenting them; and designing, implementing and maintaining internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

AUDITORS' REPORT (continued)

MAZARS-[A]-(2022)-AR-NO.00181

Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)

In preparation of the 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 charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 CSAs 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 be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of express an opinion on the effectiveness of the Company's internal control.

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AUDITORS' REPORT (continued)

MAZARS-[A]-(2022)-AR-NO.00181

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 concluded 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 representation.

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.

MAZARS SHANGHAI

MAZARS CERTIFIED PUBLIC ACCOUNTANTS 上海玛泽会计师事务所（普通合伙）

Floor 8, ONE LUJIAZUI,
No. 68 Yin Cheng Road (M), Pudong
Shanghai 200120, P.R.China

Certified Public Accountants
Registered in the People's Republic of China

HUA Ying

LI Jiaxin

24 June 2022

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the People's Republic of China. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the People's Republic of China.

Mphasis (Shanghai) Software & Services Co., Ltd.
Balance sheet as at 31 December 2021
(Expressed in Renminbi Yuan)

	Note	31/12/2021	31/12/2020
Assets			
Current assets			
Cash at bank and on hand	5	1,986,444.08	509,345.47
Accounts receivable	6	18,199,886.62	25,941,725.14
Other receivables	7	551,043.28	548,133.92
Payments in advance		32,434.38	154,684.35
Other current assets	8	1,299,914.19	1,321,799.91
Total current assets		22,069,722.55	28,475,688.79
Long-term investments			
Long-term equity investments	9	1,952,151.97	-
Total long-term investments		1,952,151.97	-
Fixed assets			
Cost		257,747.96	250,535.57
Less: Accumulated depreciation		(231,288.55)	(217,497.22)
Total fixed assets	10	26,459.41	33,038.35
Total assets		24,048,333.93	28,508,727.14

The notes on pages 6 to 16form part of these financial statements.

Mphasis (Shanghai) Software & Services Co., Ltd.
Balance sheet as at 31 December 2021 (continued)
(Expressed in Renminbi Yuan)

	Note	31/12/2021	31/12/2020
Liabilities and owners' equity			
Current liabilities			
Receipts in advance		1,628.05	384,830.16
Taxes payable	4(c)	42,755.37	118,541.36
Other payables		9,463,231.90	9,361,127.23
Accrued expenses		5,703,606.36	4,704,110.00
Total current liabilities		15,211,221.68	14,568,608.75
Owners' equity			
Paid-in capital	11	41,429,102.13	41,429,102.13
Capital reserve	12	13,352,817.76	13,352,817.76
Accumulated losses		(45,944,807.64)	(40,841,801.50)
Total owners' equity		8,837,112.25	13,940,118.39
Total liabilities and owners' equity		24,048,333.93	28,508,727.14

These financial statements have been approved by the Board of Directors of the Company on 24th June 2022.

DocuSigned by: Subramanian Narayan 864FB8DBFAE44A7...	DocuSigned by: Manikantan T 2783A87FA2BC402...	MPHASIS (SHANGHAI) SOFTWARE & SERVICES CO., LTD. 软件开发(上海)有限公司
Subramanian Narayan	Manikantan T	
Director	Director	(Company stamp)
(Signature and stamp)	(Signature and stamp)	

The notes on pages 6 to 16 from part of these financial statements.

Mphasis (Shanghai) Software & Services Co., Ltd.
Income statement for the year ended 31 December 2021
(Expressed in Renminbi Yuan)

	Note	2021	2020
Sales from principal activities	13	31,361,064.26	10,582,946.88
Less: Cost of sales from principal activities		(32,849,063.59)	(6,809,548.23)
Taxes and surcharges		-	(781.06)
(Loss)/Profit from principal activities		(1,487,999.33)	3,772,617.59
Less: General and administrative expenses		(3,299,619.49)	(2,427,806.34)
Financial Expenses	14	(270,809.35)	(75,100.71)
Investment loss	15	(47,848.03)	-
Operating (loss)/profit		(5,106,276.20)	1,269,710.54
Add: Non-operating income		3,270.06	455.14
Less: Non-operating expenses	16	-	(12,278.77)
(Loss)/Profit before income tax		(5,103,006.14)	1,257,886.91
Less: Income tax	4(b)	-	(235,641.06)
Net (loss)/profit for the year		(5,103,006.14)	1,022,245.85
Add: Accumulated losses at the beginning of the year		(40,841,801.50)	(41,864,047.35)
Accumulated losses carried forward		(45,944,807.64)	(40,841,801.50)

The notes on pages 6 to 16 form part of these financial statements.

Mphasis (Shanghai) Software & Services Co., Ltd.
Cash flow statement for the year ended 31 December 2021
(Expressed in Renminbi Yuan)

	Note to the Cash flow statement	2021	2020
Cash flows from operating activities:			
Cash received from rendering of services		40,287,578.81	4,034,409.87
Cash received relating to other operating activities		11,796.74	1,642.67
Sub-total of cash inflows		40,299,375.55	4,036,052.54
Cash paid for services		(28,134,400.91)	(800,536.91)
Cash paid to and for employees		(7,813,110.58)	(2,826,029.67)
Cash paid for all types of taxes		(97,907.88)	(150,272.62)
Cash paid relating to other operating activities		(769,645.18)	(915,528.23)
Sub-total of cash outflows		(36,815,064.55)	(4,692,367.43)
Net cash inflow/(outflow) from operating activities	i	3,484,311.00	(656,314.89)
Cash flows from investing activities:			
Cash paid for acquisition of fixed assets		(7,212.39)	(37,168.14)
Cash paid for acquisition of investments		(2,000,000.00)	-
Sub-total of cash outflows		(2,007,212.39)	(37,168.14)
Net cash outflow from investing activities		(2,007,212.39)	(37,168.14)
Net increase/(decrease) in cash and cash equivalents	ii	1,477,098.61	(693,483.03)

The notes on pages 6 to 16 form part of these financial statements.

Mphasis (Shanghai) Software & Services Co., Ltd.
Cash flow statement for the year ended 31 December 2021 (continued)
(Expressed in Renminbi Yuan)

Notes to the cash flow statement

i Reconciliation of net (loss)/profit to cash flows from operating activities

	2021	2020
Net (loss)/profit	(5,103,006.14)	1,022,245.85
Add: Accrual of provision for bad debt	-	480,711.49
Depreciation of fixed assets	13,791.33	4,129.79
Investment loss	47,848.03	-
Increase in accrued expenses	999,496.36	4,348,756.04
Decrease/(Increase) in gross operating receivables	7,883,064.85	(6,620,752.58)
(Increase)/Decrease in operating payables	(356,883.43)	108,594.52
Net cash inflow/(outflow) from operating activities	3,484,311.00	(656,314.89)

ii Net increase/(decrease) in cash and cash equivalents

	2021	2020
Cash at the end of the year	1,986,444.08	509,345.47
Less: Cash at the beginning of the year	(509,345.47)	(1,202,828.50)
Net increase/(decrease) in cash and cash equivalents	1,477,098.61	(693,483.03)

The notes on pages 6 to 16 form part of these financial statements.

Mphasis (Shanghai) Software & Services Co., Ltd.
Notes to the financial statements
(Expressed in Renminbi Yuan)

1 COMPANY STATUS

Mphasis (Shanghai) Software & Services Co., Ltd. ("the Company") is a wholly foreign-owned enterprise established in Shanghai City in the People's Republic of China (PRC) by Mphasis Limited. The Company obtained an approval certificate Shang Wai Zi Hu Du Zi Zi [1999] No. 0563 from the People's Government of Shanghai on 20 May 1999 and a business licence No. 310000400216532(Huangpu) on 25 May 1999 issued by Shanghai Administration of Industry and Commerce of the PRC. The Company's registered capital is USD 5,005,000.00.

According to the Company's articles of association, the operating period of the Company is 50 years. The principal activities of the Company are research and development of computer software, selling of self-developed software, providing technical and consulting services and establishing the customer services center in the form of outsourcing service. The Company started business operation in May 1999.

The Company has set up Pudong Branch in GuoShoujin Road, Pudong New District in year 2006 and the principal activities is the same as Head Office. Pudong Branch obtained a business licence No. 310000500182606 (Huangpu) on 18 October 2006 issued by Shanghai Administration of Industry and Commerce of the PRC.

The Company obtained a certificate for Uniform Social Credit Code No. 91310000607405776B on 23 October 2019 issued by Shanghai Administration of Industry and Commerce of the PRC.

The Company changed its registered address to 21st HuangHe Road and obtained the updated Business License on 1 February 2021. The Uniform Social Credit Code No. is 91310000607405776B.

2 BASIS OF PREPARATION

These financial statements have been translated into English from the Company's statutory financial statements issued in the PRC in Chinese.

The principal accounting policies adopted in the preparation of the financial statements are in conformity with the Accounting Regulations for Business Enterprises, all issued by the Ministry of Finance of the PRC (MOF). Accordingly, the basis of measurement and presentation in these financial statements may not be in compliance with the accounting principles and practices generally accepted in countries and jurisdictions other than the PRC and may not be suitable for any purpose other than for statutory reporting.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting year

The accounting year of the Company is from 1 January to 31 December.

(b) Basis of preparation and measurement basis

The financial statements of the Company have been prepared on an accrual basis. Unless otherwise stated, the measurement basis used is historical cost.

(c) Reporting currency

The Company's functional currency is the Renminbi.

(d) Translation of foreign currencies

Foreign currency transactions during the year are translated into Renminbi at the exchange rates quoted by the People's Bank of China on the first day of the month in which the transactions take place. Exchange gains and losses on foreign currency translation, except for the exchange gains and losses directly relating to the construction of fixed assets (see note 3(h)), are dealt with in the income statement.

(e) Cash equivalents

Cash equivalents represent short-term, highly liquid investments, which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

(f) Provision for bad and doubtful debts

The provision for bad and doubtful debts is estimated by management based on individual accounts receivable which show signs of uncollectibility and an ageing analysis. Provision for other receivables is determined based on their specific nature and management's estimate of their collectibility.

(g) Investments

Long-term equity investments

Where the Company has the power to control, jointly control or exercise significant influence over an investee enterprise, the investment is accounted for under the equity method of accounting whereby the investment is initially recorded at cost and adjusted thereafter for any post acquisition change in the Company's share of the investee's equity.

Upon the disposal or transfer of long-term equity investments, the difference between the proceeds received and the carrying amount of the investments is recognised as profit or loss.

The Company makes provision for impairment losses on long-term equity investments (see note 3(j)).

(h) Fixed assets

Fixed assets are assets with comparatively high unit values held by the Company for use in the supply of services and for administrative purposes. They are expected to be used for more than one year.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 3(j)).

Fixed assets are depreciated using the straight-line method over their estimated useful lives. The respective estimated useful lives and the estimated rate of residual values on cost for the Company's fixed assets are as follows:

	Estimated useful life	Estimated rate of residual value	Rate of depreciation
Office and other equipment	3 years	0%	33%

(i) Operating lease charges

Rental payments under operating leases are charged as expenses on a straight-line basis over the lease term.

(j) Provision for impairment

The carrying amounts of assets (including fixed assets and other assets) are assessed regularly to determine whether their recoverable amounts have declined below their carrying amounts. Assets are tested for impairment whenever events or changes in conditions indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The amount by which the carrying amount is reduced is the impairment loss.

The recoverable amount is the greater of the net selling price and the present value of the estimated future cash flows arising from the continuous use of the asset and from the disposal of the asset at the end of its useful life.

Provision for impairment is calculated on an item by item basis and recognized as an expense in the income statement.

If there is an indication that there has been a change in the factors used to determine the provision for impairment and as a result the estimated recoverable amount is greater than the carrying amount of the asset, the impairment loss recognized in prior years is reversed. Reversals of impairment losses are recognized in the income statement. An impairment loss is reversed only to the extent of the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years.

(k) Income tax

Income tax is recognized under the tax payable method. Income tax for the year is provided at the applicable tax rate on taxable income.

(l) Revenue recognition

When it is probable that the economic benefits will flow to the Company and the revenue and costs can be measured reliably, revenue is recognized in the income statement according to the following methods:

(i) Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the rendering of services is recognized in the income statement by reference to the stage of completion of the transaction based on the proportion of costs incurred to date to the estimated total costs of the transaction. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the costs incurred that are expected to be recoverable.

(ii) Interest income

Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable rate.

(m) Retirement benefits

Pursuant to the relevant laws and regulations in the PRC, the Company has joined a defined contribution retirement plan for the employees arranged by a governmental organisation. The Company makes contributions to the retirement scheme at the applicable rates based on the employees' salaries. The contributions are capitalised into cost of assets or charged to the income statement on an accrual basis. After the payment of the contributions under the retirement plan, the Company does not have any other obligations in this respect.

(n) Related parties

If the Company has the power, directly or indirectly, to control, jointly control or exercise significant influence over another party, or vice versa, or where the Company and one or more parties are subject to common control from another party, they are considered to be related parties. Related parties may be individuals or enterprises.

4 TAXATION AND SURCHARGE

(a) The types of tax and surcharge applicable to the Company's rendering of services include value added tax (VAT), urban maintenance and construction tax, education fee surcharge and local education fee surcharge. Their tax rates are as follows:

Tax name	Tax basis and applicable rate
Value added tax ("VAT")	Output VAT is 6% of taxable services revenue, based on tax laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable
Urban maintenance and construction tax	7% of VAT payable
Education fee surcharge	3% of VAT payable
Local education fee surcharge	2% of VAT payable

(b) Income tax

Income tax in the income statement represents:

	2021	2020
Provision for income tax for the year	-	110,863.47
Annual tax filling difference	-	124,777.59
Total	-	235,641.06

The statutory income tax rate of the Company is 25%.

The Company sustained accumulated taxable losses during the year, thus no income tax should be provided.

(c) Taxes payable

	31/12/2021	31/12/2020
Individual income tax payable	37,254.54	15,412.65
Income tax payable	-	97,627.88
Others	5,500.83	5,500.83
Total	42,755.37	118,541.36

5 CASH AT BANK AND ON HAND

	31/12/2021	31/12/2020
Demand deposits	1,986,444.08	509,345.47

6 ACCOUNTS RECEIVABLE

(a) The aging analysis of the Company's accounts receivable is as follows:

	31/12/2021			31/12/2020		
	RMB	Percentage of total accounts receivable	Provision for bad and doubtful debts	RMB	Percentage of total accounts receivable	Provision for bad and doubtful debts
Within 1 year	10,323,160.92	54%	(5,741.07)	8,959,570.13	33%	(5,741.07)
After 1 year but within 2 years	3,610,318.21	19%	-	3,443,035.04	13%	-
After 2 years	5,152,471.39	27%	(880,322.83)	14,425,183.87	54%	(880,322.83)
Total	19,085,950.52	100%	(886,063.90)	26,827,789.04	100%	(886,063.90)

The ageing is counted starting from the date when accounts receivable are recognised.

(b) Provision for bad and doubtful debts:

	2021	2020
Opening balance as at 1 January	(886,063.90)	(405,352.41)
Charge for the year	-	(480,711.49)
Closing balance as at 31 December	(886,063.90)	(886,063.90)

7 OTHER RECEIVABLES

The ageing analysis of the Company's other receivables is as follows:

	31/12/2021			31/12/2020		
	RMB	Percentage of total other receivables	Provision for bad and doubtful debts	RMB	Percentage of total other receivables	Provision for bad and doubtful debts
Within 1 year	2,909.36	0.53%	-	18,342.76	3.35%	-
After 1 year but within 2 years	18,342.76	3.33%	-	20,408.68	3.72%	-
After 2 years but within 3 years	20,408.68	3.70%	-	58,788.17	10.73%	-
After 3 years	509,382.48	92.44%	-	450,594.31	82.20%	-
Total	551,043.28	100.00%	-	548,133.92	100.00%	-

The ageing is counted starting from the date when other receivables are recognised.

Other receivables mainly include deposits and receivables from related party.

8 OTHER CURRENT ASSETS

	31/12/2021	31/12/2020
VAT recoverable	1,299,914.19	1,321,799.91

9 LONG-TERM EQUITY INVESTMENTS

	Opening balance at the beginning of the year	Addition during the year	Disposals during the year	Closing balance at the end of the year
Long-term equity investments - Investments in subsidiaries	-	2,000,000.00	(47,848.03)	1,952,151.97
Less: Provision for impairment	-	-	-	-
Total	-	2,000,000.00	(47,848.03)	1,952,151.97

On 26 May 2021, the Company set up a subsidiary, Mphasis Digi Information Technology Services (Shanghai) Limited with investment of RMB 2,000,000.00.

As at 31 December 2021, the ratio of the total carrying amount of the Company's long-term investments to its net asset was 22%. The deduction was from the subsidiaries operation losses.

10 FIXED ASSETS

	Office and other equipment
Cost:	
As at 1 January 2021	250,535.57
Additions	7,212.39
As at 31 December 2021	257,747.96
Accumulated depreciation	
As at 1 January 2021	(217,497.22)
Charge for the year	(13,791.33)
As at 31 December 2021	(231,288.55)
Carrying amounts:	
As at 31 December 2021	26,459.41
As at 31 December 2020	33,038.35

11 PAID-IN CAPITAL

Registered capital	31/12/2021		31/12/2020	
	Amount USD	%	Amount USD	%
Mphasis Limited	5,005,000.00	100	5,005,000.00	100

Paid-in capital	31/12/2021			31/12/2020		
	Amount in original currency	Amount in RMB equivalent		Amount in original currency	Amount in RMB equivalent	
	USD		%	USD		%
Mphasis limited	5,005,000.00	41,429,102.13	100	5,005,000.00	41,429,102.13	100

Shanghai Ernst & Young Certified Public Accountants has verified the above capital contribution, and issued related capital verification reports respectively.

12 CAPITAL RESERVE

	2021	2020
Waived liabilities	13,352,817.76	13,352,817.76

Capital reserve represents the waived liabilities of long-term borrowing of RMB 11,924,764.90 from the former investor- Oakstone Ventures, Inc. in 2003 and long-term borrowing of RMB 1,428,052.86 from Mphasis Corporation in 2011.

13 SALES FROM PRINCIPAL ACTIVITIES

	2021	2020
Revenue from rendering services	31,361,064.26	10,582,946.88

14 FINANCIAL EXPENSES

	2021	2020
Interest income	8,526.68	1,187.53
Net exchange losses	(275,649.08)	(74,043.44)
Other financial expenses	(3,686.95)	(2,244.80)
Total	(270,809.35)	(75,100.71)

15 INVESTMENT LOSS

	2021	2020
Investment loss in the subsidiary	(47,848.03)	-

16 NON-OPERATING EXPENSES

	2021	2020
Late payment penalty	-	278.77
Others	-	12,000.00
Total	-	12,278.77

17 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) Related parties with controlling relationships

	Registered address	Principal activities	Relationship with the Company	Types of legal entity
Mphasis Limited	India	Provide business related services to the related parties as investor	Investor	Foreign Company

Equity interests held by related parties with controlling relationships and their changes

	At the beginning of the year		Increase		Decrease		At the end of the year	
	Amount	%	Amount	%	Amount	%	Amount	%
Mphasis Limited	41,429,102.13	100	-	-	-	-	41,429,102.13	100

(b) Relationship between the Company and related parties without controlling relationships

Name	Relationship with the Company
Mphasis Corporation	Company controlled by intermediary holding company
Mphasis UK Ltd.	Company controlled by intermediary holding company
Mphasis Pte Ltd.	Company controlled by intermediary holding company
Mphasis Software and Service Pvt Ltd(MSSPL)	Company controlled by intermediary holding company
Mphasis Europe BV	Company controlled by intermediary holding company

(c) The amounts of the Company's related party transactions during the year and its balances with related parties at the year end are summarised as follows:

(i) The material related-party transactions of the Company are summarised as follows:

i) Rendering of services	2021	2020
Mphasis Corporation	175,024.77	3,047,570.46
Mphasis Limited	1,407,774.43	1,716,100.81
Mphasis Europe B.V	277,989.32	-
Mphasis Pte Limited	16,099.27	-

The Board of Directors of the Company is of the opinion that the above transactions were in the normal course of business and on normal commercial terms.

(ii) The balances of related party receivables and payables at the year end are summarised as follows:

Account name	Company name	31/12/2021	31/12/2020
Accounts receivables	Mphasis Corporation	6,446,585.14	16,890,082.43
	Mphasis Limited	4,142,174.80	3,218,503.99
	Mphasis Pte Ltd	16,094.70	-
	Mphasis Software and Service Pvt Ltd(MSSPL)	476,958.77	-
	Mphasis Europe BV	277,989.32	-

Account name	Company name	31/12/2021	31/12/2020
Other receivables	Mphasis Corporation	240,389.64	237,480.28
	Mphasis Pte Ltd.	192,092.26	192,092.26
	Mphasis Limited	1,260.00	1,260.00
Other payables	Mphasis Limited	4,365,682.50	4,365,682.50
	Mphasis Corporation	2,787,306.10	2,787,306.10
	Mphasis UK Ltd.	1,745,065.24	1,642,960.57
	Mphasis Pte Ltd.	565,178.06	565,178.06

18 OPERATING LEASE COMMITMENTS

As at 31 December, the future minimum lease payments under non-cancellable operating leases in respect of the leasing of properties, etc. are payable as follows:

	31/12/2021	31/12/2020
Within 1 year	233,300.00	219,800.00
Total	233,300.00	219,800.00

19 MATERIAL NON-ADJUSTING POST BALANCE SHEET DATE EVENTS

Since March 2022, due to the outbreak of the Covid pandemic and the measures adopted by the government to control the Covid pandemic, the operation and business of the Company have been affected to some extent.

According to its existing financial situation and anticipated impacts on the economic conditions of the Company, the management does not cast any significant doubt on its ability to continue as a going concern.

The Company's management is closely monitoring the development of the Covid pandemic and government measures and making corresponding assessment. As of the issuance date of the financial statements, the assessment is still in progress.

20 COMPARATIVE FIGURES

The comparative figures of 2020 represent figures for the year from 1 January to 31 December 2020.

Mphasis (Shanghai) Software & Services Co., Ltd.
Statement of reconciliation of taxable income
For the year ended 31 December 2021
(Expressed in Renminbi)

	Amount	Tax adjustments	Adjusted amount	Remarks
Sales from principal activities	31,361,064.26	-	31,361,064.26	
Less: Cost of sales from principal activities	(32,849,063.59)	(97,235.90)	(32,946,299.49)	1
Loss from principal activities	(1,487,999.33)	(97,235.90)	(1,585,235.23)	
Less: General and administrative expenses	(3,299,619.49)	-	(3,299,619.49)	
Financial expenses	(270,809.35)	-	(270,809.35)	
Investment loss	(47,848.03)	47,848.03	-	2
Operating loss	(5,106,276.20)	(49,387.87)	(5,155,664.07)	
Add: Non-operating income	3,270.06	-	3,270.06	
Loss before income tax	(5,103,006.14)	(49,387.87)	(5,152,394.01)	

Remarks:

1 The tax adjustment of RMB 97,235.90 in cost of sales represented the difference between opening and closing balance of accrued expenses.

2 The tax adjustment of RMB 47,848.03 in investment loss is tax free under equity method.

3 Statement of accumulated losses:

Year	Taxable profits (Taxable losses)	Deductible taxable profits (Utilized taxable loss)	Expired taxable loss	Taxable losses brought forward
2021	(5,152,394.01)	-	-	(5,152,394.01)

The Company sustained accumulated taxable losses during the year, thus no income tax should be provided.

Note: As requested by the tax authority, the Company has prepared the above "Statement of Reconciliation of Taxable Income" for the year ended 31 December 2021. Accordingly, the above reconciliation is for the tax authority's reference only. This reconciliation does not form part of the audited financial statements.

上海玛泽会计师事务所（普通合伙）
Mazars Certified Public Accountants

MPHASIS DIGI INFORMATION TECHNOLOGY SERVICES (SHANGHAI) LIMITED

ENGLISH TRANSLATION OF FINANCIAL STATEMENTS
FOR THE PERIOD FROM 26 MAY 2021
(DATE OF ESTABLISHMENT) TO 31 DECEMBER 2021

IF THERE IS ANY CONFLICT OF MEANING BETWEEN THE CHINESE AND ENGLISH VERSIONS, THE CHINESE VERSION WILL PREVAIL

mazars
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AUDITORS' REPORT

MAZARS-[A]-(2022)-AR-NO.00183

The Board of Directors of Mphasis Digi Information Technology Services (Shanghai) Limited:

Opinion

We have audited the accompanying financial statements of Mphasis Digi Information Technology Services (Shanghai) Limited ("the Company") on pages 1 to 11, which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the period from 26 May 2021(Date of establishment) to 31 December 2021, and notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and the financial performance and cash flows of the Company for the period from 26 May 2021(Date of establishment) to 31 December 2021 in accordance with the requirements of Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing (CSAs) for Certified Public Accountants. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

We draw attention to Note 10 to the financial statements, which describes the effects of COVID and the reasons for maintaining the use of going concern as well as the impact of COVID on the determination of material judgments and estimates. Our opinion is not modified in respect of this matter

AUDITORS' REPORT (continued)

MAZARS-[A]-(2022)-AR-NO.00183

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China, and fairly presenting them; and designing, implementing and maintaining internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparation of the 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 charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 CSAs 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 be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of express an opinion on the effectiveness of the Company's internal control.

AUDITORS' REPORT (continued)

MAZARS-[A]-(2022)-AR-NO.00183

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 concluded 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 representation.

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.

MAZARS SHANGHAI

MAZARS CERTIFIED PUBLIC ACCOUNTANTS 上海玛泽会计师事务所（普通合伙）

Certified Public Accountants
Registered in the People's Republic of China

HUA Ying

Floor 8, ONE LUJIAZUI,
No. 68 Yin Cheng Road (M), Pudong
Shanghai 200120, P.R.China

LI Jiaxin

24 June 2022

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the People's Republic of China. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the People's Republic of China.

Mphasis Digi Information Technology Services (Shanghai) Limited
Balance sheet as at 31 December 2021
(Expressed in Renminbi Yuan)

	Note	31/12/2021
Assets		
Current assets		
Cash at bank and on hand	5	2,004,501.03
Other current assets	6	330.00
Total current assets		2,004,831.03
Total assets		2,004,831.03

The notes on pages 6 to 11 form part of these financial statements.

Mphasis Digi Information Technology Services (Shanghai) Limited
Balance sheet as at 31 December 2021 (continued)
(Expressed in Renminbi Yuan)

	Note	31/12/2021
Liabilities and owners' equity		
Current liabilities		
Other payables		11,330.00
Accrued expenses		41,349.06
Total current liabilities		52,679.06
Owners' equity		
Paid-in capital	7	2,000,000.00
Accumulated losses		(47,848.03)
Total owners' equity		1,952,151.97
Total liabilities and owners' equity		2,004,831.03

These financial statements have been approved by the Board of Directors of the Company on 24 June 2022.

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan

Director
(Signature and stamp)

DocuSigned by:
Manikantan T
2783A87FA2BC402...

Manikantan T

Director
(Signature and stamp)

(Company stamp)

The notes on pages 6 to 11 form part of these financial statements.

Mphasis Digi Information Technology Services (Shanghai) Limited
Income statement for the period from 26 May 2021 (date of establishment) to 31 December 2021
(Expressed in Renminbi Yuan)

	Note	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Sales from principal activities		-
Less: Cost of sales from principal activities		-
Taxes and surcharges		(500.00)
Loss from principal activities		(500.00)
Less: General and administrative expenses		(52,349.06)
Add: Net financial income	8	5,001.03
Operating loss and loss before tax		(47,848.03)
Less: Income tax	4(b)	-
Net loss for the year		(47,848.03)
Add: Accumulated losses at the beginning of the period		-
Accumulated losses carried forward		(47,848.03)

The notes on pages 6 to 11 form part of these financial statements.

Mphasis Digi Information Technology Services (Shanghai) Limited
Cash flow statement for the period from 26 May 2021 (date of establishment) to 31 December 2021
(Expressed in Renminbi Yuan)

	Note to the Cash flow statement	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Cash flows from operating activities:		
Cash received relating to other operating activities		5,001.03
Sub-total of cash inflows		5,001.03
Cash paid for all types of taxes		(500.00)
Sub-total of cash outflows		(500.00)
Net cash inflow from operating activities	i	4,501.03
Cash flows from financing activities:		
Cash received from investors		2,000,000.00
Sub-total of cash inflows		2,000,000.00
Net cash inflow from financing		2,000,000.00
Net increase in cash and cash equivalents	ii	2,004,501.03

The notes on pages 6 to 11 form part of these financial statements.

Mphasis Digi Information Technology Services (Shanghai) Limited
Cash flow statement for the period from 26 May 2021 (date of establishment) to 31 December 2021(continued)
(Expressed in Renminbi Yuan)

Notes to the cash flow statement

i Reconciliation of net loss to cash flows from operating activities

	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Net loss	(47,848.03)
Increase in accrued expenses	41,349.06
Increase in gross operating receivables	(330.00)
Increase in operating payables	11,330.00
Net cash inflow from operating activities	4,501.03

ii Net increase in cash and cash equivalents

	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Cash at the end of the period	2,004,501.03
Less: Cash at the beginning of the period	-
Net increase in cash and cash equivalents	2,004,501.03

The notes on pages 6 to 11 form part of these financial statements.

1 COMPANY STATUS

Mphasis Digi Information Technology Services (Shanghai) Limited ("the Company") is a wholly foreign-owned enterprise established in Shanghai City in the People's Republic of China (PRC) by Mphasis (Shanghai) Software & Services Co., Ltd.. The Company's registered capital is RMB 2,000,000.00 and the legal representative is Zhuang Wu. The Company obtained the business licence No. 91310116MA1JEULR9M on 26 May 2021.

The Company's business scope is Licensing item: Labor dispatch services. (For projects subject to approval according to law, business activities can only be carried out after approval by relevant departments, and specific business projects shall be subject to approval documents or licenses of relevant departments.) General projects: technical services, technology development, technical consultation, technical exchange, technology transfer, and technology promotion; Software development; Information technology consulting services; Computer hardware and software and auxiliary equipment wholesale; Computer hardware and software and auxiliary equipment retail. (Except for projects subject to approval according to law, independently carry out business activities according to law with business license)

The Company has set up Beijing Branch in Jintian Park Road, Chaoyang District on 13 September 2021 and the principal activities is the same as Head Office. Beijing Branch obtained a business licence No. 91110105MA04F6HW92 on 13 September 2021 issued by Beijing Beijing Chaoyang District Market Supervision Administration of the PRC.

The Company has set up Dalian Branch in Southwest Road, Shahekou District, Dalian city, Liaoning Province on 29 October 2021.The principal activities is the same as Head Office. Dalian Branch obtained a business licence No. 91210204MA11GFMR9A on 29 October 2021 issued by Dalian Shahekou District Market Supervision Administration of the PRC.

2 BASIS OF PREPARATION

These financial statements have been translated into English from the Company's statutory financial statements issued in the PRC in Chinese.

The principal accounting policies adopted in the preparation of the financial statements are in conformity with the Accounting Regulations for Business Enterprises, all issued by the Ministry of Finance of the PRC (MOF). Accordingly, the basis of measurement and presentation in these financial statements may not be in compliance with the accounting principles and practices generally accepted in countries and jurisdictions other than the PRC and may not be suitable for any purpose other than for statutory reporting.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting year

The accounting year of the Company is from 26 May 2021 (date of establishment) to 31 December 2021.

(b) Basis of preparation and measurement basis

The financial statements of the Company have been prepared on an accrual basis. Unless otherwise stated, the measurement basis used is historical cost.

(c) Reporting currency

The Company's functional currency is the Renminbi.

(d) Translation of foreign currencies

Foreign currency transactions during the year are translated into Renminbi at the exchange rates quoted by the People's Bank of China on the first day of the month in which the transactions take place. Exchange gains and losses on foreign currency translation, except for the exchange gains and losses directly relating to the construction of fixed assets (see note 3(g)), are dealt with in the income statement.

(e) Cash equivalents

Cash equivalents represent short-term, highly liquid investments, which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

(f) Provision for bad and doubtful debts

The provision for bad and doubtful debts is estimated by management based on individual accounts receivable which show signs of uncollectibility and an ageing analysis. Provision for other receivables is determined based on their specific nature and management's estimate of their collectibility.

(g) Fixed assets

Fixed assets are assets with comparatively high unit values held by the Company for use in the supply of services and for administrative purposes. They are expected to be used for more than one year.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 3(i)).

(h) Operating lease charges

Rental payments under operating leases are charged as expenses on a straight-line basis over the lease term.

(i) Provision for impairment

The carrying amounts of assets (including fixed assets and other assets) are assessed regularly to determine whether their recoverable amounts have declined below their carrying amounts. Assets are tested for impairment whenever events or changes in conditions indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The amount by which the carrying amount is reduced is the impairment loss.

The recoverable amount is the greater of the net selling price and the present value of the estimated future cash flows arising from the continuous use of the asset and from the disposal of the asset at the end of its useful life.

Provision for impairment is calculated on an item by item basis and recognized as an expense in the income statement.

If there is an indication that there has been a change in the factors used to determine the provision for impairment and as a result the estimated recoverable amount is greater than the carrying amount of the asset, the impairment loss recognized in prior years is reversed. Reversals of impairment losses are recognized in the income statement. An impairment loss is reversed only to the extent of the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years.

(j) Income tax

Income tax is recognized under the tax payable method. Income tax for the year is provided at the applicable tax rate on taxable income.

(k) Revenue recognition

When it is probable that the economic benefits will flow to the Company and the revenue and costs can be measured reliably, revenue is recognized in the income statement according to the following methods:

(i) Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the rendering of services is recognized in the income statement by reference to the stage of completion of the transaction based on the proportion of costs incurred to date to the estimated total costs of the transaction. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the costs incurred that are expected to be recoverable.

(ii) Interest income

Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable rate.

(l) Retirement benefits

Pursuant to the relevant laws and regulations in the PRC, the Company has joined a defined contribution retirement plan for the employees arranged by a governmental organisation. The Company makes contributions to the retirement scheme at the applicable rates based on the employees' salaries. The contributions are capitalised into cost of assets or charged to the income statement on an accrual basis. After the payment of the contributions under the retirement plan, the Company does not have any other obligations in this respect.

(m) Related parties

If the Company has the power, directly or indirectly, to control, jointly control or exercise significant influence over another party, or vice versa, or where the Company and one or more parties are subject to common control from another party, they are considered to be related parties. Related parties may be individuals or enterprises.

4 TAXATION AND SURCHARGE

(a) The types of tax and surcharge applicable to the Company's rendering of services include value added tax (VAT), urban maintenance and construction tax, education fee surcharge and local education fee surcharge. Their tax rates are as follows:

Tax name	Tax basis and applicable rate
Value added tax ("VAT")	Output VAT is 6% of taxable services revenue, based on tax laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable
Urban maintenance and construction tax	7% of VAT payable
Education fee surcharge	3% of VAT payable
Local education fee surcharge	2% of VAT payable

(b) Income tax

Income tax in the income statement represents:

	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Provision for income tax for the period	-

The statutory income tax rate of the Company is 25%.

The Company sustained accumulated taxable losses during the period, thus no income tax should be provided.

5 CASH AT BANK AND ON HAND

	31/12/2021
Demand deposits	2,004,501.03

6 OTHER CURRENT ASSETS

	31/12/2021
VAT input tax	330.00

7 PAID-IN CAPITAL

Registered capital & Paid-in capital	31/12/2021		
	Amount in original currency	Amount in RMB equivalent	
	CNY		%
Mphasis (Shanghai) Software & Services Co., Ltd.	2,000,000.00	2,000,000.00	100

8 NET FINANCIAL INCOME

	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Interest income	(5,001.03)

9 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) Related parties with controlling relationships

	Registered address	Registed Capital	Principal activities	Relationship with the Company	Types of legal entity
Mphasis (Shanghai) Software & Services Co., Ltd.	Shanghai	USD5,005,000.00	Software service	Parent company	Foreign-owned Company

The ultimate controller of the Company is Mphasis Limited.

(b) Relationship between the Company and related parties without controlling relationships

Name	Relationship with the Company
Mphasis Corporation	Company controlled by intermediary holding company
Mphasis UK Ltd.	Company controlled by intermediary holding company
Mphasis Pte Ltd.	Company controlled by intermediary holding company

10 MATERIAL NON-ADJUSTING POST BALANCE SHEET DATE EVENTS

Since March 2022, due to the outbreak of the Covid pandemic and the measures adopted by the government to control the Covid pandemic, the operation and business of the Company have been affected to some extent.

According to its existing financial situation and anticipated impacts on the economic conditions of the Company, the management does not cast any significant doubt on its ability to continue as a going concern.

The Company's management is closely monitoring the development of the Covid pandemic and government measures and making corresponding assessment. As of the issuance date of the financial statements, the assessment is still in progress.

Mphasis Digi Information Technology Services (Shanghai) Limited
Statement of reconciliation of taxable income
For the period from 26 May 2021(Date of establishment) to 31 December 2021
(Expressed in Renminbi)

	Amount	Tax adjustments	Adjusted amount	Remarks
Sales from principal activities	-	-	-	
Less: Cost of sales from principal activities	-	-	-	
Taxes and surcharges	(500.00)	-	(500.00)	
Loss from principal activities	(500.00)	-	(500.00)	
Less: General and administrative expenses	(52,349.06)	41,349.06	(11,000.00)	1
Add: Net financial income	5,001.03	-	5,001.03	
Operating loss and loss before inco	(47,848.03)	41,349.06	(6,498.97)	

Remarks:

1 The tax adjustment of RMB 41,349.06 in general and administrative expenses is non-invoiced accrued expenses.

2 Statement of accumulated losses:

Year	Taxable profits (Taxable losses)	Deductible taxable profits (Utilized taxable loss)	Expired taxable loss	Taxable losses brought forward
2021	(6,498.97)	-	-	(6,498.97)

The Company sustained accumulated taxable losses during the period, thus no income tax should be provided.

Note: As requested by the tax authority, the Company has prepared the above "Statement of Reconciliation of Taxable Income" for the year ended 31 December 2021. Accordingly, the above reconciliation is for the tax authority's reference only. This reconciliation does not form part of the audited financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mphasis Europe BV

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Mphasis Europe BV ("the Company") which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Company for the year ended March 31, 2022 are prepared in all material respects in accordance with the accounting policies as set out in the basis of preparation paragraph of Note 2 in financial statements.

Other Matters

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors, inclusion in the annual report of Mphasis Limited as per the requirements under the Indian Laws and for internal use of the management and accordingly may not be Suitable for any other purpose. Further, we do not accept or assume responsibility to anyone other than the company, the company's, and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Responsibility for Management and those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting policies as set out in the basis of preparation. 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.

In preparing the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the operating effectiveness of the entity's internal 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.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For ASA & Associates LLP
Chartered Accountants
Registration No.009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:38:09 +05'30'

Vinay K.S
Partner
Membership No: 223085
UDIN:22223085ALDTIT1244

Place: Bangalore
Date: 17th June, 2022

Mphasis Europe BV

Audited Financial Statements as at and for the year ended 31 March 2022

Mphasis Europe BV
Financial Statements

BALANCE SHEET — Amount in EUR

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Financial assets			
Investments	3	167,041,978	167,041,978
Other assets	8	-	8,543
Total non-current assets		**167,041,978**	**167,050,521**
Current assets			
Financial assets			
Trade receivables			
Billed	4	2,079,009	1,509,098
Unbilled		553,641	1,149,026
Cash and cash equivalents	5	512,591	536,605
Loans	6	5,009,882	4,063,616
Other financial assets	7	209,160	178,421
Other assets	8	20,374	19,514
Total current assets		**8,384,657**	**7,456,280**
TOTAL ASSETS		**175,426,635**	**174,506,801**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	8,373,848	8,373,848
Other equity	10	162,692,085	162,362,602
Total equity		**171,065,933**	**170,736,450**
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	11	3,513,345	2,511,056
Other financial liabilities	12	92,066	134,263
Employee benefit obligations	13	168,128	215,467
Other liabilities	14	348,458	679,289
Income tax liabilities (net)	20	188,498	197,960
Deferred tax liabilities (net)	20	50,207	32,316
Total current liabilities		**4,360,702**	**3,770,351**
TOTAL EQUITY AND LIABILITIES		**175,426,635**	**174,506,801**

Summary of significant accounting policies. 2

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:38:42 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

STATEMENT OF PROFIT AND LOSS

Amount in EUR

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	15	9,335,035	12,923,586
Other income	16	160,628	176,082
Total income (I)		**9,495,663**	**13,099,668**
Expenses			
Employee benefits expense	17	2,539,862	3,078,885
Depreciation and amortization expense	18	-	84
Other expenses	19	6,510,364	9,593,903
Total expenses (II)		**9,050,226**	**12,672,872**
Profit before tax (I) - (II)		**445,437**	**426,796**
Tax expenses	20		
Current tax		98,062	113,000
Deferred tax		17,892	(17,185)
Total tax expenses		**115,954**	**95,815**
Profit for the year (A)		**329,483**	**330,981**
Other comprehensive income (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**329,483**	**330,981**
Earnings per equity share (par value of EUR 1 per share)	22		
Basic and diluted (EUR)		0.04	0.04

Summary of significant accounting policies. 2

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.17 19:39:00 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of EUR 1 each issued, subscribed and fully paid	Number	Amount in EUR
As at 1 April 2020	8,373,848	8,373,848
As at 31 March 2021	**8,373,848**	**8,373,848**
As at 1 April 2021	8,373,848	8,373,848
As at 31 March 2022	**8,373,848**	**8,373,848**

b. Other equity

Amount in EUR

	Attributable to the equity holders of the Company		
	Securities Premium	**Retained earnings**	**Total**
As at 1 April 2020	**150,283,891**	**11,747,730**	**162,031,621**
Profit for the year	-	330,981	330,981
As at 31 March 2021	**150,283,891**	**12,078,711**	**162,362,602**
As at 1 April 2021	**150,283,891**	**12,078,711**	**162,362,602**
Profit for the year	-	329,483	329,483
As at 31 March 2022	**150,283,891**	**12,408,194**	**162,692,085**

Summary of significant accounting policies. (note 2)

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006

Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:39:21 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

STATEMENT OF CASH FLOWS — Amount in EUR

	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit before tax	**445,437**	**426,796**
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Depreciation and amortization expense	-	84
Interest income	(160,628)	(176,082)
Provision for expected credit loss	(2,430)	11,827
Unrealized exchange loss / (gain), net	(24,597)	193,306
Operating profit before changes in operating assets and liabilities	**257,782**	**455,931**
Changes in operating assets and liabilities		
Trade receivables and unbilled receivables	27,904	1,136,435
Other assets	7,683	356,116
Loans	8,344	13,128
Other financial assets	15,593	(17,491)
Trade payables	1,002,289	(1,138,201)
Provisions and employee benefit obligations	(47,339)	47,416
Other financial liabilities	(42,197)	4,161
Other liabilities	(330,831)	226,134
Total changes in operating assets and liabilities	**641,446**	**627,698**
Income tax paid (net of refunds)	(107,525)	(8,035)
Net cash flows generated from operating activities (A)	**791,703**	**1,075,594**
Investing activities		
Interest received	114,008	290,360
Loans given to related parties	(5,106,327)	(2,132,613)
Loans repaid by related parties	4,176,602	932,531
Net cash flows used in investing activities (B)	**(815,717)**	**(909,722)**
Net cash flows from financing activities (C)	**-**	**-**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(24,014)**	**165,872**
Cash and cash equivalents at the beginning of the year	536,605	370,733
Cash and cash equivalents at the end of the year (refer note 5)	**512,591**	**536,605**

Summary of significant accounting policies. (note 2)

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants
VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:39:37 +05'30'
Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors
DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...
Subramanian Narayan
Director

Place : Bengaluru, India
Date :17 June 2022

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mphasis Europe BV ('the Company') was incorporated on 20 October 1999 and is a subsidiary of Mphasis Corporation USA and Mphasis Limited (Immediate Holding Companies). The company is engaged in the business of rendering application development services, infrastructure management services and application maintenance & other services. For the period up to 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for the derivative financial instruments which is measured at fair value.

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

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

The financial statements are presented in EUR.

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

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

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

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022. The impact of Covid-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

Use of estimates, assumptions & judgements

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

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

- **Impairment of non-financial assets**

  Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a discounted cash flow ('DCF') model. The cash flows are derived from the forecast for future years. These do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested for impairment. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the long-term growth rates.

- **Taxes**

  The company's major tax jurisdiction is Netherland. Significant judgements are involved in determining the provision for income taxes, tax credits including the amount expected to be paid or refunded.

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

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

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

Revenue recognition

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

The Company derives its revenues primarily from rendering application development services, infrastructure management services and application maintenance & other services.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from both time based and unit-priced contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customization services rendered significantly modifies or customizes the license, these services and license are accounted for as a single performance obligation and revenue is recognized over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognized at the point in time when control is transferred to the customer.

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

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

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

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition.

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Use of the percentage-of completion method in accounting for its fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Judgement is also exercised in determining provisions for estimated losses, if any, on uncompleted contracts based on the expected contract cost estimates as at the reporting date.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

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

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

Property, plant and equipment and intangible assets

Property, Plant and Equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for impairment, if any. Direct costs are capitalized until the assets are ready to be put to use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

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

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

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

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

Depreciation and amortization

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

The useful lives estimated by the management are given below:

(In Years)

Asset	**Useful life estimated by the management**
Computer equipment	3
Furniture and Fixtures	5
Lease hold Improvements	10 or remaining lease term whichever is less
Building	20 or remaining lease term whichever is less
Office equipment	5
Plant and equipment	4 to 7
Server and Networks	6
Vehicles	5
Computer Software	3

In respect of plant and equipment, furniture and fixtures and vehicles, the management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets.

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

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

Impairment

a. **Financial assets (other than at fair value)**

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

b. **Non-financial assets**

- **Tangible and intangible assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does

not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.
If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, trade receivables, investments in equity securities and eligible current and non-current assets;
- financial liabilities, which include trade payables, eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

The Company's cash and cash equivalents consist of balance with banks with an original maturity of less than or up to three months. The same is included as cash and cash equivalents for the purpose of cash flow statement.

b. Financial assets at amortised cost

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

c. Financial assets at fair value through profit or loss

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

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

d. Financial liabilities

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

Derivative financial instruments

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

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

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

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

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

De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

Retirement and other employee benefits

Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company.

Compensated absences

The cost of short term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by actuarial valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the standalone statement of profit and loss. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

Share based payments

Certain employees of the Company have received Employee stock options/ RSU's of the intermediate holding company Mphasis Limited ("ML,") under the ESOP/RSUs instituted by ML. Accordingly, the Company is subject to cross charge of ESOP/RSU costs from Mphasis Limited. The compensation cost relating to share-based payments are measured using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a straight-line basis. The units generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

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

Foreign Currencies

Transactions and balances

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

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

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

Income taxes

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

- **Current income tax**

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

- **Deferred income tax**

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

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

  Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

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

Earnings per share

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

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

Recent pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

		Amount in EUR
	As at 31 March 2022	**As at 31 March 2021**
3. NON-CURRENT INVESTMENTS		
Investments carried at cost		
Investments in unquoted equity instruments		
Investment in subsidiaries		
Mphasis Software and Services (India) Private Limited	13,279,203	13,279,203
9,999,999 shares (31 March 2021 : 9,999,999 shares) of common stock of Rs.10 each fully paid-up		
Mphasis Pte Ltd	2,246,579	2,246,579
3,600,000 shares (31 March 2021 : 3,600,000 shares) of common stock of SG $1 each fully paid-up		
Mphasis UK Limited	140,380,797	140,380,797
3,107 shares (31 March 2021 : 3,107 shares) of common stock of £1 each fully paid-up		
Msource Mauritius Inc	11,135,399	11,135,399
225,001 stated shares (31 March 2021: 225,001 stated shares) of common stock of US $1 fully paid-up and 12,266,527 contributed shares (31 March 2021: 12,266,527 contributed shares) of common stock of US $1 each fully paid-up		
	167,041,978	**167,041,978**

	Non current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
4. TRADE RECEIVABLES - BILLED				
Unsecured - considered good				
Trade receivables*	-	-	2,088,963	1,516,622
Allowance for doubtful receivables	-	-	(9,954)	(7,524)
	-	-	**2,079,009**	**1,509,098**

* Includes receivables from related parties (refer note 22)

		Amount in EUR
	As at 31 March 2022	**As at 31 March 2021**
5. CASH AND CASH EQUIVALENTS		
In current accounts	512,591	536,605
	512,591	**536,605**

	Non current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
6. LOANS				
Unsecured - considered good				
Loans receivable			5,009,882	4,055,272
Employee advances	-	-	-	8,344
	-	**-**	**5,009,882**	**4,063,616**

	Non current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
7. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Accrued interest	-	-	204,576	158,244
Deposits	-	-	3,356	2,931
Derivative assets	-	-	1,228	1,123
Others	-	-	-	16,123
	-	**-**	**209,160**	**178,421**

	Non current		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
8. OTHER ASSETS				
Unsecured - considered good				
Contract acquisition cost	-	8,543	12,622	12,814
Less: Loss allowance	-	-	-	-
	-	8,543	12,622	12,814
Unsecured - considered good				
Prepaid expenses	-	-	1,834	1,880
Recoverable from related parties*	-	-	62	-
Indirect tax recoverable	-	-	5,856	4,820
	-	**8,543**	**20,374**	**19,514**

* Receivables from related parties (refer note 22)

	As at 31 March 2022	As at 31 March 2021
		Amount in EUR
9. EQUITY SHARE CAPITAL		
Authorised share capital		
24,950,000 (31 March 2021: 24,950,000) equity shares of EUR 1 each	24,950,000	24,950,000
Issued, subscribed and fully paid-up shares		
8,373,848 (31 March 2021 : 8,373,848) equity shares of EUR 1 each	8,373,848	8,373,848
Total issued, subscribed and fully paid-up share capital	**8,373,848**	**8,373,848**

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

	As at 31 March 2022		As at 31 March 2021	
	No of shares	EUR	No of shares	EUR
At the beginning of the year	8,373,848	8,373,848	8,373,848	8,373,848
Outstanding at the end of the year	**8,373,848**	**8,373,848**	**8,373,848**	**8,373,848**

b. Terms/rights and restrictions attached to equity shares

The Company has only one class of equity shares having par value of EUR 1 per share. Each holder of equity shares is entitled to one vote per share.

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

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

	As at 31 March 2022	As at 31 March 2021
Mphasis Corporation (Immediate holding company)	4,992,194	4,992,194
4,992,194 (31 March 2021 : 4,992,194) equity shares of EUR 1 each		
Mphasis Limited (Intermediate holding company)	3,381,654	3,381,654
3,381,654 (31 March 2021 :3,381,654) equity shares of EUR 1 each		
Total shares	**8,373,848**	**8,373,848**

The ultimate holding company is Blackstone Capital Partners (Cayman II) VI L.P upto 9 August 2021 & BCP Asia (SG) Mirror Holding Pte Ltd from 10 August 2021

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

	As at 31 March 2022		As at 31 March 2021	
Name of shareholder	**No of shares**	**% of holding**	**No of shares**	**% of holding**
Mphasis Corporation	4,992,194	59.62	4,992,194	59.62
Mphasis Limited	3,381,654	40.38	3,381,654	40.38

e.The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

Amount in EUR

	As at 31 March 2022	As at 31 March 2021
10. OTHER EQUITY		
Securities premium		
Balance as per previous financial statement	150,283,891	150,283,891
Closing balance	**150,283,891**	**150,283,891**
Retained earnings		
Balance as per previous financial statement	12,078,711	11,747,730
Profit for the year	329,483	330,981
Closing balance	**12,408,194**	**12,078,711**
Total other equity	**162,692,085**	**162,362,602**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
11. TRADE PAYABLES				
Trade payables*	-	-	3,513,345	2,511,056
	-	**-**	**3,513,345**	**2,511,056**

* Includes payables to related parties (refer note 22)

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
12. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	74,860	134,263
Derivative liabilities	-	-	17,206	-
	-	**-**	**92,066**	**134,263**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
13. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	168,128	215,467
	-	**-**	**168,128**	**215,467**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
14. OTHER LIABILITIES				
Statutory dues	-	-	348,458	609,123
Unearned revenue	-	-	-	70,166
	-	**-**	**348,458**	**679,289**

Amount in EUR

	Year ended 31 March 2022	Year ended 31 March 2021
15. REVENUE FROM OPERATIONS		
Sale of services	9,335,035	12,923,586
	9,335,035	**12,923,586**

	Year ended 31 March 2022	Year ended 31 March 2021
16. OTHER INCOME		
Interest income - others	150,447	176,082
Foreign exchange gain/(loss) - net	10,181	-
	160,628	**176,082**

	Year ended 31 March 2022	Year ended 31 March 2021
17. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	2,288,023	2,798,601
Contribution to social security and other funds	219,834	266,957
Employee share based payments	30,911	11,724
Staff welfare expenses	1,094	1,603
	2,539,862	**3,078,885**

	Year ended 31 March 2022	Year ended 31 March 2021
18. DEPRECIATION AND AMORTIZATION EXPENSE		
Amortization of intangible assets	-	84
	-	**84**

	Year ended 31 March 2022	Year ended 31 March 2021
19. OTHER EXPENSES		
Subcontracting charges	6,267,494	9,166,614
Travel	24,206	55,726
Communication expenses	3,476	4,143
Facility expenses	19,598	18,628
Professional charges	36,781	53,798
Rates and taxes	4,730	5
Software support & annual maintenance charges	5,591	-
Recruitment expenses	68,925	62,450
Insurance	-	5,752
Foreign exchange loss, net	-	113,359
Provision for expected credit loss	2,430	(11,827)
Miscellaneous expenses	77,133	125,255
	6,510,364	**9,593,903**

20. TAXES

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

	Year ended 31 March 2022	Year ended 31 March 2021
Taxes		
Current taxes	98,062	113,000
Deferred taxes	17,892	(17,185)
Total taxes	**115,954**	**95,815**

	As at 31 March 2022	As at 31 March 2021
Income tax liabilities (net)		
Provision for taxation	188,498	197,960
Net income tax liability	**188,498**	**197,960**

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities (net)	50,207	32,316
	50,207	**32,316**

	Year ended 31 March 2022	Year ended 31 March 2021
21. EARNINGS PER SHARE		
Profit after tax	329,483	330,981
Number of equity shares considered for calculation of earnings per share	8,373,848	8,373,848
Basic and Diluted (EUR)	**0.04**	**0.04**

22. RELATED PARTY TRANSACTIONS

a) Entities who have control over the Company:

The related parties which exercise control are as follows:

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

b) Entities which are controlled by the company

- Msource (India) Private Limited
- Mphasis Software and Services (India) Private Limited
- Msource Mauritius Inc
- Mphasis Pte Limited
- Mphasis UK Limited

c) Other related parties with which transactions have taken place:

- Mphasis Deutschland GmbH
- Mphasis Belgium BV
- Mphasis Poland s.p.z.o.o

The following is the summary of significant transactions with related parties by the Company:

Amount in EUR

	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services to entities who have control over the company	**565,869**	**134,388**
Mphasis Limited	554,583	136,780
Mphasis Corporation	11,286	(2,392)
Rendering of services to other related parties	**631,722**	**823,255**
Mphasis Belgium BV	460,407	657,071
Mphasis UK Limited	171,315	189,018
Mphasis Deutschland GmbH	-	(22,834)
Subcontracting charges from entities who have control over the company	**4,446,413**	**5,576,527**
Mphasis Limited	4,029,199	5,222,889
Mphasis Corporation	417,214	353,638
Subcontracting charges from other related parties	**832,492**	**1,437,352**
Mphasis Belgium BV	417,040	119,947
Mphasis UK Limited	415,359	961,744
Msource (India) Private Limited	15,794	-
Mphasis Deutschland GmbH	(81,278)	280,680
Mphasis (Shanghai) Software and Services	43,979	-
Mphasis Poland z.o.o	21,598	74,981
Corporate support cost to entities who have control over the company	**76,922**	**122,973**
Mphasis Limited	66,562	112,403
Mphasis Corporation	10,360	10,570
Expenses incurred by entities who have control over the company on company's behalf	**30,911**	**11,724**
Mphasis Limited	30,911	11,724
Expenses incurred by other related parties on company's behalf	**3,278**	**-**
Mphasis UK Limited	3,278	-
Interest earned from unsecured loans given to entities who have control over the company	**58,685**	**101,868**
Mphasis Corporation	58,685	101,868
Interest earned from unsecured loans given to other related parties	**91,761**	**74,214**
Mphasis Deutschland GmbH	46,761	28,504
Mphasis Poland z.o.o	45,000	45,710
Unsecured loans given to entities who have control over the company	**3,546,327**	**1,676,776**
Mphasis Corporation	3,546,327	1,676,776
Unsecured loans given to other related parties	**1,560,000**	**-**
Mphasis Deutschland GmbH	1,560,000	-
Unsecured loans repaid by entities who have control over the company	**4,176,602**	**-**
Mphasis Corporation	4,176,602	-
Unsecured loans repaid by other related parties	**-**	**670,000**
Mphasis Deutschland GmbH	-	670,000

The balance receivable from and payable to related parties are as follows:

	As at 31 March 2022	As at 31 March 2021
Trade receivables from entities who have control over the company	**440,590**	**-**
Mphasis Limited	440,590	-
Trade receivables from other related parties	**758,351**	**293,164**
Mphasis Deutschland GmbH	81,765	-
Mphasis UK Limited	71,064	43,764
Mphasis Belgium BV	605,522	249,400
Trade payables from entities who have control over the company	**2,263,124**	**1,501,284**
Mphasis Limited	2,253,793	1,129,336
Mphasis Corporation	9,331	371,948
Trade payables to other related parties	**635,597**	**456,079**
Mphasis Belgium BV	379,110	-
Mphasis UK Limited	195,511	417,385
Msource (India) Private Limited	15,944	-
Mphasis Poland z.o.o	786	38,617
Mphasis (Shanghai) Software and Services	44,246	-
Mphasis Pte Limited	-	77
Other receivables to entities who have control over the company	**62**	**-**
Mphasis Limited	62	-
Interest receivable from unsecured loans made to entities who have control over the company	**13,092**	**17,985**
Mphasis Corporation	13,092	17,985
Interest receivable from unsecured loans to other related parties	**191,484**	**140,259**
Mphasis Poland z.o.o	180,749	135,749
Mphasis Deutschland GmbH	10,735	4,510
Unsecured loans given to entities who have control over the company	**1,619,882**	**2,225,272**
Mphasis Corporation	1,619,882	2,225,272
Unsecured loans given to other related parties	**3,390,000**	**1,830,000**
Mphasis Poland z.o.o	900,000	900,000
Mphasis Deutschland GmbH	2,490,000	930,000

23. Certain employees of the company have received stock options and RSU's of the intermediate holding company, Mphasis Limited under the ESOP instituted by Mphasis Limited. All the ESOPs and RSU's are in respect of Mphasis Limited shares, where each stock option is equivalent to one share. Such cost aggregating to EUR 30,911 (31 March 2021: EUR 11,724) has been cross charged to the company and the same has been charged to statement of profit and loss as Employee share based payments under the head Employee benefits expenses.

24. No specific contingent liabilities exist as on balance sheet date.

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.17 19:40:17 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

SEMONA CONSULTANTS
CHARTERED ACCOUNTANTS, AUDITORS, ADVISORS

MPHASIS AUSTRALIA PTY LIMITED

ABN 39 095 809 699

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2022

OYSTER BAY: PO Box 189, Oyster Bay NSW 2225 (Tel.) 9521 4388

Mphasis Australia Pty Limited ABN 39 095 809 699

Financial Statements

For the year ended 31 March 2022

Suresh Eswaran - Principal
Semona Consultants
Shop 5/17-19 East Parade, Sutherland NSW 2232 2225

Phone: 95214388 Fax: 95217488
Email: suresh@semona.com.au

Mphasis Australia Pty Limited ACN 095 809 699

Contents

Mphasis Australia Pty Limited ACN 095 809 699

Directors' Report

Your directors present this report on the company for the financial year ended 31 March 2022.

Directors

The names of the directors in office at any time during or since the end of the year are:

Narayan Subramanian
Abhijit Abhyankar
Eric Gordon Winston
Damodaran Seshadri

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The loss of the company for the financial year after providing for income tax amounted to:

Year ended 31 March 2022	Year ended 31 March 2021
$	$
(2,819,962)	(6,354,023)

Principal Activities

The principal activities of the company during the course of the year were : Providing a suite of application development and maintenance services, infrastructure outsourcing services and business & knowledge process outsourcing solutions to clients.

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Narayan Subramanian
Director

DocuSigned by:
Abhijit Abhyankar
81DCDD0D18CD44B...

Abhijit Abhyankar
Director

Dated: 14 June 2022

Mphasis Australia Pty Limited ABN 39 095 809 699
Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
To THE DIRECTORS OF: Mphasis Australia Pty Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022 there have been :

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Suresh Eswaran, Principal
SEMONA CONSULTANTS

Dated : 14 June 2022

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mphasis Australia Pty Limited (the Company), which comprises the Statement of Financial Position as at 31 March 2022, the Statement of Financial Performance-by Nature, the Statement of Changes In Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of Mphasis Australia Pty Limited is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 31 March 2022 and of its performance for the year then ended; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Signed on : 14 June 2022

Suresh Eswaran - Principal,
SEMONA CONSULTANTS

Mphasis Australia Pty Limited ACN 095 809 699
Directors' Declaration

The directors have determined that the company is not a reporting entity and that this financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:

    (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and

    (b) give a true and fair view of the company's financial position as at 31 March 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

DocuSigned by:
Subramanian Narayan
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Narayan Subramanian
Director

DocuSigned by:
Abhijit Abhyankar
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Abhijit Abhyankar
Director

Dated: 14 June 2022

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Mphasis Australia Pty Limited ACN 095 809 699
Statement of Financial Performance - by Nature
For the year ended 31 March 2022

	Note	2022 $	2021 $
Classification of Expenses by Nature			
Revenues from ordinary activities	2	51,082,042	78,111,339
Borrowing costs expense		(46,079)	(5)
Depreciation and amortisation expenses		(33,066)	(29,032)
Other expenses from ordinary activities		(53,721,837)	(84,425,930)
Profit (loss) from ordinary activities before income tax	**2**	**(2,718,940)**	**(6,343,628)**
		-	-
Income tax expense relating to ordinary activities		(101,022)	(10,395)
Net profit (loss) attributable to members of the company		**(2,819,962)**	**(6,354,023)**
Total changes in equity other than those resulting from transactions with owners as owners		**(2,819,962)**	**(6,354,023)**
Opening retained profits		345,595	6,699,618
Net profit (loss) attributable to members of the company		(2,819,962)	(6,354,023)
Closing retained profits		**(2,474,367)**	**345,595**

Mphasis Australia Pty Limited ACN 095 809 699
Statement of Financial Position as at 31 March 2022

	Note	2022 $	2021 $
Assets			
Current Assets			
Cash assets	3	2,780,458	1,216,126
Receivables		7,129,053	17,670,813
Current tax assets		1	9,519
Other		9,935	14,065
Total Current Assets		**9,919,447**	**18,910,523**
Non-Current Assets			
Other financial assets		972	972
Property, plant and equipment	4	37,531	55,553
Total Non-Current Assets		**38,503**	**56,525**
Total Assets		**9,957,950**	**18,967,048**
Liabilities			
Current Liabilities			
Payables		9,056,997	15,559,110
Current tax liabilities		923,140	534,629
Provisions		2,406,968	2,525,714
Total Current Liabilities		**12,387,105**	**18,619,453**
Non-Current Liabilities			
Deferred tax liabilities		26,781	-
Provisions		16,431	-
Total Non-Current Liabilities		**43,212**	-
Total Liabilities		**12,430,317**	**18,619,453**
Net Assets (Liabilities)		**(2,472,367)**	**347,595**
Equity			
Issued capital	5	2,000	2,000
Retained profits / (Accumulated losses)		(2,474,367)	345,595
Total Equity (Deficiency)		**(2,472,367)**	**347,595**

Mphasis Australia Pty Limited ACN 095 809 699
Statement of Changes in Equity for the year ended 31/03/2022

	Notes	Retained Earnings	Issued & Paid Up Capital	Total
Balance at 31/03/2021		345,595	2,000	347,595
Comprehensive income				
Other comprehensive income for the year				
Total comprehensive income for the year attributable to members of the entity		(2,819,962)	-	(2,819,962)
Balance at 31/03/2022		(2,474,367)	2,000	(2,472,367)

Mphasis Australia Pty Limited ACN 095 809 699

Cash Flow Statement

For the year ended 31 March 2022

	2022 $	2021 $
Cash Flow From Operating Activities		
Receipts from customers	61,603,812	87,882,826
Payments to Suppliers and employees	(60,008,296)	(91,722,670)
Interest received	19,990	59,450
Interest and other costs of finance	(46,079)	(5)
Income tax paid	(5,095)	(63,013)
Net cash provided by (used in) operating activities (note 2)	1,564,332	(3,843,412)
Net increase (decrease) in cash held	1,564,332	(3,843,412)
Cash at the beginning of the year	1,216,126	5,059,538
Cash at the end of the year (note 1)	2,780,458	1,216,126

	2022	2021

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2022	2021
Cash At Bank	2,589,387	336,319
Advance Tax with ATO	126,504	777,892
Other Current Assets- Deposits	64,567	101,915
	2,780,458	1,216,126

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

	2022	2021
Operating profit after income tax	(2,819,962)	(6,354,023)
Depreciation	33,066	29,032
Increase/(decrease) in provision for income tax	59,628	(63,854)
Increase/(decrease) in provision for deferred income tax	26,781	-
Increase/(decrease) in future income tax benefit	9,518	11,236
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	10,541,760	9,830,937
(Increase) decrease in prepayments	4,130	1,455
Increase (decrease) in other creditors	(6,422,347)	(7,850,261)
Increase (decrease) in employee entitlements	(48,057)	(52,894)
Increase (decrease) in sundry provisions	179,815	604,960
Net cash provided by operating activities	**1,564,332**	**(3,843,412)**

Note 1: Summary of Significant Accounting Policies

Mphasis Australia Pty Limited is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity.

The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of the statements are as follows:

Accounting Policies

(a) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary timing differences and unused tax losses are recognised only to the extent it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utiliesed.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost . All assets are depreciated over their useful lives to the company.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bond terms to maturity that match the expected timing of cash flows.

(f) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefit will result and that the outflow can be measured reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Mphasis Australia Pty Limited ACN 095 809 699
Notes to the Financial Statements
For the year ended 31 March 2022

	2022	2021

Note 2: Revenue and Other Income

Revenue:

	2022	2021
Interest revenue	19,990	59,450
Sales	51,288,253	78,245,985
Exchange Rate Fluctuation	(226,201)	(194,096)
	51,082,042	**78,111,339**

Note 3: Cash assets

	2022	2021
Bank accounts:		
Cash At Bank	2,589,387	336,319
Other cash items:		
Advance Tax with ATO	126,504	777,892
Other Current Assets- Deposits	64,567	101,915
	2,780,458	**1,216,126**

Note 4: Property, Plant and Equipment

	2022	2021
Plant and equipment:		
- At cost	343,540	330,509
- Less: Accumulated depreciation	(306,009)	(274,956)
	37,531	55,553
	37,531	**55,553**

	2022	2021

Note 5: Contributed Capital

2000 Ordinary shares at $1.00 each fully paid	**2,000**	**2,000**

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 6: Auditors' Remuneration

Remuneration of the auditor of the company for:		
Auditing or reviewing the financial report	24,905	20,059
Other services	-	-
	24,905	**20,059**

Mphasis Australia Pty Limited ACN 095 809 699

Detailed Statement of Financial Performance

For the year ended 31 March 2022

	2022 $	2021 $
Income		
Sales	51,288,253	78,245,985
Exchange Rate Fluctuation	(226,201)	(194,096)
Interest received	19,990	59,450
Total income	51,082,042	78,111,339
Expenses		
Professional Charges	486,460	700,364
Audit fees - Current year	24,905	20,059
Bank Charges	10,482	7,355
Inter Co Consulting Charges	5,988,842	5,124,604
H O Expenses	735,548	1,164,425
Sub-Contracting Charges	26,623,036	60,750,448
Recruitment Expenses	193,567	55,993
Depreciation on Plant and Equipment	33,066	29,032
Fringe benefits tax	259,363	244,075
Insurance	112,420	123,538
Workers Compensation	54,216	32,975
Interest	46,079	5
Membership & Subscription	19,699	4,487
Selling Expense	2,668	1,926
Payroll tax	529,725	652,382
Printing & stationery	707	396
Rates & Taxes	(32,417)	8,879
Conference Fess and Business Meeting	145	(3,522)
Rent on land & buildings	49,792	45,436
Repairs & maintenance	71,546	74,556
Salaries and Wages	17,185,551	13,887,907
Staff amenities	61,600	29,448
Sundry expenses	15,854	86,225
Superannuation	1,161,460	1,086,986
Telephone	26,725	20,690
Travel, Accommodation & Conference	139,943	306,298
Total expenses	53,800,982	84,454,967
Profit (Loss) from Ordinary Activities before income tax	**(2,718,940)**	**(6,343,628)**

Mphasis Australia Pty Limited ACN 095 809 699
Detailed Statement of Financial Position as at 31 March 2022

	2022 $	2021 $
Current Assets		
Cash Assets		
Cash At Bank	2,589,387	336,319
Advance Tax with ATO	126,504	777,892
Other Current Assets- Deposits	64,567	101,915
	2,780,458	1,216,126
Receivables		
Mphasis Group - Exp Reimb Receivable	-	3,826
Mphasis Group- Receivables	980,662	857,456
Advance to employees	6,800	12,689
Unbilled Revenue	2,025,790	4,684,209
Sundry Debtors- Others	4,115,801	12,112,633
	7,129,053	17,670,813
Current Tax Assets		
Deferred Tax	1	9,519
	1	9,519
Other		
Prepayments	9,935	14,065
	9,935	14,065
Total Current Assets	**9,919,447**	**18,910,523**

Mphasis Australia Pty Limited ACN 095 809 699

Detailed Statement of Financial Position as at 31 March 2022

	2022 $	2021 $
Non-Current Assets		
Other Financial Assets		
Investment in PT Mphasis Indonesia	972	972
	972	972
Property, Plant and Equipment		
Plant and Equipment	343,540	330,509
Less: Accumulated depreciation	(306,009)	(274,956)
	37,531	55,553
Total Non-Current Assets	**38,503**	**56,525**
Total Assets	**9,957,950**	**18,967,048**
Current Liabilities		
Payables		
Unsecured:		
Mphasis Group Payable	7,314,949	2,454,003
Mphasis Group - Expense Reimb Payable	733,064	3,289
Payable: Other Creditors	966,118	13,093,668
Derivative Liability	42,866	8,150
	9,056,997	15,559,110
Current Tax Liabilities		
GST payable control account	161,031	575,602
Input tax credit control account	(26,433)	(610,881)
GST clearing	726,535	568,577
Taxation	59,629	1
Fringe Benefit Tax Payable	2,378	1,330
	923,140	534,629

Mphasis Australia Pty Limited ACN 095 809 699
Detailed Statement of Financial Position as at 31 March 2022

	2022 $	2021 $
Provisions		
Superannuation Payable	155,631	203,688
Sundry Provisions	355,820	365,007
Incentive Payable	357,609	305,464
Auditor Remuneration payable	22,176	19,382
Leave Encashment Payable	1,515,732	1,632,173
	2,406,968	2,525,714
Total Current Liabilities	**12,387,105**	**18,619,453**
Non-Current Liabilities		
Deferred Tax Liabilities		
Deferred income tax	26,781	-
	26,781	-
Provisions		
Incentive Payable - Non Current	16,431	-
	16,431	-
Total Non-Current Liabilities	**43,212**	**-**
Total Liabilities	**12,430,317**	**18,619,453**
Net Assets (Liabilities)	**(2,472,367)**	**347,595**

	2022 $	2021 $
Equity		
Issued Capital		
Issued & paid up capital	2,000	2,000
Retained profits / (accumulated losses)	(2,474,367)	345,595
Total Equity	**(2,472,367)**	**347,595**

mazars

Audit report on account balances – Clean opinion

Independent Auditors' Report on the Audit of Special Purpose Financial Information

To the Mphasis Group

We have audited, the accompanying special purpose financial information (balance sheet, income statement) of Wyde Mphasis, as of March 31, 2022 and for the year then ended.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation of this special purpose financial information and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error; applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.
This special purpose financial information has been prepared solely to enable Mphasis Group to prepare its consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the specified forms based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the specified forms are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the specified forms. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the specified forms, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the component's preparation and presentation of the specified forms in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the component's internal control. An audit also includes the evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the specified forms.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality in the context of the audit of the group financial statements.

Opinion

In our opinion, the accompanying specified forms of Mphasis Wyde as of March 31, 2022 and for the year then ended have been prepared, in all material respects, in accordance with French accounting principles.

mazars

Audit report on account balances – Clean opinion

Restriction on Use and Distribution

This special purpose financial information has been prepared for purposes of providing information to Mphasis Group to enable it to prepare the consolidated financial statements of the group. As a result, the special purpose financial information is not a complete set of financial statements of Mphasis Wyde and are not intended to present fairly, in all material respects (or to give a true and fair view of) the financial position of Mphasis Wyde and of its financial performance for the year ended March 31, 2022. This special purpose financial information may, therefore, not be suitable for another purpose.

This report is intended to you solely for your information and use to assist you in your audit of the group financial statements of Mphasis Group for the year ending March 31, 2022 and should not be used by (or distributed to) other parties.

June 10, 2022

Riou

Valérie Riou
MAZARS à Courbevoie

Summary

Assets

Assets	2022/3/31			2021/3/31
	Gross	Depr. Prov.	Net	Net
Uncalled capital				
Fixed assets				
Intangible assets				
Set-up costs				
Research and development costs				
Concessions, patents, licences and similar rights	3 136 490	478 519	2 657 970	3 104 431
Goodwill				
Other intangible assets				
Payments on account				
Tangible assets				
Land				
Buildings				
Plant and machinery, fixtures, fitting, tools and equipments				
Other tangible assets	666 827	515 750	151 078	183 921
Tangible assets in progress				
Payments on account				
Financial assets				
Investments accounted for using the equity method				
Other categories of participating interest				
Amounts receivable from subsidiaries				
Long term securities				
Other long term investments				
Loans	243 216		243 216	225 649
Other financial assets	84 830		84 830	83 386
TOTAL I	**4 131 363**	**994 269**	**3 137 094**	**3 597 387**
Current assets				
Stocks and work in progress				
Raw materials and consummables				
Work in progress : - Goods				
Work in progress : - Services				
Semi-finished and finished goods				
Goods for sale				
Payments on account on orders				7 247
Debtors				
Trade debtors	939 165		939 165	2 249 313
Other debtors	289 372		289 372	516 969
Unpaid called up share capital				
Securities				
Own shares				
Other securities				
Financial future market securities				
Cash at bank and in hand	845 909		845 909	435 740
Prepaid expenses	**53 877**		**53 877**	**166 574**
TOTAL II	**2 128 323**		**2 128 323**	**3 375 843**
Deffered charges **III**				
Redemption bond premium **IV**				
Unrealized exchange losses V	**377 747**		**377 747**	**65 464**
TOTAL ASSETS (I + II + III + IV + V)	**6 637 433**	**994 269**	**5 643 164**	**7 038 694**

Equity and liabilities

Equity and liabilities			2022/3/31	2021/3/31
			Net	Net
Capital and reserves				
Share capital	(paid-in)	38 113	38 113	38 113
Share premium account				
Revaluation reserve				
Differences on assets assessed on equity method				
Reserves :	- Legal reserve		3 811	3 811
	- Statutory reserves			
	- Regulated reserves			
	- Other reserves			
Retained profit / losses			-10 574 612	-11 242 923
Profit / Loss of the period			**-874 250**	**668 311**
Grants for capital expenditures				
Tax regulated provisions				
		TOTAL I	**-11 406 938**	**-10 532 687**
Other shareholders' equity				
Income from profit-sharing securities				
Conditional State advances				
Other shareholders' equity				
		TOTAL I (bis)		
Provisions for contingencies and liabilities				
Provisions for :	- Contingencies		377 747	65 465
	- Liabilities			
		TOTAL II	**377 747**	**65 465**
Creditors				
Convertible debenture loans				
Other debenture loans				
Bank loans and overdrafts				
Other loans and financial liabilities				239 940
Payments received on account				
Trade creditors			141 894	306 872
Tax and social creditors			1 292 736	1 385 613
Fixed assets creditors				
Other creditors			13 386 799	13 982 872
Financial future market securities				
Deferred income			1 850 925	1 523 464
		TOTAL III	**16 672 354**	**17 438 761**
Unrealized exchange gains		**IV**		**67 155**
		GRAND TOTAL (I + I bis + II + III + IV)	**5 643 164**	**7 038 694**

Income Statement

Income statement		2022/3/31			2021/3/31
		France	Export	Total	Total
Operating income					
Sales of :	- Goods				
	- Processed goods				
	- Services	5 640 944	2 465 011	8 105 955	8 411 994
	Turnover	**5 640 944**	**2 465 011**	**8 105 955**	**8 411 994**
Change in stocks of finished goods					
Own work capitalised					1 999 015
Operating grants					
Reversal of provisions and cost recharge				74 701	82 870
Other operating incomes				31 750	15 738
			TOTAL I	**8 212 406**	**10 509 617**
Operating expenses					
Purchase of goods					
Change in stocks of goods					
Purchase of raw materials and consumables					
Change in stocks of raw materials and consumables					
Other external expenses				2 065 683	2 779 542
Taxes				130 059	282 006
Wages and salaries				3 922 553	4 067 824
Social contributions				1 812 818	1 861 949
Amortization and depreciation increase on fixed assets				497 073	94 575
Provision increase :	- On fixed assets				
	- On current assets				
	- For contingencies and liabilities				
Other operating expenses				307 043	373 989
			TOTAL II	**8 735 229**	**9 459 885**
* Including :	- Equipment leasing				
	- Real property leasing				
			OPERATING INCOME (I - II)	**-522 823**	**1 049 733**
Results from participation in Joint-ventures					
Profit alloted or loss transfered			**III**		
Loss alloted or profit transfered			**IV**		
Financial income					
From investments in group and related companies					
From securities and other fixed assets investments					
Other interests and financial income					
Reversal of provisions and cost recharge				65 465	164 451
Gains on exchange adjustments				40 871	264 543
Income from disposals of securities					
			TOTAL V	**106 336**	**428 994**
Financial expenses					
Depreciation and provision expenses				377 747	65 465
Interests and other financial expenses				456 086	430 467
Losses on exchange adjustments				37 328	399 208
Losses from disposals of securities					
			TOTAL VI	**871 161**	**895 140**
			FINANCIAL INCOME (V - VI)	**-764 825**	**-466 146**
			INCOME BEFORE TAX AND EXTRAORDINARY ITEMS (I - II + III - IV + V - VI)	**-1 287 649**	**583 586**

Income Statement (2)

Income statement (2)	2022/3/31	2021/3/31
Extraordinary income		
On operating activities	220 407	
On investing activities		
Reversal of provisions and cost recharge		948 174
TOTAL VII	**220 407**	**948 174**
Extraordinary expenses		
On operating activities	145	1 243
On investing activities		
Depreciation and provision expenses		
TOTAL VIII	**145**	**1 243**
EXTRAORDINARY INCOME (VII - VIII)	**220 262**	**946 931**
Employee profit sharing **IX**		
Corporation tax **X**	**-193 136**	**862 206**
TOTAL INCOME (I + IV + VII)	**8 539 149**	**11 886 785**
TOTAL EXPENSES (II + V + VIII + X)	**9 413 399**	**11 218 474**
PROFIT OR LOSS (Total income - Total expenses)	**-874 250**	**668 311**

Fixed assets

Schedule A	Gross amount opening balance	Increase	
		Revaluations	Acquisitions
Intangible assets			
Set-up and research and development costs			
Other intagible assets	3 136 490		
TOTAL	**3 136 490**		
Tangible assets			
Land			
Buildings			
Buildings on leased land			
Buildings fixtures and fittings			
Plant, machinery and equipment			
Other fixtures and fittings	152 951		
Vehicles			
Office equipment, computer hardware, furniture	496 106		17 770
Returnable containers and miscellaneous			
Tangible assets in progress			
Payment on account			
TOTAL	**649 058**		**17 770**
Financial assets			
Investments in subsidiaries assessed by the equity method			
Other investments in subsidiaries			
Other long term investments			
Loans and other financial assets	309 035		651 883
TOTAL	**309 035**		**651 883**
GRAND TOTAL	**4 094 583**		**669 653**

Schedule B	Reductions		Gross amount closing balance	Revaluation
	Reclassification	Disposals		Original value
Set-up and research and development costs				
Other intangible assets			3 136 490	
TOTAL			**3 136 490**	
Land				
Buildings				
Buildings on leased land				
Buildings fixtures and fittings				
Plant, machinery and equipment				
Other fixtures and fittings			152 951	
Vehicles				
Office equipment, computer hardware, furniture			513 876	
Returnable containers and others				
Tangible assets in progress				
Payment on account				
TOTAL			**666 827**	
Investments in subsidiaries assessed by the equity method				
Other investments in subsidiaries				
Other long term investments				
Loans and other financial assets		632 873	328 046	
TOTAL		**632 873**	**328 046**	
GRAND TOTAL		**632 873**	**4 131 363**	

Depreciation

SCHEDULE A - Situation and changes within the period

Depreciable assets	Opening balance	Additional allowances	Reductions dispo./Rever	Closing balance
Intangible assets				
Set-up, research and development costs				
Goodwill				
Other intangible assets	32 059	446 461		478 519
TOTAL	**32 059**	**446 461**		**478 519**
Tangible assets				
Land				
Buildings				
Buildings on other people's lands				
Building fixtures and fittings				
Plant, machinery and equipment				
Other fixtures and fittings	58 107	15 295		73 402
Vehicles				
Office equipment, computer hardware, furniture	407 030	35 317		442 347
Returnable containers and others				
TOTAL	**465 137**	**50 612**		**515 750**
GRAND TOTAL	**497 196**	**497 073**		**994 269**

SCHEDULE B - Breakdown of depreciation allowances for the period

Depreciable assets	Allowances			Reversals			Net depreciation mouvements closing balance
	Straight line Depreciation	Decreasing balance Depreciation	Exceptionnel Depreciation	Straight line Depreciation	Decreasing balance Depreciation	Exceptionnel Depreciation	
Intangible assets							
Set-up, R&D. costs							
Goodwill							
Others intangible assets							
TOTAL							
Tangible assets							
Land							
Buildings							
Buildings on other people's lands							
Buildings fixtures and fittings							
Plant, mach., and equipment							
Other fixtures and fittings							
Vehicles							
Office equip. comput. hardw.							
Returnable contain. and others							
TOTAL							
GRAND TOTAL							
UNVENTILATED GRAND TOTAL		**UNVENTILATED GRAND TOTAL**			**UNVENTILATED GRAND TOTAL**		

SCHEDULE C

Changes in deferred charges	Opening balance	Additional allowances	Allowances for the period	Closing balance
Deferred charges				
Redemption bond premium				

Provisions

Type of provisions		Opening balance	Additions : Allowances	Reductions : Reversals	Ending balance
Tax regulated					
Provisions for :	- Reconstitution of mines and oilfields				
	- Capital expenditures				
Price increase provisions					
Tax depreciation allowances					
Provisions for set-up loans					
Other tax regulated provisions					
TOTAL					
Contingencies and liabilities					
Provisions for :	- Litigation				
	- Warranties given to customers				
	- Losses on future market				
	- Penalties				
	- Exchange losses	65 465	377 747	65 465	377 747
	- Pension and similar commitments				
	- Taxes				
	- Assets renewals				
	- Important repairs				
	- Social contributions and taxes due on vacation				
Other provisions for contingencies and liabilities					
TOTAL		**65 465**	**377 747**	**65 465**	**377 747**

Type of provisions	Opening balance	Additions : Allowances	Reductions : Reversals	Ending balance
Provisions for loss in value				
On intangible assets				
On tangible assets				
On investments assessed on the equity method				
On securities				
On other investments				
On stocks and works in progress				
On trade debtors				
Other provisions for loss in value				
TOTAL				
GRAND TOTAL	**65 465**	**377 747**	**65 465**	**377 747**
Including operating allowances and reversals				
Including financial allowances and reversals		377 747	65 465	
Including exceptional allowances and reversals				
Investments assessed on the equity method : allowances for the period				

Receivables

Receivables	Gross amount	Liquidity of the asset	
		Within 1 year	After 1 year
Fixed Assets			
Amount receivable from subsidiaries			
Loans (1) (2)	243 216		243 216
Other financial assets	84 830		84 830
Current Assets			
Doubtful and in dispute trade debtors			
Other trade debtors	939 165	939 165	
Receivables representing borrowed securities			
Employees	890	890	
Social contributions	4 212	4 212	
Corporation tax	193 136	193 136	
Value-added tax	66 675	66 675	
Other taxes			
Sundries	24 460	24 460	
Intercompany and current accounts (2)			
Other debtors			
Prepaid expenses	53 877	53 877	
TOTAL	**1 610 460**	**1 282 414**	**328 046**

(1) Including loans granted within the period	482 223
(1) Including redemptions received within the period	239 007
(2) Loans and advances granted to partners	

Payables

Payables		Gross amount	Callability of the liabilities		
			Within 1 yearn	1 to 5 years	After 5 years
Convertible debenture loans (1)					
Other debenture loans (1)					
Bank loans and overdraft (1) :	- Payable over 1 year				
	- Payable over more than 1 year				
Other loans and financial liabilities (1) (2)					
Trade creditors		141 894	141 894		
Personnel		473 582	473 582		
Social contributions		461 989	461 989		
Corporation tax					
Value-added tax		225 385	225 385		
Guaranted bonds					
Other taxes		131 779	131 779		
Fixed assets creditors					
Intercompany and current accounts (2)					
Other creditors		13 386 799	301 942	13 084 857	
Liabilities representing borrowed securities					
Deferred income		1 850 925	1 850 925		
TOTAL		**16 672 354**	**3 587 497**	**13 084 857**	

(1) Loans raised within the period	
(1) Loans redeemed within the period	
(2) Loans and liabilities raised from partners	

Accrued receivables

Accrued receivables included in Balance Sheet	2022/3/31	2021/3/31
Amounts receivable from subsidiaries		
Other long-term investments		
Loans		
Other financial assets		
Trade debtors	599 334	1 974 441
Other debtors	28 671	116 877
Securities		
Other receivables		
TOTAL	**628 006**	**2 091 318**

Accrued receivables details

Accrued receivables included in Balance Sheet	2022/3/31	2021/3/31
Amounts receivable from subsidiaries		
Other long-term investments		
Loans		
Other financial assets		
Trade debtors	599 334.48	1 974 441.37
418100000 CLIENTS FACT. A ETABLIR	418 918.00	1 188 255.24
418111000 CLIENTS INTERCOS FAE EXO	180 416.48	786 186.13
Other debtors	28 671.49	116 876.89
438762100 Subvention CE	4 211.94	3 686.34
448700000 ETAT PRODUITS A RECEVOIR	24 459.13	113 190.13
448710000 ETAT Produits Ã recevoir	0.42	0.42
Securities		
Other receivables		
TOTAL	**628 005.97**	**2 091 318.26**

Accrued payables

Accrued payables included in Balance Sheet	2022/3/31	2021/3/31
Convertible debenture loans		
Other debenture loans		
Bank loans and overdrafts		
Other loans and financial liabilities		
Trade creditors	136 901	193 276
Social contributions	828 677	896 929
Fixed assets creditors		
Other creditors	301 942	396 341
TOTAL	**1 267 520**	**1 486 545**

Accrued payables details

Accrued payables included in Balance Sheet	2022/3/31	2021/3/31
Convertible debenture loans		
Other debenture loans		
Bank loans and overdrafts		
Other loans and financial liabilities		
Trade creditors	136 901.21	193 275.51
408100000 FOURNIS.FACT.NON PARVENUE	117 001.21	130 066.82
408110000 FRS GROUPE FACT.NON PARVENUES	19 900.00	63 208.69
Social contributions	828 677.38	896 928.74
428200000 CONGES A PAYER	426 315.00	465 453.22
428600000 AUTRES CHARG.PERS.A PAYER	47 265.84	68 183.17
438200000 ORG.SOC. CH./CONGES PAYES	201 576.00	218 657.43
438600000 ORG.SOC. CHARGES A PAYER	21 741.11	31 368.92
448600000 ETAT AUTRES CH. A PAYER	131 779.43	113 266.00
Fixed assets creditors		
Other creditors	301 941.69	396 340.60
419800000 CLIENTS RRR&AV.A ACCORD.	301 941.69	396 340.60
TOTAL	**1 267 520.28**	**1 486 544.85**

Prepayments and deferred income

Deferred income	2022/3/31	2021/3/31
Operating incomes	1 850 925	1 523 464
Financial incomes		
Extraordinary incomes		
TOTAL	**1 850 925**	**1 523 464**

Prepaid expenses	2022/3/31	2021/3/31
Operating expenses	53 877	166 574
Financial expenses		
Extraordinary expenses		
TOTAL	**53 877**	**166 574**

Capital

Category of shares	Par value		Number of shares			
	As at the begining of the period	As at the end of the period	As at the begining of the period	Issued during the period	Redeemed during the period	As at the end of the period
Actions	15.25000	15.25	2 500			2 500

Identity of the consolidating parent company

Corporate name Head office	Capital	%

Unrealized exchange gains and losses

Unrealized exchange gains or losses on	Unrealized losses	Difference cleared by exchange coverage	Provision for exchange losses	Unrealized gains
Fixed assets other than financial assets				
Financial assets				
Debtors	377 747		377 747	
Financial creditors				
Operating creditors				
Fixed assets creditors				
TOTAL	**377 747**		**377 747**	

Increase and relief in future tax debt

Facture tax debt increase		Amount	Tax
Regulated provisions :	- Depreciation allowances		
	- Price increase provisions		
	- Provisions for fluctuation in exchange rates		
Others			
	TOTAL		

Future tax debt reliefs		Amount	Tax
Provisions non-deductible the tax year of their entry :	- Provisions for vacation		
	- Employee profit-sharing		
Provision for exchange rate loss		377 747	100 102
Others			
Fiscal losses carryforward		15 874 405	4 206 717
	TOTAL	**16 252 152**	**4 306 819**

Tax corporation breakdown

	Before tax	Corporation tax	After tax
+ Profit or loss before tax and extraordinary items	-1 287 649	-193 136	-1 094 513
+ Extraordinary profit or loss	220 262		220 262
- Employee profit-sharing			
= Profit or loss	**-1 067 386**	**-193 136**	**-874 250**

Average Manpower

Workers categories	Salaried staff	Staff at company's disposal
Executives	59	
Supervisors and technicians		
Employees	1	
Workers		
Apprentice under contract		
TOTAL	**60**	

Registered number: 407167

MPHASIS IRELAND LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

MPHASIS IRELAND LIMITED

CONTENTS

MPHASIS IRELAND LIMITED

COMPANY INFORMATION

Directors	Subramanian Narayan Rajiv Kumar Naranjandass Malhotra (resigned 17 December 2021) Venkata Suresh Ayapati (appointed 17 December 2021)
Company secretary	Subramanian Narayan
Registered number	407167
Registered office	Boole House Beech Hill Office Campus Beech Hill Road Clonskeagh Dublin 4 D04 A563
Independent auditor	RBK Business Advisers Chartered Accountants & Statutory Audit Firm Parkview House Beech Hill Office Campus Beech Hill Road Dublin 4 D04 X7V2
Bankers	Citibank 1 North Wall Quay Dublin 1 D01 T8Y1

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and the audited financial statements for the year ended 31 March 2022.

Principal activities and business review

The Company's principal activity is the provision of managed IT application services to its customers.

Results and dividends

The profit for the year, after taxation, amounted to €65,083 *(2021 - €22,877)*.

Directors and their interests

In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the year ended 31 March 2022 were as follows:

	Ordinary shares of €1 each	
	31/3/22	**1/4/21**
Subramanian Narayan	-	-
Rajiv Kumar Naranjandass Malhotra (resigned 17 December 2021)	-	-
Venkata Suresh Ayapati (appointed 17 December 2021)	-	-

The company secretary who served throughout the year was Subramanian Narayan.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at Bagmane World Technology Centre, Marathahalli Outer Ring Road, Doddenekundi Village, Mahadevapura, Bengaluru, 560048, India.

In accordance with Section 283 of the Companies Act 2014, sufficient accounting records are also maintained in the state to disclose, with reasonable accuracy, the assets, liabilities, financial position and profit and loss of the company at intervals not exceeding six months.

Statement on relevant audit information

In accordance with Section 330 of the Companies Act 2014:

- so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Post balance sheet events

There are no significant post balance sheet events which require disclosure in the financial statements.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Auditor

The auditor, RBK Business Advisers, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

DocuSigned by:
Venkat Suresh
551409798A924CB...

Venkata Suresh Ayapati
Director

Date: 17 June 2022

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' applying Section 1A of the Standard.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

DocuSigned by:
Venkat Suresh
551409798A924CB...

Venkata Suresh Ayapati
Director

Date: 17 June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MPHASIS IRELAND LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mphasis Ireland Limited (the 'Company') for the year ended 31 March 2022, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' applying Section 1A of the Standard; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which I am required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (Ireland) 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 financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MPHASIS IRELAND LIMITED (CONTINUED)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Conor O'Brien

Conor O'Brien
for and on behalf of
RBK Business Advisers
Chartered Accountants & Statutory Audit Firm
Parkview House
Beech Hill Office Campus
Beech Hill Road
Dublin 4
D04 X7V2
Date: 17/6/2022

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 €	*2021 €*
Turnover		**542,158**	*167,741*
Cost of sales		**(467,849)**	*(133,414)*
Gross profit		**74,309**	*34,327*
Administrative gains/(expenses)		**(7,227)**	*(17,752)*
Operating profit		**67,082**	*16,575*
Interest receivable and similar income	4	**9,000**	*9,000*
Profit before tax		**76,082**	*25,575*
Tax on profit on ordinary activities		**(10,999)**	*(2,698)*
Profit for the financial year		**65,083**	*22,877*

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account.

The notes on pages 12 to 17 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 €		*2021 €*
Current assets					
Debtors: amounts falling due within one year	5	**800,562**		*442,381*	
Cash at bank and in hand		**74,118**		*264,986*	
		874,680		*707,367*	
Creditors: amounts falling due within one year	6	**(143,738)**		*(41,508)*	
Net current assets			**730,942**		*665,859*
Total assets less current liabilities			**730,942**		*665,859*
Net assets			**730,942**		*665,859*
Capital and reserves					
Called up share capital presented as equity			**10,000**		*10,000*
Profit and loss account			**720,942**		*655,859*
Shareholders' funds			**730,942**		*665,859*

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Financial Reporting Standard 102 'The Financial Statement Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved and authorised for issue by the board:

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...
Subramanian Narayan
Director

DocuSigned by:
Venkat Suresh
551409798A924CB...
Venkata Suresh Ayapati
Director

Date: 17 June 2022

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Total equity
	€	€	€
At 1 April 2020	10,000	632,982	642,982
Comprehensive income for the year			
Profit for the year	-	22,877	22,877
Total comprehensive income for the year	-	22,877	22,877
Total transactions with owners	-	-	-
At 1 April 2021	10,000	655,859	665,859
Comprehensive income for the year			
Profit for the year	-	65,083	65,083
Total comprehensive income for the year	-	65,083	65,083
At 31 March 2022	10,000	720,942	730,942

The notes on pages 12 to 17 form part of these financial statements.

1. General information

Mphasis Ireland Limited is a private company limited by shares (registered under Part 2 of Companies Act 2014), incorporated in the Republic of Ireland. The Registered Office is Boole House, Beech Hill Office Campus, Beech Hill Road, Clonskeagh, Dublin 4 and its registration number is 407167. The nature of the company's operations and its principal activities are set out in the Director's Report.

Currency
The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

2.1 Basis of preparation of financial statements

The Financial Statements are prepared on the going concern basis, under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council and promulgated by Chartered Accountants Ireland, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as adapted by Section 1A of FRS 102 and the Companies Act 2014.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit and loss account within 'other operating income'.

2.7 Interest income

Interest income is recognised in profit and loss account using the effective interest method.

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit and loss account except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost within expenditure on charitable activities.

2.10 Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

2. Accounting policies (continued)

2.11 Cash flow statement exemption

The company has availed of the exemption contained in Section 1A of FRS 102 and as a result have elected not to prepare a cash flow statement.

3. Employees

The average monthly number of employees for the year was Nil (2021: Nil).

4. Interest receivable

	2022	*2021*
	€	*€*
Interest receivable from group companies	**9,000**	*9,000*
	9,000	*9,000*

5. Debtors

	2022	*2021*
	€	*€*
Amounts owed by group undertakings	**800,190**	*439,513*
Other debtors	**212**	*1,709*
Tax recoverable	**158**	*1,157*
Deferred taxation	**2**	*2*
	800,562	*442,381*

6. Creditors: Amounts falling due within one year

	2022	*2021*
	€	*€*
Trade creditors	**-**	*17,545*
Amounts owed to group undertakings	**488**	*222*
Corporation tax	**6,356**	*-*
Accruals	**136,894**	*23,741*
	143,738	*41,508*

7. Deferred taxation

	2022 €	2021 €
At beginning of year	2	5
Charged to profit or loss	-	(3)
At end of year	**2**	2

The deferred tax asset is made up as follows:

	2022 €	2021 €
Provisions	2	2
	2	2

8. Capital commitments

There were no capital commitments at the year end 31 March 2022.

9. Contingent liabilities

There were no contingent liabilities at the year end 31 March 2022.

10. Related party transactions

The company has availed of the exemption contained in FRS102 Related Party Transactions in respect of transactions with fellow group undertakings which are wholly owned subsidiaries and where the consolidated financial statements in which the subsidiary is included are publicly available. The financial statements of the parent undertaking are available for inspection at its registered office.

11. Ultimate controlling party

The company is a wholly owned subsidiary of Mphasis Limited, a company incorporated in India. The smallest group in which results of the company are consolidated is Mphasis Limited and its group financial statements are available at Mphasis Limited, Bagmane World Technology Centre, Marathalli Outer Ring Road, Doddenekundi Village, Mahadevapura, Bengaluru, India, 560048.

Blackstone Capital Partners (Cayman II) VI L.P was the ultimate holding company upto 9 August 2021, from 10 August 2021 BCP Asia (SG) Mirror Holding Pte Ltd is the ultimate holding company.

12. Post balance sheet events

There are no significant post balance sheet events which require disclosure in the financial statements.

13. Approval of financial statements

The board of directors approved these financial statements for issue on 17/6/2022

Registered number: 407167

MPHASIS IRELAND LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

MPHASIS IRELAND LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 €	2021 €
Turnover		**542,158**	*167,741*
Cost Of Sales		**(467,849)**	*(133,414)*
Gross profit		**74,309**	*34,327*
Gross profit %		**13.7 %**	*20.5 %*
Less: overheads			
Administration expenses		**(7,227)**	*(17,752)*
Operating profit		**67,082**	*16,575*
Interest receivable		**9,000**	*9,000*
Tax on profit on ordinary activities		**(10,999)**	*(2,698)*
Profit for the year		**65,083**	*22,877*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 €	2021 €
Turnover		
Sales	**542,158**	*167,741*
	542,158	*167,741*

	2022 €	2021 €
Cost of sales		
Subcontract labour	**467,849**	*133,414*
	467,849	*133,414*

	2022 €	2021 €
Administration expenses		
Legal and professional	**16,510**	*5,652*
Auditors' remuneration - non-audit	**5,696**	*5,007*
Bank charges	**174**	*302*
Difference on foreign exchange	**(16,175)**	*6,320*
Insurances	**670**	*-*
License fees	**322**	*-*
Intercompany expenses allocation	**30**	*471*
	7,227	*17,752*

	2022 €	2021 €
Interest receivable		
Group interest receivable	**9,000**	*9,000*
	9,000	*9,000*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Wyde Canada Solutions Inc

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Wyde Canada Solutions Inc("the Company") which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Company for the year ended March 31, 2022 are prepared in all material respects in accordance with the accounting policies as set out in the basis of preparation paragraph of Note 2 in financial statements.

Emphasis of Matter

We draw attention to Note.23 to the financial statements, as at 31^{st} March 2022, the net worth of the company stands completely eroded and its current liabilities exceeds its current assets, these conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statement of the company has been prepared by the management, on the basis of internal assessment and is reasonably certain that the company would operate as a going concern and accordingly no adjustments are considered necessary in these financial statements. Our opinion is not modified in this matter.

Other Matters

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors, inclusion in the annual report of Mphasis Limited as per the requirements under the Indian Laws and for internal use of the management and accordingly may not be Suitable for any other purpose. Further, we do not accept or assume responsibility to anyone other than the company, the company's, and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Responsibility for Management and those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting policies as set out in the basis of preparation. 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.

In preparing the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the operating effectiveness of the entity's internal 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.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For ASA & Associates LLP
Chartered Accountants
Registration No.009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 21:48:31 +05'30'

Vinay K.S
Partner
Membership No: 223085
UDIN:22223085ALDSVY2122

Place: Bangalore
Date: 17h June,2022

Mphasis
The Next Applied

Wyde Solutions Canada Inc.

Audited financial statements
as at and for the year ended 31 March 2022

BALANCE SHEET			Amount in CAD
	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Current assets			
Financial assets			
Trade receivables			
Billed	3	25,688	138,592
Unbilled		5,618	326,476
Cash and cash equivalents	4	255,768	144,113
Loans	5	2,730	3,612
Deferred tax asset (net)	14	252,289	422,160
Other assets	6	1,727	3,599
Total current assets		**543,820**	**1,038,552**
TOTAL ASSETS		**543,820**	**1,038,552**
EQUITY AND LIABILITIES			
Equity			
Share capital	7	1,000	1,000
Other equity	8	(1,267,785)	(1,691,093)
Total equity		**(1,266,785)**	**(1,690,093)**
LIABILITIES			
Current liabilities			
Financial liabilities			
Borrowings	9	651,547	655,187
Trade payables	10	1,127,223	2,043,942
Other financial liabilities	11	30,400	11,362
Employee benefit obligations	12	-	2,159
Other liabilities	13	1,435	15,995
Total current liabilities		**1,810,605**	**2,728,645**
TOTAL EQUITY AND LIABILITIES		**543,820**	**1,038,552**
Summary of significant accounting policies.	2		

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

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Date: 2022.06.17 19:27:31 +05'30'

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 17 June 2022

Wyde Solutions Canada Inc.

DocuSigned by:
052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 17 June 2022

STATEMENT OF PROFIT AND LOSS | **Amount in CAD**

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	15	2,060,917	900,142
Other income	16	2,691	1,419
Total income (I)		**2,063,608**	**901,561**
Expenses			
Employee benefits expense	17	80,598	32,672
Finance costs	18	22,285	25,679
Other expenses	19	1,367,546	662,556
Total expenses (II)		**1,470,429**	**720,907**
Profit before tax (I)-(II)		**593,179**	**180,654**
Tax expenses	14		
Deferred tax		169,871	(7,209)
Total tax expenses		**169,871**	**(7,209)**
Profit for the year (A)		**423,308**	**187,863**
Other Comprehensive Income (B)		**-**	**-**
Total Comprehensive Income for the year (A+B)		**423,308**	**187,863**
Earnings per equity share (par value CAD 10 per share)			
Basic and Diluted (CAD)	20	4,233.08	1,878.63
Summary of significant accounting policies.	2		

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

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

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Membership No.: 223085

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Date: 17 June 2022

Wyde Solutions Canada Inc.

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052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 17 June 2022

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of CAD 10 each issued, subscribed and fully paid	No. of Shares	Amount in CAD
As at 1 April 2020	**100**	**1,000**
Issue of share capital	-	-
As at 31 March 2021	**100**	**1,000**
As at 1 April 2021	**100**	**1,000**
Issue of share capital	-	-
As at 31 March 2022	**100**	**1,000**

b. Other equity

Amount in CAD

	Attributable to the equity holders of the Company	
	Retained earnings	**Total**
As at 1 Apr 2020	**(1,878,956)**	**(1,878,950)**
Profit for the year	187,863	187,863
As at 31 March 2021	**(1,691,093)**	**(1,691,087)**
As at 1 April 2021	**(1,691,093)**	**(1,691,093)**
Profit for the year	423,308	423,308
As at 31 March 2022	**(1,267,785)**	**(1,267,785)**

Summary of significant accounting policies. 2

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

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 17 June 2022

Wyde Solutions Canada Inc.

DocuSigned by:
052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 17 June 2022

STATEMENT OF CASH FLOWS — Amount in CAD

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit before tax	**593,179**	**180,654**
Adjustment to reconcile profit before tax to net cashflows provided by operating activities:		
Finance costs	22,285	25,679
Interest income	-	(2)
Unrealized exchange (gain), / loss, net	(4,845)	(113,111)
Operating profit before changes in operating assets and liabilities	**610,619**	**93,220**
Changes in operating assets and liabilities		
Trade receivables & unbilled receivables	433,762	48,642
Loans	882	284
Other assets	1,872	8,203
Other financial liabilities	17,549	(28,840)
Trade payables	(916,719)	122,587
Provisions and employee benefit obligations	(2,159)	345
Other liabilities	(14,560)	10,038
Total changes in operating assets and liabilities	**(479,373)**	**161,259**
Income tax paid (net of refunds)	-	**20,200**
Net cash flows generated from operating activities (A)	**131,246**	**274,679**
Investing activities		
Interest received	-	2
Net cash flows generated from investing activities (B)	**-**	**2**
Financing activities		
Interest paid	(19,591)	(127,156)
Repayment of Loans	-	(243,130)
Net cash flows used in financing activities (C)	**(19,591)**	**(370,286)**
Net increase / (decrease) in cash and cash equivalent (A+B+C)	**111,655**	**(95,605)**
Cash and cash equivalents at the beginning of the year	144,113	239,718
Cash and cash equivalents at the end of the year (refer note 4)	**255,768**	**144,113**

Summary of significant accounting policies 2

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

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 17 June 2022

Wyde Solutions Canada Inc.

DocuSigned by:
052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 17 June 2022

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Wyde Solutions Canada Inc. ('the Company') was acquired on 29 August 2011 by Mphasis Wyde Inc. (via Wyde Corporation), a subsidiary of Mphasis UK Limited. The company is engaged in the business of rendering application development services, infrastructure management services and application maintenance & other services. Blackstone Capital Partners (Cayman II) VI L.P was the ultimate holding company upto 9 August 2021, from 10 August 2021 BCP Asia (SG) Mirror Holding Pte Ltd is the ultimate holding company.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting.

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 financial statements are presented in Canadian $ (CAD).

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

The Net worth of the Company has substantially eroded as on 31 March 2022. However, the management, basis internal assessment, is reasonably certain that the Company would operate as a going concern.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items which are due after 12 months, the period of 12 months being reckoned from the reporting date.

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

The Company has considered the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues, impact on measurement of deferred tax assets / liabilities. The Company has considered available sources of information, both internal and external, upto the date of approval of the financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

Use of estimates, assumptions and judgements

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

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

- **Taxes**
  The company's major tax jurisdiction is Canada. Significant judgements are involved in determining the provision for income taxes, tax credits including the amount expected to be paid or refunded.
  Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

Revenue recognition

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

The Company derives its revenues primarily from call centre and business and knowledge process outsourcing operations and software services and projects.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from time-based, unit-priced and fixed price contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value of services transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions where customers are given a right to use intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

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

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

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

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

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

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

Impairment

a. **Financial assets (other than at fair value)**

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

b. Non-financial assets

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, deposits with banks, trade receivables, eligible current and non-current assets.
- financial liabilities, which include short-term loans and borrowings, trade payables, eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

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

b. Financial assets at amortised cost

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

c. Financial assets at fair value through profit or loss

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

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

d. Financial liabilities

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

Derivative financial instruments

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

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

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

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

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

De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

Retirement and other employee benefits

Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company.

Compensated absences

The cost of short-term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Such compensated absences are provided for based on the valuation using the projected unit credit method at the year-end. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

Foreign currencies

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

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

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

Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit and loss.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

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

Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

Recent Pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

Ind AS 16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

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

Amount in CAD

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
3. TRADE RECEIVABLES - BILLED				
Unsecured - considered good				
Trade receivables *	-	-	25,984	142,937
Allowance for doubtful receivables			(296)	(4,345)
	-	-	**25,688**	**138,592**

* Includes receivables from related parties (refer note 22)

	Current	
	As at 31 March 2022	**As at 31 March 2021**
4. CASH AND CASH EQUIVALENTS		
Balances with banks:		
In current accounts	255,768	144,113
	255,768	**144,113**

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
5. LOANS				
Carried at amortized cost				
Unsecured - considered good				
Recoverable from related parties	-	-	2,730	2,730
Prepaid expenses	-	-	-	882
	-	-	**2,730**	**3,612**

	Non-Current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
6. OTHER ASSETS				
Unsecured - considered good				
Indirect tax recoverable	-	-	1,565	3,437
Other assets	-	-	162	162
	-	-	**1,727**	**3,599**

	As at 31 March 2022	As at 31 March 2021
7. EQUITY SHARE CAPITAL		
Authorised share capital		
100 (31 March 2021: 100) equity shares of CAD 10 each	1,000	1,000
Issued, subscribed and fully paid-up shares		
100 (31 March 2021: 100) equity shares of CAD 10 each	1,000	1,000
Total issued, subscribed and fully paid-up share capital	**1,000**	**1,000**

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

	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	CAD	Number of Shares	CAD
At the beginning of the year	100	1000	100	1000
Outstanding at the end of the year	**100**	**1000**	**100**	**1000**

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

The Company has only one class of equity shares having par value of CAD 10 per share. Each holder of equity shares is entitled to one vote per share.

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

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

	As at 31 March 2022	As at 31 March 2021
Wyde Corporation (the holding Company)*		
100 (31 March 2021: 100) equity shares of CAD 10 each	1,000	1,000

* The ultimate holding company is Blackstone Capital Partners (Cayman II) VI L.P. upto 9 August 2021 & BCP Asia (SG) Mirror Holding Pte Ltd from 10 August 2021.

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

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Wyde Corporation (the holding Company)	100	100%	100	100%

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

(e) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

	Amount in CAD	
	31 March 2022	31 March 2021
8. OTHER EQUITY		
Retained Earnings		
Balance as per previous financial statements	(1,691,093)	(1,878,956)
Profit for the year	423,308	187,863
Closing Balance	**(1,267,785)**	**(1,691,093)**

	Non-Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
9. BORROWINGS				
Unsecured				
Loan from Mphasis Wyde Inc.	-	-	651,547	655,187
	-	-	**651,547**	**655,187**

	Non-Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
10. TRADE PAYABLES				
Trade payables *	-	-	1,127,223	2,043,942
	-	-	**1,127,223**	**2,043,942**

* Includes payables to related parties (refer note 22)

Amount in CAD

	Non-Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
11. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	38	752
Derivative liabilities	-	-	25,441	7,178
Interest payable on borrowings	-	-	4,921	3,432
	-	-	**30,400**	**11,362**

	Non-Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
12. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	-	2,159
	-	-	-	**2,159**

	Non-Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
13. OTHER LIABILITIES				
Unearned revenue	-	-	-	96
Statutory dues	-	-	1,214	15,447
Other payables			221	452
	-	-	**1,435**	**15,995**

14. TAXES

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

	As at 31 March 2022	As at 31 March 2021
Taxes		
Deferred taxes	169,871	(7,209)
Total taxes	**169,871**	**(7,209)**

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets (net)		
Deferred tax assets (net)	252,289	422,160
	252,289	**422,160**

	Year ended 31 March 2022	Year ended 31 March 2021
15. REVENUE FROM OPERATIONS		
Sale of services	2,060,917	900,142
	2,060,917	**900,142**

	Year ended 31 March 2022	Year ended 31 March 2021
16. OTHER INCOME		
Interest income on bank deposits	-	2
Miscellaneous income	-	747
Foreign exchange gain, net	2,691	670
	2,691	**1,419**

	Year ended 31 March 2022	Year ended 31 March 2021
17. EMPLOYEE BENEFITS EXPENSES		
Salaries and bonus	76,037	28,529
Contribution to social security and other funds	4,561	4,143
	80,598	**32,672**

Amount in CAD

	Year ended 31 March 2022	Year ended 31 March 2021
18. FINANCE COSTS		
Interest on borrowings	22,285	25,679
	22,285	**25,679**

	Year ended 31 March 2022	Year ended 31 March 2021
19. OTHER EXPENSES		
Subcontracting charges	1,285,518	643,306
Facility expenses	7,950	8,867
Professional charges	66,210	55,713
Provision for expected credit loss	(4,049)	(52,127)
Software support and annual maintenance charges	146	139
Rates and taxes	4,094	602
Audit fees	2,614	2,949
Insurance	1,283	-
Miscellaneous expenses	3,290	3,107
	1,367,546	**662,556**

	Year ended 31 March 2022	Year ended 31 March 2021
20. EARNINGS PER SHARE		
Profit for the year	423,308	187,863
Number of equity shares considered for calculation of earnings per share	100	100
Basic and Diluted (CAD)	**4,233.08**	**1,878.63**

21. No specific contingent liabilities exist as on balance sheet date.

22. RELATED PARTY TRANSACTIONS

a) The related parties which exercise control are as follows:

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

b) Other related parties with which transactions have taken place:

The Company has entered into transactions during the year with the following parties which are fellow subsidiaries
Mphasis Poland s.p.z.o.o
Mphasis Wyde SASU

The following is a summary of significant transactions with related parties by the Company:

(Amount in CAD)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services to related parties where control exists	**120,015**	**90,372**
Mphasis Limited	119,476	90,372
Wyde Corporation	539	
Subcontracting charges from entities where control exists	**152,933**	**297,871**
Wyde Corporation	49,006	183,247
Mphasis Corporation	60,943	-
Mphasis Limited	42,984	114,624
Subcontracting charges from other related parties	**1,117,328**	**332,894**
Mphasis Wyde SASU	1,107,045	332,894
Mphasis Poland Z.o.o	10,283	-
Software support and annual maintenance charges from related parties where control exists	**436**	**542**
Mphasis Limited	128	130
Mphasis Corporation	308	412
Cost Allocation from related parties where control exists	**14,948**	**12,197**
Mphasis Limited	13,061	11,292
Mphasis Corporation	1,887	905
Interest expenses from related parties where control exists	**22,285**	**25,679**
Mphasis Wyde Inc	22,285	25,679

The balances receivable from and payable to related parties are as follows:	As at 31 March 2022	As at 31 March 2021
Trade Receivable from related parties where control exists	**26,140**	**4,347**
Mphasis Limited	25,610	4,347
Wyde Corporation	530	-
Other receivables from related parties where control exists	**18,563**	**13,016**
Mphasis Limited	5,620	-
Wyde Corporation	12,943	13,016
Trade payables to related parties where control exists	**730**	**40,488**
Mphasis Corporation	426	818
Mphasis Limited	304	39,670
Trade payables to other related parties	**252,820**	**450,535**
Mphasis Wyde SASU	252,820	450,535
Other payables to related parties where control exists	**834,619**	**1,541,552**
Wyde Corporation	833,595	1,541,552
Mphasis Limited	808	-
Mphasis Corporation	216	-
Interest payable to related parties where control exists	**4,921**	**3,432**
Mphasis Wyde Inc.	4,921	3,432
Intercompany borrowings from related parties where control exists	**651,548**	**655,187**
Mphasis Wyde Inc	651,548	655,187

23. Going Concern

As at the year ended 31 March 2022, the net worth of the Company is negative and its current liabilities exceeds its current assets, however, basis internal assessment of its operations, the management has prepared its financial statements of the Company on a going concern basis and will continue its operations for the foreseeable future.

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:28:52 +05'30'

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 17 June 2022

Wyde Solutions Canada Inc.

DocuSigned by:
052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 17 June 2022

MPHASIS CONSULTING LIMITED

REGISTERED NUMBER: 01755328

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MPHASIS CONSULTING LIMITED

COMPANY INFORMATION

Directors	Manikantan Thyagarajan Subramanian Narayan Vilas Kanyal
Company number	01755328
Registered Office	1 Ropemaker Street London EC2Y 9HT
Auditors	**Barnes Roffe LLP** **Chartered Accountants & Statutory Auditors** 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX
Company Secretary	**Congress Company Secretarial Services Limited** 7 St John's Road Harrow Middlesex HA1 2EY

MPHASIS CONSULTING LIMITED

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Company number 01755328

Strategic Report for the year ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

Principal activities and review of business

The rapidly changing environment that was the backdrop to many world events in the past couple of years, continues to remain so event at present. In these two years of the global pandemic, the world has witnessed the consequences of the most widely shared econom ic crisis on record and a robust recovery the very next year, marking the highest growth rate in more than four decades according to the UN's World Economic Situation and Prospects 2022 report. With the emergence of new COVID variants across the globe becoming a routine, it is heartening that modern medicine, vaccinations and technology have largely helped to decouple and mitigate the link between mobility and economic growth. While the road to complete economic recovery remains fragile, people and organizations have adapted to life with the virus, bolstered by the effectiveness of vaccines with ease of living and technology enabled working, resulting in more resilient ec onomies. While we can expect economies to shift from stimulus spending and policy supports, potentially resulting in a slower pa ce for global growth in 2022, a recent report from McKinsey however suggests that the growth will still be faster than the pre-pandemic levels.

As we step into the third year of the pandemic, the urgent priorities for organizations have seen a marked shift. While 2020 was the year of adapting to the 'new normal' and 2021 was seeking crisis-led opportunities, today, most enterprises are navigating persistent labor market and supply-chain challenges in the technology decade or 'techade' they find themselves in. According to McKinsey, 2022 will witness more "enterprises capitalizing on sophisticated provider offerings, including customized industry solutions and advances in digital technology, such as AI, analytics and machine learning." This analysis is echoed by NASSCOM's latest report which states that while enterprises focused on short-term digital transformation projects that had to be implemented rapidly in 2020, the focus in 2021 and beyond has been on larger initiatives with longer time frames while investing in emerging technology segments. It has become increasingly clear that all businesses will have to reinvent themselves as digital-first businesses to survive in the new world.

At Mphasis, the new realities of this world have led to a recalibration and reimagining of Mphasis's purpose in the world – ***To be the Driver in the Driverless car*** *– where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises.* From this reinvigorated purpose, Mphasis has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders. The pandemic has more than ever before cast a spotlight on the importance of growth in a sustainable way which is fundamental to our strategy.

Through the pandemic, your Company remained agile, quick to adapt and willing to go the extra mile for its clients and other stakeholders. With your Company's help, enterprises were able to accelerate their digital journeys thereby cementing Mphasis' position as a preferred technology partner for many clients.

Your Company will continue to invest in the engines of growth – expansion of capabilities, geographic presence, leadership and creating a portfolio of IP-driven AI/ML innovation and focus on these vectors:

- **Trend and composition of Total Contract Value (TCV)** – generates over 80% of their TCV through proactive deal pursuits where win rates are much higher at ~50% compared to competitive RFP situations.
- **Sustained Pipeline growth** – growing pipeline is marked by a strong influx of new-gen tribe deals over the past two years
- **New Client Acquisition (or NCA) program**- in each of the chosen NCA verticals, the organization has built sales and account management structures bringing to bear the optimum blend of technology leadership and domain depth in these verticals
- **Total Addressable Market (TAM) expansion** – wallet share gains with their strategic accounts highlights the organization's ability to continually expand their addressable market within the client's technology footprint going beyond the traditional CIO domain
- **Augmenting capabilities** – the organization is also strengthening its cloud first approach to build and partner with cloud-ready tribes and hyperscaler partnerships.

Your Company will continue to make its bets led by our engineering DNA mindset and stay ahead of technology curve, by remaining true to our renewed purpose. Together, we will continue to grow and accelerate our Hi-Tech, Hi-Touch, Hi-Trust organization for future success.

During the year under review, the Company entered into a Business Venture Agreement with Ardonagh Services Limited, UK on 23 December 2021 and acquired 51% (with *100% economic rights)* in Mrald Limited, ("Mrald"), a company incorporated and registered in England and Wales. Consequent to this acquisition, Mrald, (*and its wholly owned subsidiary Mrald Services Limited, UK*) has become a subsidiary of the Company. This acquisition will enable operational services and transformation for insurance intermediary services and reinsurance including, but not limited to, client administration, payment processing, claims processing, procurement, data management and storage software management and network and security solutions.

The Company recorded a profit of £ 69,600 on account of reversal of provision made in the books.

Mphasis Consulting Limited ("the Company") is a wholly owned subsidiary of Mphasis Limited (*incorporated in India)* and operates from the United Kingdom. The ultimate holding company is BCP Asia (SG) Mirror Holding Pte. Ltd., Singapore, effective 10 August 2021. The Company continues to be part of Blackstone Group of Companies under another fund of Blackstone.

Results and dividends

The Profit for the year ended 31 March 2022, after taxation, amounted to £ 69,600 (31 March 2021: Profit of £ 37,781). The directors have not recommended a dividend for 31 March 2022 (31 March 2021: £ nil). The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements.

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Key performance indicators

The key performance indicators used to manage the business are:

- The Company closely monitors its financial position.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.

During the year ended 31 March 2022, there was no revenue in the Company and the profit for the year amounted to £ 69,600. The company is making continued efforts in acquiring revenue contracts from customers.

Financial risk management objectives, risks and policies

Risk management is integral to the whole business. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are managed as follows:

- Liquidity risk - funds are held and managed by the group corporate treasury function in order to ensure that there are sufficient funds available to meet the obligations of the Company as they fall due.
- Foreign exchange risk - certain intercompany balances are held in currencies other than sterling and the resulting exposure to the associated foreign exchange risk is managed across the group by hedging through forward contracts.
- Credit risk - invoicing for external customers is agreed with the customer in advance and the Company does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis.
- Market risk - market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.
- Interest risk – Loans, taken / given, are within Mphasis group. Hence there is no risk on interest rates. The Company's exposure to interest rate risk arises primarily from loans to/from a related party. The transactions with Mphasis Group are on Arms' length basis and the Company does not expect any significant effect arising from the possible changes to interest rates on such transactions at the end of the financial year.

The Company manages these risks by seeking to ensure that appropriate systems and controls are in place as well as ensuring that the continued support and resources of the group are made available to the Company.

Going concern

The Company is part of the Mphasis Group which is a global leader in Information technology solution provider specializing in cloud and cognitive services including the next gen solutions. The Company incurred a profit during the year ended 31st March 2022 and the Company is making continued efforts in getting revenue contracts from customers.

Based on the above, the management has reasonable expectation that the Company will continue to be in existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022.

This report was approved by the board on 23 June 2022 and signed on its behalf.

By order of the Board

DocuSigned by:

Subramanian Narayan

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Subramanian Narayan
Director

Date: 23 June 2022

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Company number 01755328

Directors' report for the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Future developments

Keeping in view the future prospects and to enable transformation for insurance intermediary services, the Company entered into a Business Venture Agreement with Ardonagh Services Limited, UK on 23 December 2021 and acquired 51% (100% economic rights) in Mrald Limited, ("Mrald"), a company incorporated and registered in England and Wales. Consequent to this acquisition, Mrald, (and its wholly owned subsidiary Mrald Services Limited, UK) has become a subsidiary of the Company. This acquisition will enable operational services and transformation for insurance intermediary services and reinsurance including, but not limited to, client administration, payment processing, claims processing, procurement, data management and storage software management and network and security solutions.

Directors and directors' qualifying third party indemnity provision

The directors who held office during the year, including details of changes since the year ended 31 March 2022, were:

Mr. Manikantan Thyagarajan
Mr. Subramanian Narayan
Mr. Vilas Kanyal

No director holds any interest in the share capital of the Company; any interest in the Parent Company is shown in those financial statements. During the period, and up to the date of approval of the financial statements, the Company had in place a third-party indemnity provision for the benefit of all the directors of the Company.

Directors' emoluments and benefits have been disclosed on page 13 of the financial statements.

Political and charitable contributions

The Company has made no political or charitable contributions.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Barnes Roffe LLP has been appointed as the Company's auditor and will continue in office in accordance with Section 487 Companies Act 2006.

This report was approved by the board on 23 June 2022 and signed on its behalf.

By order of the Board

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Date: 23 June 2022

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Company number 01755328

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 23 June 2022 and signed on its behalf.

By order of the Board

DocuSigned by:

Subramanian Narayan

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Subramanian Narayan
Director

Date: 23 June 2022

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Independent Auditors' report to the directors of Mphasis Consulting Limited

Opinion

We have audited the financial statements of Mphasis Consulting Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' report to the directors of Mphasis Consulting Limited (Continued)

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.
Irregularities, including fraud are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, are as follows; o Companies Act 2006
    - FRS102
    - Employment legislation
    - Health and Safety legislation
    - Tax legislation

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing board minutes;
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
A further description of our responsibilities for audit of the financial statements, is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditresponsibilities. This description forms part of our auditor's report.

Independent Auditors' report to the directors of Mphasis Consulting Limited (Continued)

Use of our report

This report is made solely to the Company's directors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Nigel Goodman

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Nigel Goodman (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX
Date: 23 June 2022

Company number 01755328

Statement of comprehensive income for the year ended 31 March 2022

	Note	2022	2021
		£	£
Turnover	2	**-**	**589**
Cost of sales		-	7,885
Gross profit		**-**	**8,474**
Administrative (expenses)/income		(3,047)	30,711
Other income		234,085	-
Exchange loss		(2,324)	(5,915)
Total administrative income		**228,714**	**24,796**
Operating profit	3	**228,714**	**33,270**
Interest receivable and similar income	5	555	77,882
Interest payable and similar charges	5	(159,669)	(56,301)
Profit on ordinary activities before taxation		**69,600**	**54,851**
Tax on profit from ordinary activities	6	-	(17,070)
Profit for the financial year attributable to the owners of the company		**69,600**	**37,781**
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the owners of the company		**69,600**	**37,781**

All amounts relate to continuing operations.

The notes on pages 11 to 16 form part of these financial statements.

Statement of financial position as at 31 March 2022

	Note		2022		2021
			£		£
Investments	7		11,545,524		11,545,473
			11,545,524		**11,545,473**
Current assets					
Debtors	8	1,074,788		57,639	
Cash at bank and in hand		13,541		46,001	
		1,088,329		**103,640**	
Creditors : amounts falling due within one year	9	(5,945,274)		(5,030,134)	
Net current liabilities			**(4,856,945)**		**(4,926,494)**
Net assets			**6,688,579**		**6,618,979**
Capital and reserves					
Called up share capital	10		15,907		15,907
Share premium			1,934,805		1,934,805
Profit and loss account			4,737,867		4,668,267
Shareholders' equity			**6,688,579**		**6,618,979**

The financial statements were approved and authorised for issue by the board on 23 June 2022 and were signed on its behalf by

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

The notes on pages 11 to 16 form part of these financial statements.

DS
MR

Company number 01755328

Statement of changes in equity as at 31 March 2022

	Called-up share capital	Share Premium	Profit and loss account	Total
At 1 April 2020	**15,907**	**1,934,805**	**4,630,486**	**6,581,198**
Profit for the financial year	-	-	37,781	**37,781**
Total comprehensive income	-	-	37,781	**37,781**
At 31 March 2021	**15,907**	**1,934,805**	**4,668,267**	**6,618,979**
Profit for the financial year	-	-	69,600	**69,600**
Total comprehensive income	-	-	69,600	**69,600**
At 31 March 2022	**15,907**	**1,934,805**	**4,737,867**	**6,688,579**

The notes on pages 11 to 16 form part of these financial statements.

Notes to the Financial Statements for the year 31 March 2022

GENERAL INFORMATION

Mphasis Consulting Limited is a private company limited by shares incorporated in England and Wales.

The address of its registered office and principal place of business is:

1 Ropemaker Street
London
EC2Y 9HT

The principal activities of the Company predominantly relate to providing Application Services (APPS).The functional currency of the Company is Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable legislations as set out in the Companies Act 2006.

The financial statements are presented in GBP ('£') except when otherwise indicated.

In preparing these financial statements, the company has taken advantage of the disclosure exemptions, as permitted by FRS 10 2 paragraph 1.12. The Company has therefore complied with the applicable conditions, including prov iding notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing these financial statements:

- from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements;
- from providing the related party disclosures, required under paragraphs 33.8 to 33.14, for transactions with other wholly-owned group members on the basis that the Company is itself a wholly-owned member of the group.
- The requirements of section 26 Share-based Payment for a subsidiary with share-based payment arrangements for equity instruments of another group entity.

The company, and its subsidiaries in UK, qualify as small company as set out in section 383 of the companies Act 2006 and are considered eligible for exemption to prepare consolidated accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group. The consolidated financial statements of Mphasis Limited within which this Co mpany is included, can be obtained as detailed in note 13.

These financials statements have been prepared on a going concern basis. Based on the Company's forecast the management has reasonable expectation that the Company will continue to be in existence for the foreseeable future, being a period of not les s than 12 months from the date of approval of the financial statements. Thus, the directors have continued to adopt the going concern basis of accounting in the preparing these financial statements.

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferr ed tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets.

Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal during the year, including expenses billed to customers.
Revenue from services rendered to Mphasis Group Companies (including software development) is recognised as services are rend ered, on a cost-plus basis as per the agreement with the Mphasis Group Companies.

Where the contract element is for the provision of service or repetitive processes, revenue is recognised when the product or service is provided. Where the contract element is a major development or implementation project that is transferred to the customer on completion, revenue recognition is based on a delivery approach to measure the stage of completion. Depending on the specific contractual terms, the measurement of delivery takes the form of performance milestones, costs completed to date or other appropriate measure. Revenues are recognised when all of the following conditions are satisfied:

i. The amount of revenue can be measured reliably;
ii. It is probable that the Company will receive the consideration due under the contract;
iii. The stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. The costs incurred and the costs to complete the contract can be measured reliably.

Interest income & expense is recognized as it accrues in the statement of of comprehensive income using effective interest rate method.

c. **Investments**

Fixed asset investments (including investment in subsidiaries) are carried at cost. Provision for diminution in value of investment is made if the impairment is not temporary in nature.

d. **Post-retirement benefits**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Co mpany in an independently administered fund.

Notes to the Financial Statements for the year 31 March 2022

e. Taxation

The tax expense for the period comprises of current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in obligation to pay more tax in the future or right to pay less in the future give rise to a deferred tax liability or asset. Timing differences are the differences between taxable profits and the total comprehensive income as stated in the financial statements that arise from the conclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

f. Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transaction took place. Where this is not possible to determine, income and expense items are translated using average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the Statement of comprehensive income.

g. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loans and borrowings.

Financial assets – classified as basic financial instruments

- **Cash and cash equivalents**

  Cash and cash equivalents comprise cash in hand, deposits held with banks and other short term highly liquid investments with original maturities of three months or less.

- **Trade and other debtors**

  Trade and other debtors are initially recognised at the transaction price, including any transaction costs and are subsequently measured at amortised cost, less any provision for impairment

Financial liabilities - classified as basic financial instruments

- **Trade and other creditors, loans and borrowings**

  Trade and other creditors, loans and borrowings are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost.

h. Critical accounting policies and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Key sources of estimation uncertainty**

  The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Critical judgements made in applying accounting policies**

  Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates.

  Expected credit loss (‘ECL’) on trade receivables

  The impairment provisions for financial assets are based on evaluation of the risk of default over the expected life of the receivables and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company’s past history of collections, customer’s credit- worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

  Recognition of Deferred Tax Assets

  Management estimation is required to determine the amount of deferred tax assets that can be recognised based upon likely timing and level of future taxable profits together with an assessment of the future tax planning strategies.

  Impairment of investments

  Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is arrived at using a suitable valuation technique.

Notes to the Financial Statements for the year 31 March 2022

SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS

2. TURNOVER

Turnover is mostly attributable to one class of business - the provision of application services.

A geographical analysis of turnover is as follows:

Geographical analysis of turnover	**2022**	**2021**
	£	**£**
United Kingdom	-	-
Rest of the world	-	589
	-	**589**

Analysis of turnover by customer	**2022**	**2021**
	£	**£**
External revenue	-	180
Revenue from fellow group undertakings	-	409

3. OPERATING PROFIT

	2022	**2021**
The Operating Profit is stated after charging	**£**	**£**
Foreign exchange loss	2,324	5,915

4. STAFF COSTS

	2022	**2021**
Staff costs including directors' remuneration, were as follows:	**£**	**£**
Wages and salaries	-	-
Social security costs	-	-
Pension contributions	-	-

The average monthly number of employees /directors during the year were 3 (FY 2021:3)

	2022	**2021**
Directors' emoluments and transactions	**£**	**£**
Remuneration	-	-
Pension scheme contributions	-	-
	-	-
Emoluments of the highest paid director		
Remuneration	-	-
Pension scheme contributions	-	-
	-	-

Remuneration of key management personnel

Key management personnel comprise of all the directors and their aggregate remuneration for the year was as stated above. The remuneration to certain directors have been paid by the holding company and its affiliates and not included above.

5. INTEREST

	2022	**2021**
Interest receivable and similar income	**£**	**£**
Interest on loans given to fellow undertaking	555	77,882
	555	**77,882**
Interest payable and similar charges		
Interest on loans taken from fellow undertaking	159,669	56,301
	159,669	**56,301**

Notes to the Financial Statements for the year 31 March 2022

6. TAXATION

(a) Tax expense included in the statement of comprehensive income	2022 £	2021 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2021 - 19%)	-	-
Adjustments in respect of prior years	-	-
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of timing differences	-	17,070
Effect on opening deferred taxes of change in tax rate	-	-
Total deferred tax	**-**	**17,070**
Total tax expense included in the statement of comprehensive income	**-**	**17,070**

b) Reconciliation of tax expense included in the statement of comprehensive income
Tax on profit on ordinary activities for year is lower then (2021: higher) the standard rate of corporation tax in the UK of 19% (2021: 19%) .The differences are reconciled as follows.

	2022 £	2021 £
Profit on ordinary activities before taxation	69,600	54,851
Income tax calculated at 19% (2021-19%)	13,224	10,422
Group loss relief	(13,224)	(10,422)
Expenses not deductible for tax purposes	-	-
Other timing differences	-	-
Tax expense for the year	**-**	**-**
Adjustment in respect of prior years	-	-
Deferred tax expense for the year	-	17,070
Total tax expense for the year	**-**	**17,070**

c) Factors that may affect the future tax charges

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits o ver £250,000. There are no other significant factors that may affect future tax charges.

There are no other factors affecting future tax charges.

Notes to the Financial Statements for the year 31 March 2022

7. INVESTMENTS

	2022	2021
	£	£
Opening balance	11,545,473	79
Additions	51	11,545,394
Closing balance	**11,545,524**	**11,545,473**

The investments made by Mphasis Consulting Limited consists of

Name	*Country of Registration*	*Direct holding/ Indirect holding*	*Activity*
Mphasis Belgium BV (formerly Mphasis Belgium BVBA)	Leonardo Da Vinciliaan, B-1930 Zaventem , Belgium	0.5%	Software & services
Datalytyx Limited	1 Ropemaker Street London, United Kingdom EC2Y 9HT	100%	Next-gen data Engineering
Datalytyx MSS Limited	1 Ropemaker Street London, United Kingdom EC2Y 9HT	100%	Next-gen data Engineering
Dynamyx Limited	1 Ropemaker Street London, United Kingdom EC2Y 9HT	100%	Next-gen data Engineering
Mrald Limited	1 Ropemaker Street London, United Kingdom EC2Y 9HT	51%	Software & services

Mphasis Belgium BV (formerly Mphasis Belgium BVBA), Datalytyx Limited and Mrald Limited are direct holding of Mphasis Consulting Limited. Datalytyx MSS Limited and Dynamyx Limited are wholly owned subsidiaries of Datalytyx Limited.

8. DEBTORS

	2022	2021
	£	£
Amounts owed by group undertakings	1,015,229	1,444
Other debtors	23,327	19,717
Advance tax net of provisions	36,232	36,332
Amount receivable on contracts	-	146
	1,074,788	**57,639**

Amounts owed by group undertakings includes a loan of £ 260,000 (2021 - Nil) to Mrald Limited which carries interest at GBP 6m SONIA + 3.0% per annum. The loans are repayable on demand.

9. CREDITORS

	2022	2021
	£	£
Amounts falling due within one year		
Trade creditors	63	3
Amounts owed to group undertakings	5,915,204	4,984,093
Accruals and deferred income	30,007	46,038
	5,945,274	**5,030,134**

Amounts owed to group undertakings includes loans of £5,720,000 (2021 – £4,850,000). The loan of £3,800,000 (2021 – £3,050,000) is taken from Mphasis UK Limited and £1,920,000 (2021 – £1,800,000) from Datalytyx Limited carrying a minimum interest of 3.1% p.a. The loan is repayable on demand.

Notes to the Financial Statements for the year 31 March 2022

10. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2022 £	2021 £
7,953,393 Ordinary shares of £0.002p each	15,907	15,907

The company has only one class of ordinary shares which carry voting rights but no right to fixed income.

Share premium

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Profit & loss account

This reserve represents the cumulative profits and losses.

11. RELATED PARTY TRANSACTIONS

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

- It possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or
- It is subject to common control or common significant influence.

The Company is a wholly owned subsidiary of Mphasis Limited and has taken the advantage of exemption permitted by section 33 Related party disclosures, not to provide disclosures of transactions entered into with other wholly – owned members of the group The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P until 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd.

During the year the Company provided loans of £260,000, interest accrued on loan £555 & reimbursement of £68,206 to Mrald Limited. At the year-end £328,761 was outstanding and included within debtors.

12. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2022 £	2021 £
Trade and other receivables	23,327	19,717
Amounts owed from holding and related companies	1,015,229	1,444
Cash and cash equivalents	13,541	46,001
	1,052,097	**67,162**

Financial Liabilities measured at amortised cost	2022 £	2021 £
Trade and other payables	63	3
Amounts due to holding and related companies	5,915,204	4,984,093
	5,915,267	**4,984,096**

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company is controlled by its immediate parent, Mphasis Limited, a Company incorporated in India.

The parent undertaking of the smallest group for which the consolidated accounts has been prepared for the year ended 31 March 2022 is Mphasis Limited. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P until 9 August 2021. Consequent to change of control from 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

DATALYTYX MSS LIMITED

REGISTERED NUMBER: 06729562

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

DATALYTYX MSS LIMITED

COMPANY INFORMATION

Directors	Mr. Anurag Bhatia Mr. Eric Winston Mr. Subramanian Narayan
Company number	06729562
Registered Office	1 Ropemaker Street London EC2Y 9HT
Auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX
Company Secretary	Jemma Line

CONTENTS

Strategic report for the year ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Principal activities and review of business

Datalytyx MSS Limited ("the Company or "Datalytyx MSS") is a wholly owned subsidiary of Datalytyx Limited. Datalytyx Limited ("Holding Company") is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments.

The Company, being part of the Mphasis group of companies, applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C2TM=1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. Mphasis principal activities predominantly relate to providing Application services (APPS) to its clients.

At Mphasis, learnability is core to the new mindset; being able to learn, take on new challenges and have a drive to constantly improve. With constant disruption in the industry, agility, experimentation and innovation is the way to grow through iterative processes at a rapid pace. Mphasis is re-positioning itself in the changing technology landscape to meet its clients' expectations with Mphasis NextGen Solutions. People who show high learnability are sure to find the best of opportunities for growth and success at Mphasis. Learnability drives the 4Gs of Growth – Growth that is consistent, competitive, profitable and responsible.

Mphasis purposes is – To be the Driver in the Driverless car – where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises. From this reinvigorated purpose, Mphasis has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders.

The Company is a step-down subsidiary of Mphasis Consulting Limited. Mphasis Consulting Limited is a wholly owned subsidiary of Mphasis Limited (incorporated in India) and operates from the United Kingdom. The Company is part of Blackstone Group of Companies.

Results and dividends

The revenue during the year was £157,268 compared to £ 397,683 for nine months during the previous period. The profit for the year ended 31 March 2022 amounted to £ 51,370 (loss for the 9 month period ended 31 March 2021: £ 24,306). The directors have not recommended a dividend for the year ended 31 March 2022 (9 month period ended 31 March 2021: £ nil).

The operating results for the year and the Company's financial position at the end of the period are shown in the attached financial statements.

Key performance indicators

The Key Performance Indicators used to manage the business are:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The company had revenue £157,268 during the year ended 31 March 2022 and the profit for the year amounted to £51,370. The company is making continued efforts in acquiring revenue contracts from customers.

Financial risk management objectives, risks and policies

Risk management is integral to the whole business. The Company being part of Mphasis Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are managed as follows:

- Liquidity risk - funds are managed by the group corporate treasury function in order to ensure that there are sufficient funds available to meet the obligations of the Company as they fall due.
- Foreign exchange risk - intercompany transactions are in currencies other than sterling (predominantly USD) and the resulting exposure to the associated foreign exchange risk is managed across the group by hedging through forward contracts.
- Credit risk - invoicing for external customers is agreed with the customer in advance and the Company does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is minimized.
- Market risk - market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

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Strategic report for the year ended 31 March 2022 (continued)

The Company manages these risks by seeking to ensure that appropriate systems and controls are in place as well as ensuring that the continued support and resources of the group are made available to the Company.

Going concern

The Company is part of the Mphasis Group which is a global leader in Information technology solution provider specializing in cloud and cognitive services including the next gen solutions. The company incurred a profit during the year ended 31 March 2022 and the company is making continued efforts in getting revenue contracts from customers. The Company being part of the Mphasis Group would leverage the group's clients and the technical capabilities which is expected to contribute to the sustained business operations.

Based on the above, the management has reasonable expectation that the Company will continue to be in existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022.

This report was approved by the board on 28 June 2022 and signed on its behalf.

By order of the Board

DocuSigned by:

Subramanian Narayan

864FB8DB5AE44A7

Subramanian Narayan
Director

Date: 28 June 2022

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Directors' report for the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Future developments

The directors do not anticipate any change in the nature of the business in the forthcoming year.

Directors and directors' qualifying third party indemnity provision

The directors who held office during the year, including details of changes since the year ended 31 March 2022, were:

Anurag Bhatia
Eric Winston
Subramanian Narayan

No director holds any interest in the share capital of the Company; any interest in the Parent Company is shown in those financial statements. During the period, and up to the date of approval of the financial statements, the Company had in place a third-party indemnity provision for the benefit of all the directors of the Company.

Political and charitable contributions

The Company has made no political or charitable contributions.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Barnes Roffe LLP, has been appointed as the Company's auditor and will continue in office in accordance with Section 487 Companies Act 2006.

This report was approved by the board on 28 June 2022 and signed on its behalf.

On behalf of the Board

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Date: 28 June 2022

DS
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Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 28 June 2022 and signed on its behalf.

On behalf of the Board

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Date: 28 June 2022

DS MR DS kk

Independent Auditors' report to the directors of Datalytyx MSS Limited

Opinion

We have audited the financial statements of Datalytyx MSS Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' report to the directors of Datalytyx MSS Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

Irregularities, including fraud are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, are as follows;
    - Companies Act 2006
    - FRS102
    - Employment legislation
    - Health and Safety legislation
    - Tax legislation
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing board minutes;
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

Independent Auditors' report to the directors of Datalytyx MSS Limited (continued)

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for audit of the financial statements, is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's directors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Nigel Goodman
D9179750117D41B...

Nigel Goodman (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Date: 28 June 2022

Company number 06729562

Statement of comprehensive income for the financial year ended 31 March 2022

	Note	Year ended 31 March 2022 £	9 month period ended 31 March 2021 £
Turnover	2	**157,268**	**397,683**
Cost of sales		(117,533)	(408,106)
Gross profit/(loss)		**39,735**	**(10,423)**
Administrative expenses		(40,396)	(12,886)
Other operating income/(losses)		52,031	(1,266)
Operating profit/(loss)	3	**51,370**	**(24,575)**
Tax on profit from ordinary activities	5	-	269
Profit/(loss) for the financial year/period attributable to the owners of the company		**51,370**	**(24,306)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year/ period attributable to the owners of the company		**51,370**	**(24,306)**

All amounts relate to continuing operations.

The notes on pages 11 to 15 form part of these financial statements.

Company number 06729562

Statement of financial position as at 31 March 2022

	Note		2022		2021
			£		£
Current assets					
Debtors	6	325,172		150,217	
Cash at bank and in hand		52,921		112,586	
		378,093		**262,803**	
Creditors : amounts falling due within one year	7	(178,213)		(114,293)	
Net current assets			**199,880**		**148,510**
Net assets			**199,880**		**148,510**
Capital and reserves					
Called up share capital	8		8,420		8,420
Capital redemption reserve	8		1,580		1,580
Profit and loss account			189,880		138,510
Shareholders' equity			**199,880**		**148,510**

The financial statements were approved and authorised for issue by the board on 28 June 2022 and were signed on its behalf by.

DocuSigned by:

Subramanian Narayan

864FB8DB5AE44A7

Subramanian Narayan
Director

The notes on pages 11 to 15 form part of these financial statements.

DS

MR

Statement of changes in equity as at 31 March 2022

	Called-up share capital	Capital redemption reserve	Profit and loss account	Total
At 1 July 2020	**8,420**	**1,580**	**162,816**	**172,816**
Loss for the financial period	-	-	(24,306)	**(24,306)**
Total comprehensive loss	-	-	(24,306)	**(24,306)**
At 31 March 2021	**8,420**	**1,580**	**138,510**	**148,510**
Profit for the financial year	-	-	51,370	**51,370**
Total comprehensive income	-	-	51,370	**51,370**
At 31 March 2022	**8,420**	**1,580**	**189,880**	**199,880**

The notes on pages 11 to 15 form part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2022

GENERAL INFORMATION

Datalytyx MSS Limited is a Private company limited by shares incorporated in England and Wales.

The address of its registered office and principal place of business is:

1 Ropemaker Street
London
EC2Y 9HT

The principal activities of the Company predominantly relate to Data Engineering, Data Ops and Master Data Management services. The functional currency of the Company is Pound Sterling ('£') as this is the currency of the primary economic environment in which the Company operates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable legislations as set out in the Companies Act 2006.

In preparing these financial statements, the company has taken advantage of the disclosure exemptions, as permitted by FRS 102 paragraph 1.12. The Company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing these financial statements:

- from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements;
- from providing the related party disclosures, required under paragraphs 33.8 to 33.14, for transactions with other wholly-owned group members on the basis that the Company is itself a wholly-owned member of the group.
- The requirements of section 26 Share-based Payment for a subsidiary with share-based payment arrangements for equity instruments of another group entity.

These financial statements have been prepared on a going concern basis. Based on the forecast the directors of the Company have a reasonable expectation that the Company has adequate resources in operational existence for the foreseeable future and there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as going concern being a period of not less than 12 months from the date of approval of these financial statements. Thus, the directors have continued to adopt the going concern basis of accounting in the preparing these financial statements.

The financial statements for FY 2022 have been prepared for a period of 12 months (1 April 2021 to 31 March 2022). However, the financial statements for FY 2021 are prepared for a period of 9 months (1 July 2020 to 31 March 2021) due to a change in accounting year.

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal during the year, including expenses billed to customers.

Where the contract element is for the provision of service or repetitive processes, revenue is recognised when the product or service is provided. Where the contract element is a major development or implementation project that is transferred to the customer on completion, revenue recognition is based on a delivery approach to measure the stage of completion. Depending on the specific contractual terms, the measurement of delivery takes the form of performance milestones, costs completed to date or other appropriate measure. Revenues are recognised when all of the following conditions are satisfied:

i. The amount of revenue can be measured reliably;
ii. It is probable that the Company will receive the consideration due under the contract;
iii. The stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. The costs incurred and the costs to complete the contract can be measured reliably.

Interest income is recognized as it accrues in the Statement of comprehensive income using effective interest rate method

b. Taxation

The tax expense for the period comprises of current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in obligation to pay more tax in the future or right to pay less in the future give rise to a deferred tax liability or asset. Timing differences are the differences between taxable profits and the total comprehensive income as stated in the financial statements that arise from the conclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Notes to the Financial Statements for the year ended 31 March 2022

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

c. Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transaction took place. Where this is not possible to determine, income and expense items are translated using average exchange rate for the period.

Monetary assets .and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the Statement of comprehensive income.

d. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loans and borrowings.

Financial assets – classified as basic financial instruments

➢ **Cash and cash equivalents**

Cash and cash equivalents comprise bank balances.

➢ **Trade and other debtors**

Trade and other debtors are initially recognised at the transaction price, including any transaction costs and are subsequently measured at amortised cost, less any provision for impairment.

Financial liabilities - classified as basic financial instruments

➢ **Trade and other creditors, loans and borrowings**

Trade and other creditors, loans and borrowings are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost.

e. Critical accounting policies and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Critical judgements made in applying accounting policies**
  Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates.

SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS

2. TURNOVER

The turnover is mostly attributable by next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments.

A geographical analysis of turnover is as follows:

Geographical analysis of turnover	Year ended 31 March 2022 £	9 month period ended 31 March 2021 £
United Kingdom	157,268	397,683
	157,268	**397,683**

Analysis of turnover by customer	Year ended 31 March 2022 £	9 month period ended 31 March 2021 £
External revenue	151,290	185,105
Revenue from fellow group undertakings	5,978	212,578
	157,268	**397,683**

Notes to the Financial Statements for the year ended 31 March 2022

3. OPERATING PROFIT/(LOSS)

	Year ended 31 March 2022	9 month period ended 31 March 2021
The Operating profit/(loss) is stated after charging	£	£
Depreciation of tangible fixed assets	-	147
Auditors' remuneration	7,160	6,500

4. STAFF COSTS

The average monthly number of employees, including the directors, during the period were 3 (period ended 31 March 2021 – 3). The company does not have a payroll and therefore there are no staff costs (period ended 31 March 2021: £Nil)

Remuneration of key management personnel

Key management personnel comprise of all the directors and their aggregate remuneration for the period have been paid by the holding company and its affiliates.

5. TAXATION

	Year ended 31 March 2022	9 month period ended 31 March 2021
(a) Tax expense included in the statement of comprehensive income	£	£
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2021 - 19%)	-	-
Adjustments in respect of prior years	-	-
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of timing differences	-	(269)
Total deferred tax	**-**	**(269)**
Total tax credit included in the statement of comprehensive income	**-**	**(269)**

b) Reconciliation of tax expense included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is lower than(2021: higher than) to the standard rate of corporation tax in the UK of 19% (period ended 31 March 2021: 19%) .The differences are reconciled as follows.

	Year ended 31 March 2022	9 month period ended 31 March 2021
	£	£
(Loss)/profit on ordinary activities before taxation	51,370	(24,575)
Income tax calculated at 19% (2021-19%)	9,760	(4,669)
Other timing differences	(9,760)	4,669
Tax expense for the year	**-**	**-**
Deferred tax expense for the year	-	(269)
Total tax (credit)/expense for the year	**-**	**(269)**

c) Factors that may affect the future tax charges

In the March 2021 Budget, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

Notes to the Financial Statements for the year ended 31 March 2022

6. DEBTORS

	2022 £	2021 £
Trade debtors	-	52,920
Amounts owed by group undertakings	307,197	72,080
Other debtors	17,919	25,161
Prepayments	56	56
	325,172	**150,217**

7. CREDITORS

	2022 £	2021 £
Amounts falling due within one year		
Amounts owed to group undertakings	166,049	47,703
Accruals and deferred income	12,164	66,324
Taxation payable	-	266
	178,213	**114,293**

8. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2022 £	2021 £
8,420 Ordinary shares of £1 each	8,420	8,420

The Company has 8,000 Ordinary A shares and 420 Ordinary B Shares which aggregates to 8,420 Ordinary shares which rank equally for voting, dividend and capital. The share are non-redeemable and carry no right to fixed income.

Profit and loss account

This reserve represents the cumulative profits and losses.

Capital redemption reserve

This is created to the extent of nominal value of the share capital extinguished on buyback of Company's own shares. During 2015 the Company purchased its own shares (1,580 Ordinary Shares B of £ 1).

9. RELATED PARTY TRANSACTIOS

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

- It possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or
- It is subject to common control or common significant influence.

The Company is a step-down subsidiary of Mphasis Consulting Limited and has taken the advantage of exemption permitted by section 33 Related party disclosures, not to provide disclosures of transactions entered into with other wholly – owned members of the group.

10. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2022 £	2021 £
Trade and other debtors	17,919	78,081
Amounts owed from holding and related companies	307,197	72,080
	325,116	**150,161**

Financial Liabilities measured at amortised cost	2022 £	2021 £
Amounts due to holding and related companies	166,049	47,703
	166,049	**47,703**

Notes to the Financial Statements for the year ended 31 March 2022

11. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Datalytyx Limited, which is a wholly owned subsidiary of Mphasis Consulting Limited. The Company is controlled by Mphasis Limited, a Company incorporated in India.

The parent undertaking of the smallest group for which the consolidated accounts are prepared for the period ended 31 March 2022 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P , a Company incorporated in the state of Cayman Islands until 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd a Company incorporated in Singapore.

There is no ultimate controlling party being individuals.

DYNAMYX LIMITED

REGISTERED NUMBER: 03713250

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

DYNAMYX LIMITED

COMPANY INFORMATION

Directors	Mr. Anurag Bhatia Mr. Eric Winston Mr. Subramanian Narayan
Company number	03713250
Registered Office	1 Ropemaker Street London EC2Y 9HT
Auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX
Company Secretary	Jemma Line

CONTENTS

Strategic report for the year ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Principal activities and review of business

Dynamyx Limited ("the Company or "Dynamyx MSS") is a wholly owned subsidiary of Datalytyx Limited. Datalytyx Limited ("Holding Company") is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments.

The Company, being part of the Mphasis group of companies, applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C2TM=1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. Mphasis principal activities predominantly relate to providing Application services (APPS) to its clients.

At Mphasis, learnability is core to the new mindset; being able to learn, take on new challenges and have a drive to constantly improve. With constant disruption in the industry, agility, experimentation and innovation is the way to grow through iterative processes at a rapid pace. Mphasis is re-positioning itself in the changing technology landscape to meet its clients' expectations with Mphasis NextGen Solutions. People who show high learnability are sure to find the best of opportunities for growth and success at Mphasis. Learnability drives the 4Gs of Growth – Growth that is consistent, competitive, profitable and responsible.

Mphasis purposes is – To be the Driver in the Driverless car – where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises. From this reinvigorated purpose, Mphasis has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders.

The Company is a step-down subsidiary of Mphasis Consulting Limited. Mphasis Consulting Limited is a wholly owned subsidiary of Mphasis Limited (incorporated in India) and operates from the United Kingdom. The Company is part of Blackstone Group of Companies.

Results and dividends

The revenue for the year was £400,572 compared to £518,102 for nine months period during the previous period. The loss for the year ended 31 March 2022 amounted to £102,733 (loss for the 9 month period ended 31 March 2021: £8,056). The loss during the year was on account of lower gross profit and higher overheads. The directors have not recommended a dividend for the year ended 31 March 2022 (9 month period ended 31 March 2021: £ nil).

The operating results for the year and the Company's financial position at the end of the period are shown in the attached financial statements.

Key performance indicators

The Key Performance Indicators used to manage the business are:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The company had a revenue £400,572 during the year ended 31 March 2022 and the loss for the year amounted to £102,733. The company is making continued efforts in acquiring revenue contracts from customers.

Financial risk management objectives, risks and policies

Risk management is integral to the whole business. The Company being part of Mphasis Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are managed as follows:

- Liquidity risk - funds are managed by the group corporate treasury function in order to ensure that there are sufficient funds available to meet the obligations of the Company as they fall due.
- Foreign exchange risk - intercompany transactions are in currencies other than sterling (predominantly USD) and the resulting exposure to the associated foreign exchange risk is managed across the group by hedging through forward contracts.
- Credit risk - invoicing for external customers is agreed with the customer in advance and the Company does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is minimized.

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Strategic report for the year ended 31 March 2022 (continued)

- Market risk - market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

The Company manages these risks by seeking to ensure that appropriate systems and controls are in place as well as ensuring that the continued support and resources of the group are made available to the Company.

Going concern

The Company is part of the Mphasis Group which is a global leader in Information technology solution provider specializing in cloud and cognitive services including the next gen solutions. The company incurred a loss during the year ended 31 March 2022 and the company is making continued efforts in getting revenue contracts from customers. The Company being part of the Mphasis Group would leverage the group's clients and the technical capabilities which is expected to contribute to the sustained business operations.

Based on the above, the management has reasonable expectation that the Company will continue to be in existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022.

This report was approved by the board on 24 June 2022 and signed on its behalf.

By order of the Board

DocuSigned by:

Subramanian Narayan

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Subramanian Narayan
Director

Date: 24 June 2022

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Directors' report for the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Future developments

The directors do not anticipate any change in the nature of the business in the forthcoming year.

Directors and directors' qualifying third party indemnity provision

The directors who held office during the year, including details of changes since the year ended 31 March 2022, were:

Anurag Bhatia
Eric Winston
Subramanian Narayan

No director holds any interest in the share capital of the Company; any interest in the Parent Company is shown in those financial statements. During the period, and up to the date of approval of the financial statements, the Company had in place a third-party indemnity provision for the benefit of all the directors of the Company.

Political and charitable contributions

The Company has made no political or charitable contributions.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Barnes Roffe LLP, has been appointed as the Company's auditor and will continue in office in accordance with Section 487 Companies Act 2006.

This report was approved by the board on 24 June 2022 and signed on its behalf.

On behalf of the Board

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Date: 24 June 2022

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Company number 03713250

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 24 June 2022 and signed on its behalf.

On behalf of the Board

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Date: 24 June 2022

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Independent Auditors' report to the directors of Dynamyx Limited

Opinion

We have audited the financial statements of Dynamyx Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' report to the directors of Dynamyx Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

Irregularities, including fraud are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, are as follows;
    - Companies Act 2006
    - FRS102
    - Employment legislation
    - Health and Safety legislation
    - Tax legislation
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing board minutes;
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent Auditors’ report to the directors of Dynamyx Limited (continued)

A further description of our responsibilities for audit of the financial statements, is located on the Financial Reporting Council’s website at http://www.frc.org.uk/auditresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's directors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Nigel Goodman

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Nigel Goodman (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Date: 24 June 2022

Statement of comprehensive income for the finanical year ended 31 March 2022

	Note	Year ending 31 March 2022 £	9 month period ending 31 March 2021 £
Turnover	2	**400,572**	**518,102**
Cost of sales		(491,899)	(489,109)
Gross (loss)/profit		**(91,327)**	**28,993**
Administrative expenses		(72,707)	(36,702)
Other operating losses		-	(348)
Operating loss	3	**(164,034)**	**(8,057)**
Interest receivable and similar income	5	1	1
Loss on ordinary activities before taxation		**(164,033)**	**(8,056)**
Tax on loss from ordinary activities	7	61,300	-
Loss for the financial year/period attributable to the owners of the company		**(102,733)**	**(8,056)**
Other comprehensive income		-	-
Total comprehensive income for the year/period attributable to the owners of the company		**(102,733)**	**(8,056)**

All amounts relate to continuing operations.

The notes on pages 11 to 16 form part of these financial statements.

Company number 03713250

Statement of financial position as at 31 March 2022

	Note		2022		2021
			£		£
Fixed assets					
Tangible fixed assets	6		604		1,143
Current assets					
Debtors	9	234,239		194,663	
Cash at bank and in hand		57,500		652,914	
		291,739		**847,577**	
Creditors : amounts falling due within one year	10	(174,873)		(628,517)	
Net current assets			**116,866**		**219,060**
Net assets			**117,470**		**220,203**
Capital and reserves					
Called up share capital	11		108,420		108,420
Profit and loss account			9,050		111,783
Shareholders' equity			**117,470**		**220,203**

The financial statements were approved and authorised for issue by the board on 24 June 2022 and were signed on its behalf by.

DocuSigned by:

Subramanian Narayan

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Subramanian Narayan
Director

The notes on pages 11 to 16 form part of these financial statements002E

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Statement of changes in equity as at 31 March 2022

	Called-up share capital	Profit and loss account	Total
At 1 July 2020	**108,420**	**119,839**	**228,259**
Loss for the financial period	-	(8,056)	**(8,056)**
Total comprehensive loss	-	(8,056)	**(8,056)**
At 31 March 2021	108,420	111,783	**220,203**
Loss for the financial year	-	(102,733)	**(102,733)**
Total comprehensive loss	-	(102,733)	**(102,733)**
At 31 March 2022	**108,420**	**9,050**	**117,470**

The notes on pages 11 to 16 form part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2022

GENERAL INFORMATION

Dynamyx limited is a Private company limited by shares incorporated in England and Wales.

The address of its registered office and principal place of business is:

1 Ropemaker Street
London
EC2Y 9HT

The principal activities of the Company predominantly relate to Data Engineering, Data Ops and Master Data Management services. The functional currency of the Company is Pound Sterling ('£') as this is the currency of the primary economic environment in which the Company operates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable legislations as set out in the Companies Act 2006.

In preparing these financial statements, the company has taken advantage of the disclosure exemptions, as permitted by FRS 102 paragraph 1.12. The Company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing these financial statements:

- from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements;
- from providing the related party disclosures, required under paragraphs 33.8 to 33.14, for transactions with other wholly-owned group members on the basis that the Company is itself a wholly-owned member of the group.
- The requirements of section 26 Share-based Payment for a subsidiary with share-based payment arrangements for equity instruments of another group entity.

These financial statements have been prepared on a going concern basis. Based on the forecast the directors of the Company have a reasonable expectation that the Company has adequate resources in operational existence for the foreseeable future and there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as going concern being a period of not less than 12 months from the date of approval of these financial statements. Thus, the directors have continued to adopt the going concern basis of accounting in the preparing these financial statements.

The financial statements for FY 2022 have been prepared for a period of 12 months (1 April 2021 to 31 March 2022). However, the financial statements for FY 2021 are prepared for a period of 9 months (1 July 2020 to 31 March 2021) due to a change in accounting year.

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal during the year, including expenses billed to customers.

Where the contract element is for the provision of service or repetitive processes, revenue is recognised when the product or service is provided. Where the contract element is a major development or implementation project that is transferred to the customer on completion, revenue recognition is based on a delivery approach to measure the stage of completion. Depending on the specific contractual terms, the measurement of delivery takes the form of performance milestones, costs completed to date or other appropriate measure. Revenues are recognised when all of the following conditions are satisfied:

i. The amount of revenue can be measured reliably;
ii. It is probable that the Company will receive the consideration due under the contract;
iii. The stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. The costs incurred and the costs to complete the contract can be measured reliably.

Interest income is recognized as it accrues in the Statement of comprehensive incomeusing effective interest rate method

b. Tangible and intangible fixed assets and depreciation and amortization

Tangible and intangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives.

Asset	Useful life
Furniture, Fixtures and Office equipment	5 years

Notes to the Financial Statements for the year ended 31 March 2022

c. Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transaction took place. Where this is not possible to determine, income and expense items are translated using average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the Statement of comprehensive income.

d. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loans and borrowings.

Financial assets – classified as basic financial instruments

➢ **Cash and cash equivalents**

Cash and cash equivalents comprise bank balances.

➢ **Trade and other debtors**

Trade and other debtors are initially recognised at the transaction price, including any transaction costs and are subsequently measured at amortised cost, less any provision for impairment.

Financial liabilities - classified as basic financial instruments

➢ **Trade and other creditors, loans and borrowings**

Trade and other creditors, loans and borrowings are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost.

e. Critical accounting policies and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

➢ **Critical judgements made in applying accounting policies**

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates.

- **Depreciation / Useful life**

  The Company reviews the useful life of fixed assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

<u>SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS</u>

2. TURNOVER

The turnover is mostly attributable by next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments.

A geographical analysis of turnover is as follows:

Geographical analysis of turnover	Year ending 31 March 2022	9 month period ending 31 March 2021
	£	£
United Kingdom	400,572	518,102
	400,572	**518,102**

Analysis of turnover by customer	Year ending 31 March 2022	9 month period ending 31 March 2021
	£	£
External revenue	384,214	440,380
Revenue from fellow group undertakings	16,358	77,722
	400,572	**518,102**

Notes to the Financial Statements for the year ended 31 March 2022

3. OPERATING LOSS

The Operating loss is stated after charging	Year ending 31 March 2022 £	9 month period ending 31 March 2021 £
Depreciation of tangible fixed assets	539	1,237
Operating lease rentals	3,165	(570)
Auditors' remuneration	7,160	6,500
Foreign exchange loss	223	1,116

4. STAFF COSTS

The average monthly number of employees, including the directors, during the year were 3 (9 months period ended 31 March 2021 – 3). The company does not have a payroll and therefore there are no staff costs (9 months period ended 31 March 2021: £Nil).

Remuneration of key management personnel
Key management personnel comprise of all the directors and their aggregate remuneration for the year was as stated above. The remuneration to all the directors have been paid by the holding company and its affiliates.

5. INTEREST

Interest receivable and similar income	Year ending 31 March 2022 £	9 month period ending 31 March 2021 £
Interest on loans given to fellow undertaking	1	1
	1	**1**

6. TANGIBLE ASSETS

	Furniture, fixtures and office equipment £	Total Tangible Assets £
Cost		
At 31 March 2021	2,716	2,716
At 31 March 2022	**2,716**	**2,716**
Depreciation		
At 31 March 2021	1,573	1,573
Charge for the year	538	538
At 31 March 2022	**2,111**	**2,111**
Net book value		
At 31 March 2021	**1,143**	**1,143**
At 31 March 2022	**605**	**605**

Notes to the Financial Statements for the year ended 31 March 2022

7. TAXATION

(a) Tax expense included in the statement of comprehensive income	Year ended 31 March 2022 £	9 month period ended 31 March 2021 £
Current tax on loss on ordinary activities		
UK corporation tax 19% (31 March 2021 - 19%)	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(61,300)	-
Total deferred tax	**(61,300)**	-
Total tax expense included in the statement of comprehensive income	**(61,300)**	-

b) Reconciliation of tax expense included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is lower than(2021: higher than) to the standard rate of corporation tax in the UK of 19% (period ended 31 March 2021: 19%) .The differences are reconciled as follows.

	Year ended 31 March 2022 £	9 month period ended 31 March 2021 £
Loss on ordinary activities before taxation	(164,033)	(8,056)
Income tax calculated at 19% (2021-19%)	(31,166)	(1,531)
Other timing differences	31,166	1,531
Tax (credit)/expense for the year	-	-
Deferred tax expense for the year	(61,300)	-
Total tax (credit)/expense for the year	**(61,300)**	-

Factors that may affect the future tax charges

In the March 2021 Budget, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

Deferred Tax Asset (net)	31 March 2022 £	31 March 2021 £
Accelerated capital allowances	(110)	-
Tax losses carried forward	61,410	-
Total	**61,300**	-

8. INVESTMENTS

	2022 £	2021 £
At 1 April (brought forward)	-	236
Disposal of investment in subsidary	-	(236)
At 31 March (carried forward)	-	-

Notes to the Financial Statements for the year ended 31 March 2022

9. DEBTORS

	2022 £	2021 £
Trade debtors	40,169	106,076
Amounts owed by group undertakings	107,705	50,464
Deferred tax	61,300	-
Other debtors	11,500	22,599
Prepayments	1,125	1,020
Amount receivable on contracts	8,246	14,504
Other assets	4,194	-
	234,239	**194,663**

10. CREDITORS

	2022 £	2021 £
Amounts falling due within one year		
Trade creditors	1,349	7,156
Amounts owed to group undertakings	153,225	589,588
Accruals and deferred income	20,299	31,773
	174,873	**628,517**

11. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2022 £	2021 £
1,084,200 Ordinary shares of £0.1 each	108,420	108,420

The Company has 1,062,500 Ordinary A shares and 21,700 Ordinary B shares aggregating to 1,084,200 Ordinary shares which rank equally for voting, dividend and capital. The share are non-redeemable and carry no right to fixed income.

Profit and loss account

This reserve represents the cumulative profits and losses.

12. RELATED PARTY TRANSACTIOS

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

- It possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or
- It is subject to common control or common significant influence.

The Company is a step-down subsidiary of Mphasis Consulting Limited and has taken the advantage of exemption permitted by section 33 Related party disclosures, not to provide disclosures of transactions entered into with other wholly – owned members of the group.

13. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2022 £	2021 £
Trade and other debtors	51,669	128,675
Amounts owed from holding and related companies	107,705	50,464
	159,374	**179,139**

Financial Liabilities measured at amortised cost	2022 £	2021 £
Trade creditors	1,349	7,156
Amounts due to holding and related companies	153,225	589,588
	154,574	**596,744**

Notes to the Financial Statements for the year ended 31 March 2022

14. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Datalytyx Limited, which is a wholly owned subsidiary of Mphasis Consulting Limited. The Company is controlled by Mphasis Limited, a Company incorporated in India.

The parent undertaking of the smallest group for which the consolidated accounts are prepared for the period ended 31 March 2022 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P , a Company incorporated in the state of Cayman Islands until 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd a Company incorporated in Singapore.

There is no ultimate controlling party being individuals.

DATALYTYX LIMITED

REGISTERED NUMBER: 09147644

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

DATALYTYX LIMITED

COMPANY INFORMATION

Directors	Mr. Anurag Bhatia Mr. Eric Winston Mr. Subramanian Narayan
Company number	09147644
Registered Office	1 Ropemaker Street London EC2Y 9HT
Company Secretary	Jemma Line

CONTENTS

Strategic Report for the year ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Principal activities and review of business

Datalytyx Limited ("the Company or "Datalytyx") is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments.

The Company, being part of the Mphasis group of companies, applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C2TM=1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. Mphasis principal activities predominantly relate to providing Application services (APPS) to its clients.

At Mphasis, learnability is core to the new mindset; being able to learn, take on new challenges and have a drive to constantly improve. With constant disruption in the industry, agility, experimentation and innovation is the way to grow through iterative processes at a rapid pace. Mphasis is re-positioning itself in the changing technology landscape to meet its clients' expectations with Mphasis NextGen Solutions. People who show high learnability are sure to find the best of opportunities for growth and success at Mphasis. Learnability drives the 4Gs of Growth – Growth that is consistent, competitive, profitable and responsible.

Mphasis purposes is – To be the Driver in the Driverless car – where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises. From this reinvigorated purpose, Mphasis has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders.

The Company is a wholly owned subsidiary of Mphasis Consulting Limited. Mphasis Consulting Limited is a wholly owned subsidiary of Mphasis Limited (incorporated in India) and operates from the United Kingdom. The Company is part of the Blackstone Group of Companies.

Results and dividends

The revenue during the year was £ 9,245,338 compared to £5,800,372 for nine months period during the previous period. The loss for the year ended 31 March 2022 amounted to £2,676,518 (loss for the 9 month period ended 31 March 2021: £ 383,960). The directors have not recommended a dividend for the year ended 31 March 2022 (9 month period ended 31 March 2021: £ nil).

The operating results for the year and the Company's financial position at the end of the period are shown in the attached financial statements.

Key performance indicators

The Key Performance Indicators used to manage the business are:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The company had a revenue £9,245,338 during the year ended 31 March 2022 and the loss for the period amounted to £2,676,518. The company is making continued efforts in acquiring revenue contracts from customers.

Financial risk management objectives, risks and policies

Risk management is integral to the whole business. Mphasis has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are managed as follows:

- Liquidity risk - funds are managed by the group corporate treasury function in order to ensure that there are sufficient funds available to meet the obligations of the Company as they fall due.
- Foreign exchange risk - intercompany transactions are in currencies other than sterling(predominantly USD) and the resulting exposure to the associated foreign exchange risk is managed across the group by hedging through forward contracts.

Strategic Report for the year ended 31 March 2022(continued)

- Credit risk - invoicing for external customers is agreed with the customer in advance and the Company does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is minimized.
- Market risk - market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.
- Interest risk – Loans taken / given are within Mphasis group and the interest rates are fixed. Hence there is no risk on interest rates.

The Company manages these risks by seeking to ensure that appropriate systems and controls are in place as well as ensuring that the continued support and resources of the group are made available to the Company.

Going concern

The Company is part of the Mphasis Group which is a global leader in Information technology solution provider specializing in cloud and cognitive services including the next gen solutions. The company incurred a loss during the year ended 31 March 2022 and the company is making continued efforts in getting revenue contracts from customers. The Company being part of the Mphasis Group would leverage the group's clients and the technical capabilities which is expected to contribute to the sustained business operations.

Based on the above, the management has reasonable expectation that the Company will continue to be in existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022.

Directors' Report for the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Future developments

The directors do not anticipate any change in the nature of the business in the forthcoming year.

Directors and directors' qualifying third party indemnity provision

The directors who held office during the period, including details of changes since the period ended 31 March 2022, were:

Anurag Bhatia
Eric Winston
Subramanian Narayan

No director holds any interest in the share capital of the Company; any interest in the Parent Company is shown in those financial statements. During the period, and up to the date of approval of the financial statements, the Company had in place a third-party indemnity provision for the benefit of all the directors of the Company.

Directors' emoluments and benefits have been disclosed on note 4 of the financial statements.

Political and charitable contributions

The Company has made no political or charitable contributions.

Company number 09147644

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company number 09147644

Unaudited statement of comprehensive income for the financial year ended 31 March 2022

	Note	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Turnover	2	**9,245,338**	**5,800,372**
Cost of sales		(7,940,273)	(4,622,902)
Gross profit		**1,305,065**	**1,177,470**
Administrative expenses		(4,137,903)	(1,778,304)
Other operating gains		-	1,111,854
Operating (loss)/profit	3	**(2,832,838)**	**511,020**
Impairment of investment in subsidiaries		-	(918,021)
Interest receivable and similar income	5	57,820	20,333
Loss on ordinary activities before taxation		**(2,775,018)**	**(386,668)**
Tax on loss from ordinary activities	7	98,500	2,708
Loss for the financial year/period attributable to the owners of the company		**(2,676,518)**	**(383,960)**
Other comprehensive income		-	-
Total comprehensive income for the year/ period attributable to the owners of the company		**(2,676,518)**	**(383,960)**

All amounts relate to continuing operations.

The notes on pages 8 to 14 form part of these financial statements.

Company number 09147644

Unaudited statement of financial position as at 31 March 2022

	Note		2022		2021
			£		£
Fixed assets					
Tangible fixed assets	6		23,378		17,402
Investments	8		381,979		381,979
			405,357		**399,381**
Current assets					
Debtors	9	4,345,246		4,062,444	
Cash at bank and in hand		1,281,186		730,260	
		5,626,432		**4,792,704**	
Creditors : amounts falling due within one year	10	(6,242,193)		(2,725,971)	
Net current assets			**(615,761)**		**2,066,733**
Total assets less current liabilities			**(210,404)**		**2,466,114**
Net assets			**(210,404)**		**2,466,114**
Capital and reserves					
Called up share capital	11		145,312		145,312
Share premium	11		1,000,554		1,000,554
Profit and loss account	11		(1,356,270)		1,320,248
Shareholders' equity			**(210,404)**		**2,466,114**

The notes on pages 8 to 14 form part of these financial statements.

Company number 09147644

Unaudited statement of changes in equity as at 31 March 2022

	Called-up share capital	Share premium	Other reserves	Profit and loss account	Total
At 1 July 2020	**126,815**	**993,185**	**600,000**	**1,704,208**	**3,424,208**
Loss for the financial period	-	-	-	(383,960)	**(383,960)**
Shares issued	18,497	7,369	-	-	**25,866**
Utilizations during the period	-	-	(600,000)	-	**(600,000)**
Total comprehensive loss	-	-	-	(383,960)	**(383,960)**
At 31 March 2021	**145,312**	**1,000,554**	**-**	**1,320,248**	**2,466,114**
Loss for the financial year	-	-	-	(2,676,518)	**(2,676,518)**
Total comprehensive loss	**-**	**-**	**-**	**(2,676,518)**	**(2,676,518)**
At 31 March 2022	**145,312**	**1,000,554**	**-**	**(1,356,270)**	**(210,404)**

The notes on pages 8 to 14 form part of these financial statements.

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

GENERAL INFORMATION

Datalytyx limited is a Private company limited by shares incorporated in England and Wales.

The address of its registered office and principal place of business is:

1 Ropemaker Street
London
EC2Y 9HT

The principal activities of the Company predominantly relate to Data Engineering, Data Ops and Master Data Management service s. The functional currency of the Company is Pound Sterling ('£') as this is the currency of the primary economic environment in which the Company operates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and the applicable legislations as set out in the Companies Act 2006.

In preparing these financial statements, the company has taken advantage of the disclosure exemptions, as permitted by FRS 10 2 paragraph 1.12. The Company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing these financial statements:

- from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements;
- from providing the related party disclosures, required under paragraphs 33.8 to 33.14, for transactions with other wholly -owned group members on the basis that the Company is itself a wholly-owned member of the group.
- The requirements of section 26 Share-based Payment for a subsidiary with share-based payment arrangements for equity instruments of another group entity.

The company, and its subsidiaries in the UK, qualify as a small group as set out in section 383 of the companies Act 2006 and are considered eligible for exemption to prepare consolidated accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group. The consolidated financial statements of Mphasis Limited within which this Co mpany is included, can be obtained as detailed in note 14.

These financial statements have been prepared on a going concern basis. Based on the forecast the directors of the Company have a reasonable expectation that the Company has adequate resources in operational existence for the foreseeable future and there are no mate rial uncertainties that lead to significant doubt upon the Company's ability to continue as going concern being a period of not less than 12 months from the date of approval of these financial statements. Thus, the directors have continued to adopt the going concern basis of accoun ting in the preparing these financial statements.

The financial statements for FY 2022 have been prepared for a period of 12 months (1 April 2021 to 31 March 2022). However, the financial statements for FY 2021 are prepared for a period of 9 months (1 July 2020 to 31 March 2021) due to a change in accounting year.

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information up to the date of app roval of the financial statements and expects to recover the carrying amount of its assets

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal du ring the period, including expenses billed to customers.

Where the contract element is for the provision of service or repetitive processes, revenue is recognised when the product or service is provided. Where the contract element is a major development or implementation project that is transferred to the customer on completion, revenue recognition is based on a delivery approach to measure the stage of completion. Depending on the specific contractual terms, the measurement of delivery takes the form of performance milestones, cos ts completed to date or other appropriate measure. Revenues are recognised when all of the following conditions are satisfied:

i. The amount of revenue can be measured reliably;
ii. It is probable that the Company will receive the consideration due under the contract;
iii. The stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. The costs incurred and the costs to complete the contract can be measured reliably.

Interest income is recognized as it accrues in the Statement of comprehensive income using effective interest rate method

b. Investments

Fixed asset investments (including investment in subsidiaries) are carried at cost. Provision for diminution in value of investment is made if the impairment is not temporary in nature.

Investment in subsidiary company

Investment in the subsidiary companies are held at cost less accumulated impairment losses.

Notes to the Unaudited Financial Statements for the period ended 31 March 2022

c. Tangible and intangible fixed assets and depreciation and amortization

Tangible and intangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives.

Asset	Useful life
Furniture, Fixtures and Office equipment	5 years
Computer equipment	3 years
Server and Network equipment	6 years
Software	3 years
Vehicles	2 years

d. Post-retirement benefits

Defined Contribution scheme

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the Statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period.

Defined Benefit scheme

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

e. Taxation

The tax expense for the period comprises of current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in obligation to pay more tax in the future or right to pay less in the future give rise to a deferred tax liability or asset. Timing differences are the differences between taxable profits and the total comprehensive income as stated in the financial statements that arise from the conclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

f. Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transaction took place. Where this is not possible to determine, income and expense items are translated using average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the Statement of comprehensive income.

g. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loans and borrowings.

Financial assets – classified as basic financial instruments

- **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and bank balances.

- **Trade and other debtors**

Trade and other debtors are initially recognised at the transaction price, including any transaction costs and are subsequently measured at amortised cost, less any provision for impairment.

Financial liabilities - classified as basic financial instruments

- **Trade and other creditors, loans and borrowings**

Trade and other creditors, loans and borrowings are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost.

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

h. Critical accounting policies and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

➢ **Critical judgements made in applying accounting policies**

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates are discussed below:

Impairment of Investments

Impairment exists when the carrying value of Investments exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Investments are tested for impairment on an annual basis and more often, if there is an indication that Investments may be impaired and the resulting Impairment losses, if any are recognized in the statement of comprehensive income.

Depreciation / Useful life

The Company reviews the useful life of fixed assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS

2. TURNOVER

The turnover is mostly attributable to Application Services.
A geographical analysis of turnover is as follows:

Geographical analysis of turnover	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
United Kingdom	9,184,239	5,783,906
Rest of the world	61,099	16,466
	9,245,338	**5,800,372**

Analysis of turnover by customer	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
External revenue	8,436,146	5,138,309
Revenue from fellow group undertakings	809,192	662,063
	9,245,338	**5,800,372**

3. OPERATING PROFIT

The Operating profit is stated after charging	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Depreciation of tangible fixed assets	13,544	158,485
Office space rentals	64,638	68,063
Auditors' remuneration	11,260	10,500
Foreign exchange loss	4,384	75,016

4. STAFF COSTS

Staff costs including directors' remuneration, were as follows:	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Wages and salaries	3,061,238	1,913,914
Social security costs	337,649	186,671
Pension contributions	91,154	47,468
	3,490,041	**2,148,053**

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

The average monthly number of employees, including the directors, during the year were as follows:

Category	Year ending 31 March 2022 No.	9 months period ending 31 March 2021 No.
Direct production	21	21
Sales	8	7
Administration	1	5
	30	**33**

Directors' emoluments and transactions	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Remuneration	-	114,167
Pension scheme contributions	-	1,500
	-	**115,667**

Remuneration of key management personnel

Key management personnel comprise of all the directors and their aggregate remuneration for the year was as stated above. The remuneration to certain directors have been paid by the holding company and its affiliates and not included above.

5. INTEREST

Interest receivable and similar income	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Interest on loans given to fellow undertaking	57,820	20,333

6. TANGIBLE FIXED ASSETS

	Furniture, fixtures and office equipment £	Computer equipment £	Vehicles £	Total Tangible Assets £
Cost				
At 1 April 2021	516	28,630	2,397	31,543
Additions	-	19,520	-	19,520
Disposals	-	-	-	-
At 31 March 2022	**516**	**48,150**	**2,397**	**51,063**
Depreciation				
At 1 April 2021	497	11,857	1,787	14,141
Charge for the year	6	13,008	530	13,544
Disposals	-	-	-	-
At 31 March 2022	**503**	**24,865**	**2,317**	**27,685**
Net book value				
At 31 March 2022	**13**	**23,285**	**80**	**23,378**
At 31 March 2021	**19**	**16,773**	**610**	**17,402**

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

7. TAXATION

(a) Tax expense included in the Statement of comprehensive income	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (period ended 31 March 2021 - 19%)	-	-
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of timing differences	(98,500)	(2,708)
Total deferred tax	**(98,500)**	**(2,708)**
Total tax credit	**(98,500)**	**(2,708)**

b) Reconciliation of tax credit included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is higher than (2021 : higher than) the standard rate of corporation tax in the UK of 19% (period ended 31 March 2021: 19%) .The differences are reconciled as follows.

	Year ending 31 March 2022 £	9 months period ending 31 March 2021 £
(Loss)/profit on ordinary activities before taxation	(2,775,018)	(386,668)
Income tax calculated at 19% (2021-19%)	(527,253)	(73,467)
Expenses not deductible for tax purposes	456,021	-
Other timing differences	71,232	73,467
Tax expense for the year	**-**	**-**
Deferred tax credit for the year	(98,500)	(2,708)
Total tax credit for the year	**(98,500)**	**(2,708)**

c) **Factors that may affect the future tax charges.**

In the March 2021 budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

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

Deferred Tax Asset (net)	31 March 2022 £	31 March 2021 £
Trading loss carried forward	95,510	-
Others	2,990	2,708
Total	**98,500**	**2,708**

8. INVESTMENTS

	2022 £	2021 £
At 1 April 2021	381,979	1,320,000
- Less - Investments in Apposite Ltd	-	(20,000)
- Impairment of investment	-	(918,021)
At 31 March 2022	**381,979**	**381,979**

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

The investments made in Datalytyx MSS Limited and Dynamyx Limited which consists of shares with an aggregate nominal value of £ 116,840.

Direct subsidiaries	Country of registration	Direct holding	Activity
Datalytyx MSS Limited 1 Ropemaker Street, London, United Kingdom, EC2Y 9HT	UK	100%	Software Services
Dynamyx Limited 1 Ropemaker Street, London, United Kingdom, EC2Y 9HT	UK	100%	Software Services

9. DEBTORS

	2022 £	2021 £
Trade debtors	1,746,991	1,601,429
Amounts owed by group undertakings	1,931,257	2,337,840
Other debtors	13,895	-
Prepayments	30,941	68,225
Amount receivable on contracts	523,662	54,950
Deferred tax asset	98,500	-
	4,345,246	**4,062,444**

10. CREDITORS

	2022 £	2021 £
Amounts falling due within one year		
Trade creditors	99,946	236,062
Amounts owed to group undertakings	1,837,755	18,805
Social security and other taxes	277,706	419,104
Accruals and deferred income	4,026,786	2,052,000
	6,242,193	**2,725,971**

11. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2022 £	2021 £
117,811,972 Ordinary A shares of £ 0.001 each & 27,500,000 Ordinary B shares of £ 0.001 each	145,312	145,312

In the FY 2021 the company has issued 10,997,172 Ordinary A shares of £ 0.001 each & 7,500,000 Ordinary B shares of £ 0.001 each.

Share premium

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Profit and loss account

This reserve represents the cumulative profits and losses.

12. RELATED PARTY TRANSACTIONS

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

- It possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or
- It is subject to common control or common significant influence.

The Company is a wholly owned subsidiary of Mphasis Consulting Limited and has taken the advantage of exemption permitted by section 33 Related party disclosures, not to provide disclosures of transactions entered into with other wholly – owned members of the group.

Notes to the Unaudited Financial Statements for the year ended 31 March 2022

13. LEASE COMMITMENTS

Operating leases

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods is as follows:

Buildings	2022 £	2021 £
Operating lease payments due		
Within 1 year	27,876	41,415
Total	**27,876**	**41,415**

14. EMPLOYEE BENEFITS

Compensated absences	2022 £	2021 £
Charge to statement of comprehensive income	2,482	44,862
Liability in GBP	34,230	36,638
Assumptions		
Discount rate	4.80%	6.14%
Salary escalation rate	1.00%	1.00%
Withdrawal Rate	5.00%	5.00%
Retirement Age	60	60

15. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2022 £	2021 £
Trade and other debtors	1,760,886	1,601,429
Amounts owed from holding and related companies	1,931,257	2,337,840
	3,692,143	**3,939,269**

Financial Liabilities measured at amortised cost	2022 £	2021 £
Trade creditors	99,946	236,062
Amounts due to holding and related companies	1,837,755	18,805
	1,937,701	**254,867**

16. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Mphasis Consulting Limited. The Company is controlled by Mphasis Limited, a Company incorporated in India.

The parent undertaking of the smallest group for which the consolidated accounts are prepared for the period ended 31 March 2022 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P, a Company incorporated in the state of Cayman Islands until 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd, a Company incorporated in Singapore.

There is no ultimate controlling party being individuals.

UNAUDITED ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED IN ACCORDANCE WITH THE BELGIAN COMPANIES AND ASSOCIATIONS CODE

IDENTIFICATION DETAILS (at the filing date)

NAME: **Mphasis Belgium**

Legal form [1]: **Private limited (liability) company**

Address: **Leonardo Da Vincilaan** N°. **9**

Postal code: **1930** Town: **Zaventem**

Country: **Belgium**

Register of legal persons - commercial court: **Brussel, Dutch-speaking**

Website [2]:

E-mail address [2]:

Company registration number **0897298696**

DATE **15-04-08** of filing the most recent document mentioning the date of publication of the deed of incorporation and of the deed of amendment of the articles of association.

This filing concerns [3]:

[X] the ANNUAL ACCOUNTS in **EURO (2 decimals)** [4] approved by the general meeting of **26-08-22**

[X] the OTHER DOCUMENTS

regarding

the financial year covering the period from	**01-04-21**	to	**31-03-22**
the preceding period of the annual accounts from	**01-04-20**	to	**31-03-21**

The amounts for the preceding period are / ~~are not~~ [5] identical to the ones previously published.

Total number of pages filed: **31** Numbers of the sections of the standard model form not filed because they serve no useful purpose: 6.1, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5, 6.3.1, 6.3.3, 6.3.4, 6.3.5, 6.3.6, 6.4.1, 6.4.2, 6.5.1, 6.5.2, 6.8, 6.12, 6.14, 6.17, 6.18.2, 6.20, 7, 8, 9, 11, 12, 13, 14, 15

1 Where appropriate, “in liquidation” is stated after the legal form.

2 Optional mention.

3 Tick the appropriate box(es).

4 If necessary, change to currency in which the amounts are expressed.

5 Strike out what does not apply.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Notes	Codes	Period	Preceding period
ASSETS				
FORMATION EXPENSES	6.1	20		
FIXED ASSETS		21/28	4.505,73	3.284,49
Intangible fixed assets	6.2	21		
Tangible fixed assets	6.3	22/27	1.221,24	
Land and buildings		22		
Plant, machinery and equipment		23	1.221,24	
Furniture and vehicles		24		
Leasing and other similar rights		25		
Other tangible fixed assets		26		
Assets under construction and advance payments		27		
Financial fixed assets	6.4 / 6.5.1	28	3.284,49	3.284,49
Affiliated Companies	6.15	280/1		
Participating interests		280		
Amounts receivable		281		
Other companies linked by participating interests	6.15	282/3		
Participating interests		282		
Amounts receivable		283		
Other financial fixed assets		284/8	3.284,49	3.284,49
Shares		284		
Amounts receivable and cash guarantees		285/8	3.284,49	3.284,49

	Notes	Codes	Period	Preceding period
CURRENT ASSETS		29/58	20.376.483,46	13.255.143,28
Amounts receivable after more than one year		29		
Trade debtors		290		
Other amounts receivable		291		
Stocks and contracts in progress		3		
Stocks		30/36		
Raw materials and consumables		30/31		
Work in progress		32		
Finished goods		33		
Goods purchased for resale		34		
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37		
Amounts receivable within one year		40/41	17.901.081,46	11.657.953,02
Trade debtors		40	4.928.777,95	5.381.063,23
Other amounts receivable		41	12.972.303,51	6.276.889,79
Current investments	6.5.1 / 6.6	50/53		
Own shares		50		
Other investments		51/53		
Cash at bank and in hand		54/58	2.463.106,99	1.577.573,58
Accruals and deferred income	6.6	490/1	12.295,01	19.616,68
TOTAL ASSETS		20/58	20.380.989,19	13.258.427,77

	Notes	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	10.281.823,25	9.745.933,17
Contributions	6.7.1	10/11	6.300,00	6.300,00
Available		110		
Not available		111	6.300,00	6.300,00
Revaluation surpluses		12		
Reserves		13	10.168,00	10.168,00
Reserves not available		130/1	10.168,00	10.168,00
Reserves not available statutorily		1311	10.168,00	10.168,00
Purchase of own shares		1312		
Financial support		1313		
Other		1319		
Untaxed reserves		132		
Available reserves		133		
Accumulated profits (losses) (+)/(-)		14	10.265.355,25	9.729.465,17
Capital subsidies		15		
Advance to shareholders on the distribution of net assets **6**		19		
PROVISIONS AND DEFERRED TAXES		16		
Provisions for liabilities and charges		160/5		
Pensions and similar obligations		160		
Taxes		161		
Major repairs and maintenance		162		
Environmental obligations		163		
Other liabilities and charges	6.8	164/5		
Deferred taxes		168		

6 Amount to be deducted from the other components of equity.

	Notes	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	10.099.165,94	3.512.494,60
Amounts payable after more than one year	6.9	17		
Financial debts		170/4		
Subordinated loans		170		
Unsubordinated debentures		171		
Leasing and other similar obligations		172		
Credit institutions		173		
Other loans		174		
Trade debts		175		
Suppliers		1750		
Bills of exchange payable		1751		
Advance payments on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year	6.9	42/48	9.711.349,94	3.462.521,47
Current portion of amounts payable after more than one year falling due within one year		42		
Financial debts		43		
Credit institutions		430/8		
Other loans		439		
Trade debts		44	3.005.942,74	1.087.521,75
Suppliers		440/4	3.005.942,74	1.087.521,75
Bills of exchange payable		441		
Advance payments on contracts in progress		46		
Taxes, remuneration and social security	6.9	45	963.799,18	1.192.955,11
Taxes		450/3	354.061,15	526.556,20
Remuneration and social security		454/9	609.738,03	666.398,91
Other amounts payable		47/48	5.741.608,02	1.182.044,61
Accruals and deferred income	6.9	492/3	387.816,00	49.973,13
TOTAL LIABILITIES		10/49	20.380.989,19	13.258.427,77

PROFIT AND LOSS ACCOUNT

		Notes	Codes	Period	Preceding period
Operating income			70/76A	22.599.184,05	17.697.188,28
Turnover		6.10	70	22.598.971,70	17.697.188,28
Stocks of finished goods and work and contracts in progress: increase (decrease)	(+)/(-)		71		
Produced fixed assets			72		
Other operating income		6.10	74	212,35	
Non-recurring operating income		6.12	76A		
Operating charges			60/66A	21.682.169,10	15.797.168,64
Goods for resale, raw materials and consumables			60		
Purchases			600/8		
Stocks: decrease (increase)	(+)/(-)		609		
Services and other goods			61	18.715.211,85	12.965.468,19
Remuneration, social security and pensions	(+)/(-)	6.10	62	2.968.398,65	2.863.390,07
Amortisations of and other amounts written down on formation expenses, intangible and tangible fixed assets			630	2.326,62	
Amounts written down on stocks, contracts in progress and trade debtors: additions (write-backs)	(+)/(-)	6.10	631/4	-11.147,05	-37.400,56
Provisions for liabilities and charges: appropriations (uses and write-backs)	(+)/(-)	6.10	635/8		
Other operating charges		6.10	640/8	7.379,03	5.710,94
Operating charges reported as assets under restructuring costs	(-)		649		
Non-recurring operating charges		6.12	66A		
Operating profit (loss)	(+)/(-)		9901	917.014,95	1.900.019,64

	Notes	Codes	Period	Preceding period
Financial income		75/76B	409.690,88	346.814,35
Recurring financial income		75	409.690,88	346.814,35
Income from financial fixed assets		750		10.898,00
Income from current assets		751	276.167,79	185.789,96
Other financial income	6.11	752/9	133.523,09	150.126,39
Non-recurring financial income	6.12	76B		
Financial charges	6.11	65/66B	188.671,64	170.328,85
Recurring financial charges		65	188.671,64	170.328,85
Debt charges		650	112,00	
Amounts written down on current assets other than stocks, contracts in progress and trade debtors: additions (write-backs) (+)/(-)		651		
Other financial charges		652/9	188.559,64	170.328,85
Non-recurring financial charges	6.12	66B		
Profit (Loss) for the period before taxes (+)/(-)		9903	1.138.034,19	2.076.505,14
Transfer from deferred taxes		780		
Transfer to deferred taxes		680		
Income taxes on the result (+)/(-)	6.13	67/77	602.144,11	693.613,36
Taxes		670/3	602.144,11	693.613,36
Adjustment of income taxes and write-back of tax provisions		77		
Profit (Loss) of the period (+)/(-)		9904	535.890,08	1.382.891,78
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
Profit (Loss) of the period available for appropriation (+)/(-)		9905	535.890,08	1.382.891,78

APPROPRIATION ACCOUNT

		Codes	Period	Preceding period
Profit (Loss) to be appropriated	(+)/(-)	9906	10.265.355,25	9.729.465,17
Profit (Loss) of the period available for appropriation	(+)/(-)	(9905)	535.890,08	1.382.891,78
Profit (Loss) of the preceding period brought forward	(+)/(-)	14P	9.729.465,17	8.346.573,39
Transfers from equity		791/2		
from contributions		791		
from reserves		792		
Appropriations to equity		691/2		
to contributions		691		
to legal reserve		6920		
to other reserves		6921		
Profit (loss) to be carried forward	(+)/(-)	(14)	10.265.355,25	9.729.465,17
Shareholders' contribution in respect of losses		794		
Profit to be distributed		694/7		
Compensation for contributions		694		
Directors or managers		695		
Employees		696		
Other beneficiaries		697		

PLANT, MACHINERY AND EQUIPMENT

		Codes	Period	Preceding period
Acquisition value at the end of the period		8192P	xxxxxxxxxxxxxxx	
Movements during the period				
Acquisitions, including produced fixed assets		8162	3.547,86	
Sales and disposals		8172		
Transfers from one heading to another	(+)/(-)	8182		
Acquisition value at the end of the period		8192	3.547,86	
Revaluation surpluses at the end of the period		8252P	xxxxxxxxxxxxxxx	
Movements during the period				
Recorded		8212		
Acquisitions from third parties		8222		
Cancelled		8232		
Transferred from one heading to another	(+)/(-)	8242		
Revaluation surpluses at the end of the period		8252		
Amortisations and amounts written down at the end of the period		8322P	xxxxxxxxxxxxxxx	
Movements during the period				
Recorded		8272	2.326,62	
Written back		8282		
Acquisitions from third parties		8292		
Cancelled owing to sales and disposals		8302		
Transferred from one heading to another	(+)/(-)	8312		
Amortisations and amounts written down at the end of the period		8322	2.326,62	
NET BOOK VALUE AT THE END OF THE PERIOD		(23)	1.221,24	

		Codes	Period	Preceding period
OTHER COMPANIES - PARTICIPATING INTERESTS AND SHARES				
Acquisition value at the end of the period		8393P	xxxxxxxxxxxxxxx	
Movements during the period				
Acquisitions		8363		
Sales and disposals		8373		
Transfers from one heading to another	(+)/(-)	8383		
Acquisition value at the end of the period		8393		
Revaluation surpluses at the end of the period		8453P	xxxxxxxxxxxxxxx	
Movements during the period				
Recorded		8413		
Acquisitions from third parties		8423		
Cancelled		8433		
Transferred from one heading to another	(+)/(-)	8443		
Revaluation surpluses at the end of the period		8453		
Amounts written down at the end of the period		8523P	xxxxxxxxxxxxxxx	
Movements during the period				
Recorded		8473		
Written back		8483		
Acquisitions from third parties		8493		
Cancelled owing to sales and disposals		8503		
Transferred from one heading to another	(+)/(-)	8513		
Amounts written down at the end of the period		8523		
Uncalled amounts at the end of the period		8553P	xxxxxxxxxxxxxxx	
Movements during the period	(+)/(-)	8543		
Uncalled amounts at the end of the period		8553		
NET BOOK VALUE AT THE END OF THE PERIOD		(284)		
OTHER COMPANIES - AMOUNTS RECEIVABLE				
NET BOOK VALUE AT THE END OF THE PERIOD		285/8P	xxxxxxxxxxxxxxx	3.284,49
Movements during the period				
Appropriations		8583		
Repayments		8593		
Amounts written down		8603		
Amounts written back		8613		
Exchange differences	(+)/(-)	8623		
Other movements	(+)/(-)	8633		
NET BOOK VALUE AT THE END OF THE PERIOD		(285/8)	3.284,49	
ACCUMULATED AMOUNTS WRITTEN DOWN ON AMOUNTS RECEIVABLE AT END OF THE PERIOD		8653		

CURRENT INVESTMENTS AND ACCRUALS AND DEFERRED INCOME

	Codes	Period	Preceding period
CURRENT INVESTMENTS - OTHER INVESTMENTS			
Shares and investments other than fixed income investments	51		
Shares – Book value increased with the uncalled amount	8681		
Shares – Uncalled amount	8682		
Precious metals and works of art	8683		
Fixed-income securities	52		
Fixed income securities issued by credit institutions	8684		
Term accounts with credit institutions	53		
With a remaining term or notice			
up to one month	8686		
between one month and one year	8687		
over one year	8688		
Other investments not mentioned above	8689		

	Period
ACCRUALS AND DEFERRED INCOME	
Allocation of account 490/1 of assets if the amount is significant	
Deferred charges	12.295,01

STATEMENT OF CONTRIBUTIONS AND SHAREHOLDERS' STRUCTURE

STATEMENT OF CONTRIBUTIONS

	Codes	Period	Preceding period
Contributions			
Available at the end of the period	110P	XXXXXXXXXXXXXX	
Available at the end of the period	(110)		
Not available at the end of the period	111P	XXXXXXXXXXXXXX	6.300,00
Not available at the end of the period	(111)	6.300,00	
Equity contributed by the shareholders			
In money	8790	18.600,00	
of which not paid up in full	87901	12.300,00	
In kind	8791		
of which not paid up in full	87911		

	Codes	Period	Number of shares
Modifications during the period			
Registered shares	8702	XXXXXXXXXXXXXX	186
Shares dematerialized	8703	XXXXXXXXXXXXXX	

	Codes	Period
Own shares		
Held by the company itself		
Number of shares	8722	
Held by a subsidiary		
Number of shares	8732	
Commitments to issuing shares		
Owing to the exercise of conversion rights		
Amount of outstanding convertible loans	8740	
Amount of contributions	8741	
Corresponding maximum number of shares to be issued	8742	
Owing to the exercise of subscription rights		
Number of outstanding subscription rights	8745	
Amount of contributions	8746	
Corresponding maximum number of shares to be issued	8747	

	Codes	Period
Shares		
Distribution		
Number of shares	8761	
Number of voting rights attached thereto	8762	
Allocation by shareholder		
Number of shares held by the company itself	8771	
Number of shares held by its subsidiaries	8781	

	Period
ADDITIONAL NOTES REGARDING CONTRIBUTIONS (INCLUDING CONTRIBUTIONS IN THE FORM OF SERVICES OR KNOW-HOW)	

SHAREHOLDERS' STRUCTURE OF THE COMPANY AT YEAR-END CLOSING DATE

As reflected in the notifications received by the company pursuant to article 7:225 of the Belgian Companies and Associations Code, article 14 fourth paragraph of the law of 2 May 2007 on the publication of major holdings and article 5 of the Royal Decree of 21 August 2008 on further rules for certain multilateral trading facilities.

NAME of the persons who hold rights of the company, together with the ADDRESS (of the registered office, in the case of a legal person) and the COMPANY REGISTRATION NUMBER, in the case of an company governed by Belgian law	Rights held			
	Nature	Number of voting rights		%
		Attached to securities	Not attached to securities	
MPHASIS LIMITED Bagmane WTC, Marathahalli Outer Ring Road -- , box -- 560 048 Bagalore India	Shares	185	0	99,46
MPHASIS CONSULTING LIMITED 1 Ropemaker Street, London EC2Y 9HT	Shares	1	0	0,54

STATEMENT OF AMOUNTS PAYABLE AND ACCRUALS AND DEFERRED INCOME (LIABILITIES)

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL TERM OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL MATURITY		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	
Subordinated loans	8811	
Unsubordinated debentures	8821	
Leasing and other similar obligations	8831	
Credit institutions	8841	
Other loans	8851	
Trade debts	8861	
Suppliers	8871	
Bills of exchange payable	8881	
Advance payments on contracts in progress	8891	
Other amounts payable	8901	
Total current portion of amounts payable after more than one year falling due within one year	(42)	
Amounts payable with a remaining term of more than one year, yet less than 5 years		
Financial debts	8802	
Subordinated loans	8812	
Unsubordinated debentures	8822	
Leasing and other similar obligations	8832	
Credit institutions	8842	
Other loans	8852	
Trade debts	8862	
Suppliers	8872	
Bills of exchange payable	8882	
Advance payments on contracts in progress	8892	
Other amounts payable	8902	
Total amounts payable with a remaining term of more than one year, yet less than 5 years	8912	
Amounts payable with a remaining term of more than 5 years		
Financial debts	8803	
Subordinated loans	8813	
Unsubordinated debentures	8823	
Leasing and other similar obligations	8833	
Credit institutions	8843	
Other loans	8853	
Trade debts	8863	
Suppliers	8873	
Bills of exchange payable	8883	
Advance payments on contracts in progress	8893	
Other amounts payable	8903	
Amounts payable with a remaining term of more than 5 years	8913	

	Codes	Period
AMOUNTS PAYABLE GUARANTEED *(included in accounts 17 and 42/48 of liabilities)*		
Amounts payable guaranteed by the Belgian government agencies		
Financial debts	8921	
Subordinated loans	8931	
Unsubordinated debentures	8941	
Leasing and other similar obligations	8951	
Credit institutions	8961	
Other loans	8971	
Trade debts	8981	
Suppliers	8991	
Bills of exchange payable	9001	
Advance payments on contracts in progress	9011	
Remuneration and social security	9021	
Other amounts payable	9051	
Total of the amounts payable guaranteed by the Belgian government agencies	9061	
Amounts payable guaranteed by real securities given or irrevocably promised by the company on its own assets		
Financial debts	8922	
Subordinated loans	8932	
Unsubordinated debentures	8942	
Leasing and other similar obligations	8952	
Credit institutions	8962	
Other loans	8972	
Trade debts	8982	
Suppliers	8992	
Bills of exchange payable	9002	
Advance payments on contracts in progress	9012	
Taxes, remuneration and social security	9022	
Taxes	9032	
Remuneration and social security	9042	
Other amounts payable	9052	
Total amounts payable guaranteed by real securities given or irrevocably promised by the company on its own assets	9062	

	Codes	Period
TAXES, REMUNERATION AND SOCIAL SECURITY		
Taxes*(headings 450/3 and 178/9 of liabilities)*		
Outstanding tax debts	9072	
Accruing taxes payable	9073	303.211,46
Estimated taxes payable	450	50.849,69
Remuneration and social security *(headings 454/9 and 178/9 of liabilities)*		
Amounts due to the National Social Security Office	9076	
Other amounts payable in respect of remuneration and social security	9077	609.738,03

ACCRUALS AND DEFERRED INCOME

	Period
Allocation of heading 492/3 of liabilities if the amount is significant	
Deferred income	632.570,24

OPERATING RESULTS

	Codes	Period	Preceding period
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
Allocation by geographical market			
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740		
OPERATING CHARGES			
Employees for whom the company submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086	27	20
Average number of employees calculated in full-time equivalents	9087	23,2	23,2
Number of actual hours worked	9088	36.890	45.072
Personnel costs			
Remuneration and direct social benefits	620	1.913.009,48	1.968.813,07
Employers' contribution for social security	621	711.458,62	650.669,84
Employers' premiums for extra statutory insurance	622	36.626,62	81.253,99
Other personnel costs	623	307.303,93	162.653,17
Retirement and survivors' pensions	624		

	Codes	Period	Preceding period
Provisions for pensions and similar obligations			
Appropriations (uses and write-backs) (+)/(-)	635		
Depreciations			
On stock and contracts in progress			
Recorded	9110		
Written back	9111		
On trade debtors			
Recorded	9112		
Written back	9113	11.147,05	37.400,56
Provisions for liabilities and charges			
Appropriations	9115		
Uses and write-backs	9116		
Other operating charges			
Taxes related to operation	640	7.379,03	5.710,94
Other	641/8		
Hired temporary staff and personnel placed at the company's disposal			
Total number at the closing date	9096		
Average number calculated in full-time equivalents	9097		
Number of actual hours worked	9098		
Costs to the company	617		

FINANCIAL RESULTS

	Codes	Period	Preceding period
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies paid by public authorities, added to the profit and loss account			
Capital subsidies	9125		
Interest subsidies	9126		
Allocation of other financial income			
Exchange differences realized	754		
Other			
Exchange gain		133.523,09	150.126,10
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501		
Capitalised interests	6502		
Depreciations on current assets			
Recorded	6510		
Written back	6511		
Other financial charges			
Amount of the discount borne by the company, as a result of negotiating amounts receivable	653		
Provisions of a financial nature			
Appropriations	6560		
Uses and write-backs	6561		
Allocation of other financial costs			
Exchange differences realized	654		
Results from the conversion of foreign currencies	655		
Other			

TAXES

	Codes	Period
INCOME TAXES		
Income taxes on the result of the period	9134	602.144,11
Income taxes paid and withholding taxes due or paid	9135	602.144,11
Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	
Estimated additional taxes	9137	
Income taxes on the result of prior periods	9138	
Additional income taxes due or paid	9139	
Additional income taxes estimated or provided for	9140	
Major reasons for the differences between pre-tax profit, as it results from the annual accounts, and estimated taxable profit		

	Period
Influence of non-recurring results on income taxes on the result of the period	

	Codes	Period
Sources of deferred taxes		
Deferred taxes representing assets	9141	
Accumulated tax losses deductible from future taxable profits	9142	
Deferred taxes representing liabilities	9144	
Allocation of deferred taxes representing liabilities		

	Codes	Period	Preceding period
VALUE-ADDED TAXES AND TAXES BORNE BY THIRD PARTIES			
Value-added taxes charged			
To the company (deductible)	9145	2.097.239,15	1.922.272,54
By the company	9146	4.954.594,22	4.857.481,31
Amounts withheld on behalf of third party by way of			
Payroll withholding taxes	9147	889.532,25	773.952,11
Withholding taxes on investment income	9148		

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
AFFILIATED COMPANIES			
Financial fixed assets	(280/1)		
Participating interests	(280)		
Subordinated amounts receivable	9271		
Other amounts receivable	9281		
Amounts receivable	9291	13.457.767,81	7.707.145,38
Over one year	9301		
Within one year	9311	13.457.767,81	7.707.145,38
Current investments	9321		
Shares	9331		
Amounts receivable	9341		
Amounts payable	9351	6.503.646,95	891.602,78
Over one year	9361		
Within one year	9371	6.503.646,95	891.602,78
Personal and real guarantees			
Provided or irrevocably promised by the company as security for debts or commitments of affiliated companies	9381		
Provided or irrevocably promised by affiliated companies as security for debts or commitments of the company	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431	276.167,79	185.789,96
Other financial income	9441		
Debt charges	9461		
Other financial charges	9471		
Disposal of fixed assets			
Capital profits realised	9481		
Capital losses realised	9491		

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
ASSOCIATED COMPANIES			
Financial fixed assets	9253		
Participating interests	9263		
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Amounts receivable	9293		
Over one year	9303		
Within one year	9313		
Amounts payable	9353		
Over one year	9363		
Within one year	9373		
Personal and real guarantees			
Provided or irrevocably promised by the company as security for debts or commitments of affiliated companies	9383		
Provided or irrevocably promised by affiliated companies as security for debts or commitments of the company	9393		
Other significant financial commitments	9403		
COMPANIES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252		
Participating interests	9262		
Subordinated amounts receivable	9272		
Other amounts receivable	9282		
Amounts receivable	9292		
Over one year	9302		
Within one year	9312		
Amounts payable	9352		
Over one year	9362		
Within one year	9372		

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

	Period
TRANSACTIONS WITH AFFILIATED PARTIES BEYOND NORMAL MARKET CONDITIONS	
Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions that should be necessary to get a better understanding of the financial situation of the company	
Due to the lack of legal criteria for listing transactions with related parties related parties under non-market conditions, no information can be included here.	

FINANCIAL RELATIONSHIPS WITH

	Codes	Period
DIRECTORS AND MANAGERS, INDIVIDUALS OR LEGAL PERSONS WHO CONTROL THE COMPANY DIRECTLY OR INDIRECTLY WITHOUT BEING ASSOCIATED THEREWITH, OR OTHER COMPANIES CONTROLLED DIRECTLY OR INDIRECTLY BY THESE PERSONS		
Amounts receivable from these persons	9500	
Principal conditions regarding amounts receivable, rate of interest, duration, any amounts repaid, cancelled or written off		
Guarantees provided in their favour	9501	
Other significant commitments undertaken in their favour	9502	
Amount of direct and indirect remunerations and pensions, reflected in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person		
To directors and managers	9503	
To former directors and former managers	9504	

	Codes	Period
THE AUDITOR(S) AND THE PERSONS WHOM HE (THEY) IS (ARE) COLLABORATING WITH		
Auditors' fees	9505	19.985,20
Fees for exceptional services or special assignments executed within the company by the auditor		
Other audit assignments	95061	
Tax consultancy assignments	95062	
Other assignments beyond the audit	95063	
Fees for exceptional services or special assignments executed within the company by people the auditor(s) is (are collaborating with		
Other audit assignments	95081	
Tax consultancy assignments	95082	
Other assignments beyond the audit	95083	

Mentions related to article 3:64, § 2 and § 4 of the Belgian Companies and Associations Code

DECLARATION WITH REGARD TO THE CONSOLIDATED ANNUAL ACCOUNTS

INFORMATION TO DISCLOSE BY EACH COMPANY GOVERNED BY THE BELGIAN COMPANIES AND ASSOCIATIONS CODE ON THE CONSOLIDATED ANNUAL ACCOUNTS

~~**The company has prepared and published consolidated annual accounts and a consolidated annual report***~~

The company has not prepared consolidated annual accounts and a consolidated annual report, because of an exemption for the following reason(s)*

The company and its subsidiaries exceed, on a consolidated basis, not more than one of the criteria mentioned in article 1:26 of the Belgian Companies and Associations Code*

~~The company only has subsidiaries that, considering the evaluation of the consolidated capital, the consolidated financial position or the consolidated result, individually or together, are of negligible interestError! Bookmark not defined. (article 3:23 of the Belgian Companies and Associations Code)~~

The company itself is a subsidiary of a parent company that prepares and publishes consolidated annual accounts, in which the annual accounts are integrated by consolidation*

Where appropriate, statement that all conditions for exemption, mentioned in article 3:26 § 2 and § 3 of the Belgian Companies and Associations Code, are fulfilled:

Name, full address of the registered office and, for a company governed by Belgian law, the company registration number of the parent company that prepares and publishes the consolidated annual accounts, under which the exemption is granted:

MPhasis Limited

Bagmane WTC, Marathalli Ring Road

560 048 Mahadevapura, Bangalore, India

INFORMATION TO BE PROVIDED BY THE COMPANY IN CASE IT IS A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, if it concerns companies under Belgian law, the company registration number of the parent company(ies) and the indication if this (these) parent company(ies) prepares (prepare) and publishes (publish) consolidated annual accounts, in which the annual accounts are included by means of consolidation**:

MPHASIS LIMITED

Bagmane World Technology Center, Marathalli Ring Road

560 048 Mahadevapura, BANGALORE, India

The enterprise draws up consolidated annual accounts data for the major part of the enterprise

If the parent company(ies) is (are) (a) company(ies) governed by foreign law, the location where the abovementioned annual accounts are available**:

* Strike out what does not apply.

** Where the annual accounts of the company are consolidated at different levels, the information should be given, on the one hand at the highest and on the other at the lowest level of companies of which the company is a subsidiary and for which consolidated accounts are prepared and published.

VALUATION RULES

VALUATION RULES

Fixed assets and capital work-in-progress

Fixed assets are stated at the cost of acquisition or construction less accumulated depreciation, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use, are capitalised. Fixed assets purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Group. Fixed assets held by foreign subsidiaries are translated into Indian rupees at the closing rate.
Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the asset or the present value of the minimum lease payments at the inception of the lease, whichever is lower.

Advances paid towards the acquisition of fixed assets and the cost of assets not ready for use as at the balance sheet date are disclosed under capital work in progress.

Depreciation and amortization

Depreciation on fixed assets is provided using the straight-line method over the estimated useful lives of assets. Depreciation is charged on a proportionate basis for all assets purchased and sold during the year. Individual assets costing ` 5,000 or less are depreciated in full in the year of purchase. The estimated useful lives of assets are as follows:

For assets used in other servicesFor assets used in call center services YearsYears

Buildings : 10
Plant and machinery4Plant and machinery (including telecom equipments) : 5
Computer equipment : 2
Computer equipment : 5
Office equipment : 3
Office equipment : 5
Furniture and fixtures : 4
Furniture and fixtures : 5
Vehicles : 3 to 5

Freehold land is not depreciated.
Leasehold improvements are amortised over the remaining lease term or 3 years (5 years for Call center
services), whichever is shorter. Significant purchased application software and internally generated software that is an integral part of the Group's computer systems and expected to provide lasting benefits, is capitalised at cost and amortised on a straight-line method over its estimated useful life or 3 years, whichever is shorter. Internally generated software for sale expected to provide lasting benefits is amortised on the straight-line method over its estimated life or 7 years, whichever is shorter.

Revenue recognition:
The principal activities of Mphasis Belgium BV include, providing Information Technology and Information Technology Enabled Services. Hence, the Company derives its revenues primarily from rendering application development and maintenance services, infrastructure outsourcing services etc. Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Control is deemed to have been transferred when the Company satisfies a performance obligation by transferring a promised good or service to a customer. Revenue from time and material contracts is recognized on an output basis, measured by efforts expended.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mphasis Deutschland GmbH

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Mphasis Deutschland GmbH ("the Company") which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Company for the year ended March 31, 2022 are prepared in all material respects in accordance with the accounting policies as set out in the basis of preparation paragraph of Note 2 in financial statements.

Emphasis of Matter

We draw attention to Note.27 to the financial statements, as at 31st March 2022, the net worth of the company stands completely eroded and its current liabilities exceeds its current assets, these conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statement of the company have been prepared by the management, on the basis of internal assessment and is reasonably certain that the company would operate as a going concern and accordingly no adjustments are considered necessary in these financial statements. Our opinion is not modified in this matter.

Other Matters

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors, inclusion in the annual report of Mphasis Limited as per the requirements under the Indian Laws and for internal use of the management and accordingly may not be Suitable for any other purpose. Further, we do not accept or assume responsibility to anyone other than the company, the company's, and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Responsibility for Management and those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting policies as set out in the basis of preparation. 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.

In preparing the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the operating effectiveness of the entity's internal 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.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For ASA & Associates LLP
Chartered Accountants
Registration No.009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.20 17:33:10 +05'30'

Vinay K.S
Partner
Membership No: 223085
UDIN: 22223085ALGSRE5703

Place: Bangalore
Date: 20th June,2022

Mphasis Deutschland GMBH

Audited Financial Statements as at and for the year ended 31 March 2022

BALANCE SHEET			Amount in EUR
	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	345,247	19,302
Right-of-use assets	4	1,083,425	-
Total non-current assets		**1,428,672**	**19,302**
Current assets			
Financial assets			
Trade receivables			
Billed	5	1,185,149	47,797
Unbilled		365,124	44,865
Cash and cash equivalents	6	1,522,262	27,434
Loans	7	8,400	6,500
Other financial assets	8	190,341	2,828
Deferred tax assets (net)	23	989,489	-
Income tax assets (net)	23	3,738	1,651
Other assets	9	311,146	184,583
Total current assets		**4,575,649**	**315,658**
TOTAL ASSETS		**6,004,321**	**334,960**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	51,130	51,130
Other equity	11	(4,138,129)	(2,646,892)
Total equity		**(4,086,999)**	**(2,595,762)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	12	712,699	-
Total non-current liabilities		**712,699**	-
Current liabilities			
Financial liabilities			
Borrowings	17	5,610,000	1,730,000
Lease liabilities	12	530,575	-
Trade payables	13	2,614,816	998,149
Other financial liabilities	14	100,441	79,731
Other liabilities	15	406,832	101,161
Employee benefit obligations	16	115,942	21,666
Income tax liabilities (net)	23	15	15
Total current liabilities		**9,378,621**	**2,930,722**
TOTAL EQUITY AND LIABILITIES		**6,004,321**	**334,960**

Summary of significant accounting policies. 2

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

For ASA & Associates LLP
Chartered Accountants
ICAI Firm registration no: 009571N/N500006
VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.20 17:34:19 +05'30'
Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 20 June 2022

For and on behalf of Mphasis Deutschland GmbH
DocuSigned by:
Badrinarayanan
38DB074723844F7...
Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date :20 June 2022

STATEMENT OF PROFIT AND LOSS — **Amount in EUR**

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	18	3,462,265	895,692
Total income (I)		**3,462,265**	**895,692**
Expenses			
Employee benefits expense	19	3,564,993	1,330,323
Finance costs	20	120,150	52,504
Depreciation and amortization expense	21	427,667	12,396
Other expenses	22	1,830,181	934,448
Total expenses (II)		**5,942,991**	**2,329,671**
Loss before tax (I) - (II)		**(2,480,726)**	**(1,433,979)**
Tax expenses	23		
Current tax		-	(140,162)
Deferred tax		(989,489)	-
Total tax expenses		**(989,489)**	**(140,162)**
Loss for the year (A)		**(1,491,237)**	**(1,293,817)**
Other comprehensive income (B)		**-**	**-**
Total comprehensive loss for the year (A+B)		**(1,491,237)**	**(1,293,817)**
Earnings per share (nominal value of share EUR 51.13)			
Basic & diluted (EUR)	24	(1,491.24)	(1,293.82)

Summary of significant accounting policies. 2

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

For ASA & Associates LLP
Chartered Accountants
ICAI Firm registration no: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
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Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 20 June 2022

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
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Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date :20 June 2022

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of EUR 51.13 each issued, subscribed and fully paid	Number	Amount in EUR
As at 1 April 2020	1,000	51,130
Issue of shares	-	-
As at 31 March 2021	1,000	51,130
As at 1 April 2021	1,000	51,130
Issue of shares	-	-
As at 31 March 2022	1,000	51,130

b. Other equity — **Amount in EUR**

	Attributable to the equity holders of the Company		
	Reserves and surplus		
	Securities Premium	Retained earnings	Total
As at 1 April 2020	**228,829**	**(1,581,904)**	**(1,353,075)**
Loss for the year	-	(1,293,817)	**(1,293,817)**
As at 31 March 2021	**228,829**	**(2,875,721)**	**(2,646,892)**
As at 1 April 2021	**228,829**	**(2,875,721)**	**(2,646,892)**
Loss for the year	-	(1,491,237)	**(1,491,237)**
As at 31 March 2022	**228,829**	**(4,366,958)**	**(4,138,129)**

Summary of significant accounting policies. (note 2)

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

For ASA & Associates LLP
Chartered Accountants
ICAI Firm registration no: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
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Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 20 June 2022

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
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Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date : 20 June 2022

STATEMENT OF CASH FLOWS		Amount in EUR
Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Operating activities		
Loss before tax	**(2,480,726)**	**(1,433,979)**
Adjustments to reconcile loss before tax to net cash provided by operating activities:		
Depreciation and amortization expense	427,667	12,396
Interest expense	120,150	52,504
Operating loss before changes in operating assets and liabilities	**(1,932,909)**	**(1,369,079)**
Changes in operating assets and liabilities		
Trade receivables	(1,457,611)	5,622,346
Loans	(1,900)	4,418
Other financial assets	(187,513)	24,690
Other assets	(126,563)	671,592
Trade payables	1,616,667	(3,575,240)
Other financial liabilities	20,710	(5,947)
Other liabilities	281,961	(709,439)
Provisions and employee benefit obligations	94,276	(5,377)
Total changes in operating assets and liabilities	**240,027**	**2,027,043**
Income tax paid (net of refunds)	(2,087)	37,915
Net cash flow generated from / (used in) operating activities (A)	**(1,694,969)**	**695,879**
Investing activities		
Purchase of property plant and equipement	(399,356)	-
Proceeds from sale of property plant and equipement	7,326	
Net cash flow used in investing activities (B)	**(392,030)**	**-**
Financing activities		
Availment / (repayment) of borrowings	3,880,000	(670,000)
Interest paid	(96,440)	(73,047)
Repayment of lease liabilities	(201,733)	-
Net cash flow (used in) / from financing activities (C)	**3,581,827**	**(743,047)**
Net decrease in cash and cash equivalents (A+B+C)	**1,494,828**	**(47,168)**
Cash and cash equivalents at the beginning of the year	27,434	74,602
Cash and cash equivalents at the end of the year (note 6)	**1,522,262**	**27,434**

Summary of significant accounting policies. (note 2)

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

For ASA & Associates LLP
Chartered Accountants
ICAI Firm registration no: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2022.06.20 17:35:19 +05'30'

Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 20 June 2022

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
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Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date : 20 June 2022

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mphasis Deutschland GmbH ('the Company') was incorporated on 8 June 1990 and is a subsidiary of Mphasis Limited. The Company is engaged in providing application development, infrastructure management services, application maintenance and other services to clients around the world. For the period up to 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting.

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

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

The financial statements are presented in EUR.

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

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

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

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at 31 March 2022. The impact of Covid-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

Use of estimates, assumptions & judgements.

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

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

- **Taxes**

  The company's major tax jurisdiction is in Germany. Significant judgements are involved in determining the provision for income taxes, tax credits including the amount expected to be paid or refunded.

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

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

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

- **Leases**

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

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

The Company derives its revenues primarily from call centre and business and knowledge process outsourcing operations and software services and projects.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from both time based and unit-priced contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition – The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customization services rendered significantly modifies or customizes the license, these services and license are accounted for as a single performance obligation and revenue is recognized over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognized at the point in time when control is transferred to the customer.

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

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

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

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition.

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of

variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Use of the percentage-of completion method in accounting for its fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Judgement is also exercised in determining provisions for estimated losses, if any, on uncompleted contracts based on the expected contract cost estimates as at the reporting date.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

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

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

Property, plant and equipment and intangible assets
Property, Plant and Equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for impairment, if any. Direct costs are capitalized until the assets are ready to be put to use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

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

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

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

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

Depreciation and amortization
Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

The useful lives estimated by the management are given below:

(In Years)

Asset	**Useful life estimated by the management**
Computer equipment	3
Furniture and Fixtures	5
Lease hold Improvements	10 or remaining lease term whichever is less
Building	20 or remaining lease term whichever is less
Office equipment	5
Plant and equipment	4 to 7
Server and Networks	6
Vehicles	5
Computer software	3

In respect of plant and equipment, furniture and fixtures and vehicles, the management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets.

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

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

Leases

Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

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

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

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

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

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

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

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

Company as a lessor

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

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

Impairment

a. **Financial assets (other than at fair value)**

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

b. Non-financial assets

- **Tangible and intangible assets**

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, trade receivables, and eligible current and non-current assets.
- financial liabilities, which include trade payables, eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

The Company's cash and cash equivalents consist of balance with banks with an original maturity of less than or up to three months. The same is included as cash and cash equivalents for the purpose of cash flow statement.

b. Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through profit or loss

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

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

d. Financial liabilities

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

De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.
A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
When a quote is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Retirement and other employee benefits

Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company.

Compensated absences

The cost of short term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by actuarial valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the standalone statement of profit and loss. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

Share based payments

Certain employees of the Company have received stock options/ RSU's of the intermediate holding company Mphasis Limited ("ML,") under the ESOP/RSUs instituted by ML. Accordingly, the Company is subject to cross charge of RSU costs from Mphasis Limited. The compensation cost relating to share-based payments are measured using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a straight-line basis. The units generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

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

Foreign Currencies

Transactions and balances

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

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

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

Income taxes

Income tax expense comprises current tax expense. Current tax is recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax are also recognised in other comprehensive income or directly in equity, respectively.

- **Current income tax**

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

- **Deferred income tax**

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

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

  Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

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

Earnings per share

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

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

Recent pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

3. PROPERTY, PLANT AND EQUIPMENT — **Amount in EUR**

	Computer Equipment	Plant and Machinery	Office Equipment	Furniture & Fixtures	Server & neworking equipment	Total
Cost						
At 1 April 2020	**37,189**	**-**	**-**	**-**	**-**	**37,189**
Additions during the year	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-
At 31 March 2021	**37,189**	**-**	**-**	**-**	**-**	**37,189**
At 1 April 2021	**37,189**	**-**	**-**	**-**	**-**	**37,189**
Additions during the year	231,343	17,453	64,987	21,135	64,438	399,356
Disposal during the year	14,736	-	-	-	-	14,736
At 31 March 2022	**253,796**	**17,453**	**64,987**	**21,135**	**64,438**	**421,809**
Accumulated depreciation						
At 1 Apr 2020	**17,887**	**-**	**-**	**-**	**-**	**17,887**
Charge for the year	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-
At 31 March 2021	**17,887**	**-**	**-**	**-**	**-**	**17,887**
At 1 Apr 2021	**17,887**	**-**	**-**	**-**	**-**	**17,887**
Charge for the year	55,131	1,237	4,031	1,365	4,321	66,085
Deletions during the year	7,410	-	-	-	-	7,410
At 31 Mar 2022	**65,608**	**1,237**	**4,031**	**1,365**	**4,321**	**76,562**
Net Block						
At 31 March 2021	**19,302**	**-**	**-**	**-**	**-**	**19,302**
At 31 March 2022	**188,188**	**16,216**	**60,956**	**19,770**	**60,117**	**345,247**

4. RIGHT-OF-USE ASSETS

	As at 31 March 2022	As at 31 March 2021
Cost		
Balanace as per previous financial statements	-	-
Additions	1,445,007	-
Disposal	-	-
	1,445,007	**-**
Accumulated depreciation		
Balanace as per previous financial statements	-	-
Depreciations	361,582	-
Disposal	-	-
	361,582	**-**
Net block	**1,083,425**	**-**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
5. TRADE RECEIVABLES				
Considered good*	-	-	1,187,385	47,797
Allowance for doubtful receivables	-	-	(2,236)	-
	-	**-**	**1,185,149**	**47,797**

* Includes receivables from related parties (refer note 25)

	As at 31 March 2022	As at 31 March 2021
6. CASH AND CASH EQUIVALENTS		
In current accounts	1,522,262	27,434
	1,522,262	**27,434**

Amount in EUR

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
7. LOANS				
Unsecured - considered good				
Employee advances	-	-	8,400	6,500
	-	**-**	**8,400**	**6,500**

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
8. OTHER FINANCIAL ASSETS				
Deposits	-	-	190,341	800
Recoverable from related parties*	-	-	-	2,028
	-	**-**	**190,341**	**2,828**

* Receivables from related parties (refer note 25)

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
9. OTHER ASSETS				
Unsecured - considered good				
Prepaid expenses	-	-	56,004	1,597
Indirect tax recoverable	-	-	255,142	182,986
	-	**-**	**311,146**	**184,583**

	As at 31 March 2022	As at 31 March 2021
10. EQUITY SHARE CAPITAL		
Authorised share capital		
[1,000 (31 March 2021: 1,000) equity shares of EUR 51.13 each]	51,130	51,130
Issued, subscribed and paid up		
[1,000 (31 March 2021: 1,000) equity shares of EUR 51.13 each]	51,130	51,130
Total issued, subscribed and paid-up share capital	**51,130**	**51,130**

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

	As at 31 March 2022		As at 31 March 2021	
	No of shares held	EUR	No of shares held	EUR
At the beginning of the year	1,000	51,130	1,000	51,130
Outstanding at the end of the year	**1,000**	**51,130**	**1,000**	**51,130**

b. Terms/rights and restrictions attached to equity shares

The Company has only one class of equity shares having par value of EUR 51.13 per share. Each holder of equity shares is entitled to one vote per share.

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

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

	As at 31 March 2022	As at 31 March 2021
Mphasis Limited (Immediate holding company)	910	910
910 (31 March 2021 : 910) equity shares of EUR 51.13 each		
Total shares	**910**	**910**

The ultimate holding company is Blackstone Capital Partners (Cayman II) VI L.P upto 9 August 2021 & BCP Asia (SG) Mirror Holding Pte Ltd from 10 August 2021.

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

	As at 31 March 2022		As at 31 March 2021	
Name of shareholder	**No of shares held**	**% of holding**	**No of shares held**	**% of holding**
Mphasis Limited	910	91	910	91
Martin Winkler	90	9	90	9

e. The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

Amount in EUR

	As at 31 March 2022	As at 31 March 2021
11. OTHER EQUITY		
Securities premium		
Balance as per previous financial statement	228,829	228,829
Closing balance	**228,829**	**228,829**
Retained earnings		
Balance as per previous financial statement	(2,875,721)	(1,581,904)
Loss for the year	(1,491,237)	(1,293,817)
Closing balance	**(4,366,958)**	**(2,875,721)**
Total other equity	**(4,138,129)**	**(2,646,892)**

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
12. LEASE LIABILITIES				
Lease liability	712,699	-	530,575	-
	712,699	**-**	**530,575**	**-**

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
13. TRADE PAYABLES				
Trade payables*	-	-	2,614,816	998,149
	-	**-**	**2,614,816**	**998,149**

* Includes payables to related parties (refer note 25)

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
14. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	81,793	79,731
Capital creditors	-	-	18,648	-
	-	**-**	**100,441**	**79,731**

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
15. OTHER LIABILITIES				
Unearned revenue	-	-	-	506
Payable to related parties	-	-	13,687	531
Statutory dues	-	-	361,046	91,735
Interest payable*	-	-	32,099	8,389
	-	**-**	**406,832**	**101,161**

* Payable to related parties (refer note 25)

Amount in EUR

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
16. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	115,942	21,666
	-	**-**	**115,942**	**21,666**

	Non current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
17. BORROWINGS				
Unsecured				
Loan from related party	-	-	5,610,000	1,730,000
	-	**-**	**5,610,000**	**1,730,000**

	Year ended 31 March 2022	Year ended 31 March 2021
18. REVENUE FROM OPERATIONS		
Sale of services	3,462,265	895,692
	3,462,265	**895,692**

	Year ended 31 March 2022	Year ended 31 March 2021
19. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	3,029,097	1,181,525
Contribution to social security and other funds	490,367	132,302
Employee share based payments	23,815	5,712
Staff welfare expenses	21,714	10,784
	3,564,993	**1,330,323**

	Year ended 31 March 2022	Year ended 31 March 2021
20. FINANCE COSTS		
Interest expense	120,150	52,504
	120,150	**52,504**

	Year ended 31 March 2022	Year ended 31 March 2021
21. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property plant and equipment (refer note 3)	66,085	12,396
Depreciation of right-of-use assets	361,582	-
	427,667	**12,396**

	Year ended 31 March 2022	Year ended 31 March 2021
22. OTHER EXPENSES		
Subcontracting charges	346,518	520,168
Travel	41,484	7,659
Communication expenses	12,939	5,789
Facility expenses	161,385	14,478
Legal and professional charges	259,886	398,463
Recruitment expenses	663,434	47,824
Power and fuel	10,797	789
Software support & annual maintenance charges	29,516	-
Foreign exchange loss (net)	1,435	12,889
Provision for expected credit loss	2,701	(95,854)
Miscellaneous expenses	297,941	20,193
Auditor's remuneration	2,145	2,050
	1,830,181	**934,448**

23. TAXES

Amount in EUR

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

	Year ended 31 March 2022	Year ended 31 March 2021
Taxes		
Current taxes	-	(140,162)
Deferred taxes	(989,489)	-
Total taxes	**(989,489)**	**(140,162)**

	As at 31 March 2022	As at 31 March 2021
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	3,738	1,651
	3,738	**1,651**
Income tax liabilities (net)		
Provision for taxation	15	15
	15	**15**
Net income tax (asset) / liability	**(3,723)**	**(1,636)**

	As at 31 March 2022	As at 31 March 2021
Deferred tax asset (net)	989,489	-
	989,489	**-**

	Year ended 31 March 2022	Year ended 31 March 2021
24. EARNINGS PER SHARE		
Loss after tax	(1,491,237)	(1,293,817)
Number of equity shares considered for calculation of earnings per share	1,000	1,000
Basic & diluted (EUR)	**(1,491.24)**	**(1,293.82)**

25. Related party transactions

a) Entity who have control over the company

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

b) Other related parties with which transactions have taken place:

Mphasis Corporation	Mphasis Europe BV
Mphasis UK Limited	Mphasis Belgium BV
Wyde Corporation	Mphasis Poland Z.o.o
Mphasis Australia Pty Limited	Mphasis Ireland

The following is a summary of significant transactions with related parties by the Company: **Amount in EUR**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services to entities who have control over the company	**939,890**	**60,811**
Mphasis Limited	939,890	60,811
Rendering of services to other related parties	**219,611**	**340,865**
Mphasis Corporation	-	2,642
Wyde Corporation	8,323	-
Mphasis Europe BV	(81,278)	280,680
Mphasis UK Limited	138,304	14,693
Mphasis Belgium BV	154,262	42,850
Subcontracting charges from entities who have control over the company	**-**	**71,695**
Mphasis Limited	-	71,695

Continued

The balances receivable from and payable to related parties are as follows: (Contd..)		Amount in EUR
Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Subcontracting charges from other related parties	**56,623**	**298,065**
Mphasis Corporation	(263)	(2,149)
Mphasis Europe BV	-	(22,834)
Mphasis UK Limited	56,886	318,394
Mphasis Poland z.o.o	-	934
Mphasis Belgium BV	-	3,720
Corporate support cost from entities who have control over the company	**61,979**	**16,204**
Mphasis Limited	61,979	16,204
Corporate support cost from other related parties	**16,996**	**329**
Mphasis Corporation	6,148	329
Mphasis UK Limited	10,848	-
Interest expense on unsecured loans given to other related parties	**102,122**	**52,504**
Mphasis Ireland Limited	9,000	9,000
Mphasis Europe BV	46,761	28,504
Mphasis Belgium BV	46,361	15,000
Expenses incurred by related parties where control exists	**23,816**	**5,712**
Mphasis Limited	23,816	5,712
Unsecured loans received from other related parties	**3,880,000**	**-**
Mphasis Europe BV	1,560,000	-
Mphasis Belgium BV	2,320,000	-
Unsecured loans repaid to other related parties	**-**	**670,000**
Mphasis Europe BV	-	670,000

The balances receivable from and payable to related parties are as follows:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Trade receivables from entities who have control over the company	**61,012**	**-**
Mphasis Limited	61,012	-
Trade receivables from other related parties	**209,724**	**57,794**
Wyde Corporation	6,262	
Mphasis UK Limited	154,280	14,694
Mphasis Belgium BV	49,182	43,058
Mphasis Australia Pty Limited	-	42
Trade payables to entities who have control over the company	**1,494,002**	**295,554**
Mphasis Limited	1,494,002	295,554
Trade payables to other related parties	**311,842**	**155,819**
Mphasis Corporation	6,278	-
Mphasis Europe BV	81,765	-
Mphasis UK Limited	223,758	155,779
Mphasis Poland z.o.o	41	40
Other receivables from entities who have control over the company	**-**	**2,028**
Mphasis Limited	-	2,028
Unsecured loans payable to other related parties	**5,610,000**	**1,730,000**
Mphasis Ireland Limited	300,000	300,000
Mphasis Europe BV	2,490,000	930,000
Mphasis Belgium BV	2,820,000	500,000
Interest payable on unsecured loans from other related parties	**32,099**	**8,389**
Mphasis Ireland Limited	1,455	1,455
Mphasis Europe BV	10,735	4,510
Mphasis Belgium BV	19,909	2,424

26. Certain employees of the company have received stock options and RSU's of the intermediate holding company, Mphasis Limited under the ESOP instituted by Mphasis Limited. All the ESOPs and RSU's are in respect of Mphasis Limited shares, where each stock option is equivalent to one share. Such cost aggregating to EUR23,815 (31 March 2021: EUR 5,712) has been cross charged to the company and the same has been charged to statement of profit and loss as Employee share based payments under the head Employee benefits expenses.

27. No specific contingent liability exist as on the balance sheet date.

28. Going Concern - As at the year ended 31 March 2022, the net worth of the Company is negative, however, basis internal assessment of its operations, the management has prepared its financial statements of the Company on a going concern basis and will continue its operations for the foreseeable future.

For ASA & Associates LLP
Chartered Accountants
ICAI Firm registration no: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
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Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 20 June 2022

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
38DB074723844F7...

Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date : 20 June 2022

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mphasis Poland Z.o.o

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Mphasis Poland Z.o.o ("the Company") which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Company for the year ended March 31, 2022 are prepared in all material respects in accordance with the accounting policies as set out in the basis of preparation paragraph of Note 2 in financial statements.

Emphasis of Matter

We draw attention to Note.24 to the financial statements, as at 31st March 2022, the net worth of the company stands completely eroded and its current liabilities exceeds its current assets, these conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statement of the company have been prepared by the management, on the basis of internal assessment and is reasonably certain that the company would operate as a going concern and accordingly no adjustments are considered necessary in these financial statements. Our opinion is not modified in this matter.

Other Matters

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors, inclusion in the annual report of Mphasis Limited as per the requirements under the Indian Laws and for internal use of the management and accordingly may not be Suitable for any other purpose. Further, we do not accept or assume responsibility to anyone other than the company, the company's, and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Responsibility for Management and those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting policies as set out in the basis of preparation. 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.

In preparing the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the operating effectiveness of the entity's internal 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.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For ASA & Associates LLP
Chartered Accountants
Registration No.009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:01:17 +05'30'

Vinay K.S
Partner
Membership No: 223085
UDIN:22223085ALDPZZ8102

Place: Bangalore
Date: 17th June, 2022

Mphasis Poland Zoo

Audited Financial Statements as at and for the year ended 31 March 2022

Mphasis Poland Sp. Z.o.o
Financial Statements

BALANCE SHEET			Amount in PLN
	Notes	**As at 31 Mar 2022**	**As at 31 March 2021**
ASSETS			
Non-current assets			
Property, plant and equipment	3	252,389	207,711
Total non-current assets		**252,389**	**207,711**
Current assets			
Financial assets	`		
Trade receivables			
Billed	4	2,403,293	2,396,897
Unbilled		93,330	53,018
Cash and cash equivalents	5	1,477,158	1,054,899
Loans	6	4,820	-
Other financial assets	7	784,525	752,371
Other assets	8	1,322,260	1,135,380
Deferred tax assets (net)	16	489,190	480,760
Total current assets		**6,574,576**	**5,873,325**
TOTAL ASSETS		**6,826,965**	**6,081,036**
		As at 31 Mar 2022	**As at 31 March 2021**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	100,000	100,000
Other equity	10	(252,452)	(295,569)
Total equity		**(152,452)**	**(195,569)**
LIABILITIES			
Borrowings	11	4,187,250	4,194,270
Trade payables	12	992,196	381,785
Other financial liabilities	13	1,128,115	956,373
Employee benefit obligations	14	286,624	350,061
Other liabilities	15	346,232	394,116
Income tax liabilities (net)	16	39,000	-
Total current liabilities		**6,979,417**	**6,276,605**
TOTAL EQUITY AND LIABILITIES		**6,826,965**	**6,081,036**
Summary of significant accounting policies.	2		

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Date: 2022.06.17 19:03:31 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

STATEMENT OF PROFIT AND LOSS **Amount in PLN**

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	17	7,047,675	6,048,268
Total income (I)		**7,047,675**	**6,048,268**
Expenses			
Employee benefits expense	18	4,970,222	4,897,589
Finance costs	19	206,337	202,019
Depreciation and amortization expense	3	110,228	96,565
Other expenses	20	1,686,946	1,214,258
Total expenses (II)		**6,973,733**	**6,410,431**
Profit/(loss) before tax (I) - (II)		**73,942**	**(362,163)**
Tax expenses	16		
Current tax		39,000	(37,977)
Deferred tax		(8,175)	(28,026)
Total tax expenses		**30,825**	**(66,003)**
Profit/(loss) for the year (A)		**43,117**	**(296,160)**
Other comprehensive income (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**43,117**	**(296,160)**
Earnings per share (Par value of PLN 500 per share)	21		
Basic & Diluted (PLN)		216	(1,481)
Summary of significant accounting policies.	2		

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of PLN 500 each issued, subscribed and fully paid	Number	Amount in PLN
As at 1 April 2020	200	100,000
Issue of share capital	-	-
As at 31 March 2021	200	100,000
As at 1 April 2021	200	100,000
Issue of share capital	-	-
As at 31 Mar 2022	200	100,000

b. Other equity

Amount in PLN

	Attributable to the equity holders of the Company	
	Retained earnings	**Total**
As at 1 April 2020	**591**	**591**
Profit for the year	**(296,160)**	**(296,160)**
As at 31 March 2021	**(295,569)**	**(295,569)**
As at 1 April 2021	**(295,569)**	**(295,569)**
Profit for the year	43,117	**43,117**
As at 31 March 2022	**(252,452)**	**(252,452)**

Summary of significant accounting policies. (Note 2)

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

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
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Date: 2022.06.17 19:04:12 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

Mphasis Poland Sp. Z.o.o
Financial Statements

STATEMENT OF CASH FLOWS		Amount in PLN
	Year ended 31 March 2022	Year ended 31 March 2021
Operating activities		
Profit/(loss) before tax	**73,942**	**(362,163)**
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Depreciation and amortization expense	110,228	96,565
Interest Expense	206,337	202,019
Unrealized exchange loss	6,010	64,362
Operating profit/(loss) before changes in operating assets and liabilities	**396,517**	**783**
Changes in Operating assets and liabilities		
Trade receivables and unbilled receivables	(46,708)	1,906,595
Loans	(4,820)	-
Other financial assets	(32,154)	(316,519)
Other assets	(186,880)	(196,256)
Trade payables	610,411	(15,543)
Other financial liabilities	(47,624)	(16,096)
Provisions and Employee benefit obligation	(63,437)	(118,771)
Other liabilities	(47,884)	31,240
Total changes in operating assets and liabilities	**180,904**	**1,274,650**
Income tax paid (net of refunds)	(255)	(54,445)
Net cash flow generated from operating activities (A)	**577,166**	**1,220,988**
Investing activities		
Purchase of Property, Plant and Equipment	(154,907)	(155,461)
Net Cash flow used in investing activities (B)	**(154,907)**	**(155,461)**
Financing activities		
Interest paid	-	(674,610)
Net Cash Flow used in financing activities (C)	-	(674,610)
Net increase in cash and cash equivalents (A+B+C)	**422,259**	**390,917**
Cash and cash equivalents at the beginning of the year	1,054,899	663,982
Cash and cash equivalents at the end of the year (refer note 5)	**1,477,158**	**1,054,899**

Summary of significant accounting policies. 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For ASA & Associates LLP
ICAI Firm registration number: 009571N/500006
Chartered Accountants

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Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mphasis Poland Zoo ('the Company') was incorporated on 19 May 2010 and is a subsidiary of Mphasis Limited. The Company is engaged in the business of rendering business and knowledge process outsourcing services, application maintenance and infrastructure outsourcing services. For the period upto 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for derivative financial instruments which is measured at fair value.

The financial statements are presented in Poland Zloty (PLN).

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

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items which are due after 12 months the period of 12 months being reckoned from the reporting date.

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

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

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues, impact on measurement of deferred tax assets / liabilities. The Company has considered available sources of information, both internal and external, upto the date of approval of the financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

Use of estimates, assumptions and judgements

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

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

- **Taxes**

  The company's major tax jurisdiction is Poland. Significant judgements are involved in determining the provision for income taxes, tax credits including the amount expected to be paid or refunded.

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

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

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

Revenue recognition

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

The Company derives its revenues primarily from rendering application development services, infrastructure management services and application maintenance & other services.

- Revenue from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from call center and business & knowledge process outsourcing operations arise from time-based, unit-priced and fixed price contracts. Revenues from infrastructure outsourcing services arise from time-based, unit-priced and fixed price contracts.
- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Fixed Bid monthly milestone-based recognition - The practical expedient of revenue equals invoicing is applied as the amounts invoiced directly correspond with the value of services transferred to the customer.
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions where customers are given a right to use intellectual property are recognised upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.
- Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price.
- In cases where implementation and / or customisation services rendered significantly modifies or customises the license, these services and license are accounted for as a single performance obligation and revenue is recognised over time using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

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

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

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

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple goods and services to a customer. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by Ind AS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Use of the percentage-of completion method in accounting for its fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Judgement is also exercised in determining provisions for estimated losses, if any, on uncompleted contracts based on the expected contract cost estimates as at the reporting date.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization. The assessment of this criteria requires the application of judgement when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates

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

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

Property, plant and equipment and intangible assets

Property, Plant and Equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for impairment, if any. Direct costs are capitalized until the assets are ready to be put to use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed under ‘other assets’.

The cost of property, plant and equipment not ready to use before the balance sheet date is disclosed under ‘Capital work in progress’.

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

Depreciation and amortization

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

The useful lives estimated by the management are given below:

(In Years)

Asset	Useful life estimated by the management
Computer equipment	3
Furniture and Fixtures	5
Building	20 or remaining lease term whichever is less
Lease hold Improvements	10 or remaining lease term whichever is less
Office equipment	5
Plant and equipment	4 to 7
Server and Networks	6
Software	3

In respect of plant and equipment, furniture and fixtures and vehicles, the management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets.

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

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

Impairment

a. **Financial assets (other than at fair value)**

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

b. **Non-financial assets**

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents, deposits with banks, trade receivables and eligible current and non-current assets;
- financial liabilities, which include short-term loans and borrowings, trade payables, eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

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

b. Financial assets at amortised cost

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

c. Financial assets at fair value through profit or loss

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in the statement of profit and loss. The gain or loss on disposal is recognized in the statement of profit and loss.
Interest income is recognized in the statement of profit and loss and for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Company's right to receive dividend is established.

d. Financial liabilities

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

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss as expenses.

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

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

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

De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

Retirement and other employee benefits

a. Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company.

b. Compensated absences

The cost of short term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Such compensated absences are provided for based on the valuation using the projected unit credit method at the year-end. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

Foreign Currencies

Transactions and balances

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

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

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

Income taxes

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

- **Current income tax**

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

- **Deferred income tax**

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

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

  Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

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

Earnings per share

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

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

Recent pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS -16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

3. PROPERTY, PLANT AND EQUIPMENT — **Amount in PLN**

	Office equipment	Leasehold improvements	Furniture and fixtures	Computer equipment	Servers and Network	Plant and equipment	Total
Cost							
At 1 April 2020	**105,242**	**21,691**	**98,292**	**231,459**	**201,595**	**37,959**	**696,238**
Additions	-	-	-	39,286	116,175	-	**155,461**
Disposals	-	-	-	-	-	-	-
At 31 March 2021	**105,242**	**21,691**	**98,292**	**270,745**	**317,770**	**37,959**	**851,699**
Additions	-	-	-	71,751	-	83,156	**154,907**
Disposals	-	-	-	-	-	-	-
At 31 March 2022	**105,242**	**21,691**	**98,292**	**342,496**	**317,770**	**121,115**	**1,006,606**
Depreciation							
At 1 April 2020	**96,101**	**21,691**	**72,618**	**179,044**	**145,768**	**32,201**	**547,423**
Charge for the year	4,024	-	11,389	42,562	34,480	4,110	**96,565**
Disposals	-	-	-	-	-	-	-
At 31 March 2021	**100,125**	**21,691**	**84,007**	**221,606**	**180,248**	**36,311**	**643,988**
Charge for the year	3,634	-	9,156	47,339	39,663	10,436	**110,228**
Disposals	-	-	-	-	-	-	-
As at 31 March 2022	**103,759**	**21,691**	**93,163**	**268,944**	**219,912**	**46,747**	**754,217**
Net Block							
At 31 March 2021	**5,117**	-	**14,285**	**49,139**	**137,521**	**1,648**	**207,711**
As at 31 March 2022	**1,483**	-	**5,129**	**73,552**	**97,858**	**74,368**	**252,389**

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
4. TRADE RECEIVABLES-BILLED				
Unsecured-considered good				
Trade receivables *	-	-	2,403,293	2,396,897
	-	**-**	**2,403,293**	**2,396,897**

* Includes receivables from related parties (refer note 22).

Amount in PLN

			As at 31 Mar 2022	As at 31 March 2021
5. CASH AND CASH EQUIVALENTS				
Balances with banks:				
In current accounts	-	-	1,477,158	1,054,899
	-	**-**	**1,477,158**	**1,054,899**

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
6. LOANS				
Unsecured - considered good				
Employee advances	-	-	4,820	-
	-	**-**	**4,820**	**-**

Amount in PLN

	Non current		Current	
	As at 31 March 2021	**As at 31 March 2020**	**As at 31 Mar 2022**	**As at 31 March 2021**
7. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Deposits	-	-	68,393	68,393
Derivative assets	-	-	9,661	-
Recoverable from related parties (refer note 22)	-	-	706,471	683,978
	-	**-**	**784,525**	**752,371**

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
8. OTHER ASSETS				
Unsecured - considered good				
Prepaid expenses	-	-	23,800	53,987
Indirect tax recoverable	-	-	1,298,460	1,081,393
	-	**-**	**1,322,260**	**1,135,380**

Particulars	**As at 31 Mar 2022**	**As at 31 March 2021**
9. EQUITY SHARE CAPITAL		
Authorised share capital		
200 (31 March 2021: 200) equity shares of PLN 500 each	100,000	100,000
Issued, subscribed and fully paid up shares		
200 (31 March 2021: 200) equity shares of PLN 500 fully paid-up	100,000	100,000
Total issued, subscribed and fully paid-up share capital	**100,000**	**100,000**

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

	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	**PLN**	**Number of shares**	**PLN**
At the beginning of the year	200	100,000	200	100,000
Outstanding at the end of the year	**200**	**100,000**	**200**	**100,000**

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

The company has only one class of equity shares having par value of PLN 500 per share. Each holder of equity shares is entitled to one vote per share.

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

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

	As at 31 Mar 2022	**As at 31 March 2021**
Mphasis Limited (immediate holding Company)		
200 (31 March 2021: 200) equity shares of PLN 500 each fully paid	100,000	100,000

*The ultimate holding company was Blackstone Capital Partners (Cayman II) VI L.P upto 9 August 2021, with effect from 10 August 2021, ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd

(d) Details of Shareholders holding more than 5% shares in the company

	As at 31 Mar 2022		As at 31 March 2021	
Name of Shareholders	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
Mphasis Limited (immediate holding Company)	200	100%	200	100%

(e) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

Amount in PLN

	As at 31 Mar 2022	As at 31 March 2021
10. OTHER EQUITY		
Retained Earnings		
Balance as per previous financial statement	(295,569)	591
Profit/(loss) for the year	43,117	(296,160)
Closing Balance	**(252,452)**	**(295,569)**
Total other equity	**(252,452)**	**(295,569)**

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
11. BORROWINGS				
Unsecured				
Loan from Mphasis Europe BV *	-	-	4,187,250	4,194,270
	-	-	**4,187,250**	**4,194,270**

* Terms of repayment - Immediately on demand.

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
12. TRADE PAYABLES				
Trade payables*	-	-	992,196	381,785
	-	-	**992,196**	**381,785**

* Includes payable to related parties (refer note 22).

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
13. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	279,034	316,054
Derivative liabilities	-	-	-	10,604
Interest on loan payable	-	-	849,081	629,715
	-	-	**1,128,115**	**956,373**

	Non current		Current	
	As at 31 Mar 2022	**As at 31 March 2021**	**As at 31 Mar 2022**	**As at 31 March 2021**
14. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	286,624	350,061
	-	-	**286,624**	**350,061**

Amount in PLN

	Non current		Current	
	As at 31 Mar 2022	As at 31 March 2021	As at 31 Mar 2022	As at 31 March 2021
15. OTHER LIABILITIES				
Statutory dues	-	-	346,232	394,116
	-	**-**	**346,232**	**394,116**

16. TAXES

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

	As at 31 Mar 2022	As at 31 March 2021
Taxes		
Current taxes	39,000	(37,977)
Deferred taxes	(8,175)	(28,026)
Total taxes	**30,825**	**(66,003)**

	As at 31 Mar 2022	As at 31 March 2021
Income tax liabilities (Net)		
Provision for taxation	39,000	-
Net income tax liabilities	**39,000**	**-**

	As at 31 Mar 2022	As at 31 March 2021
Deferred Tax Assets (Net)		
Deferred tax assets (Net)	489,190	480,760
Deferred tax liability	-	-
	489,190	**480,760**

	Year ended 31 Mar 2022	Year ended 31 March 2021
17. REVENUE FROM OPERATIONS		
Sale of services	7,047,675	6,048,268
	7,047,675	**6,048,268**

	Year ended 31 Mar 2022	Year ended 31 March 2021
18. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	4,088,792	4,069,722
Contribution to social security and other funds	780,750	758,757
Staff welfare expenses	100,680	69,110
	4,970,222	**4,897,589**

	Year ended 31 Mar 2022	Year ended 31 March 2021
19. FINANCE COSTS		
Interest expense	206,337	202,019
	206,337	**202,019**

		Amount in PLN
	Year ended 31 Mar 2022	**Year ended 31 March 2021**
20. OTHER EXPENSES		
Subcontracting charges	532,334	200
Software support and annual maintenance charges	51,462	47,706
Communication expenses	154,093	192,303
Facility expenses	285,192	220,531
Corporate support cost	140,612	151,635
Professional charges	72,745	184,965
Travel	26,220	62
Repairs and maintenance	28,496	23,267
Recruitment expenses	46,544	10,603
Foreign exchange loss, net	226,461	283,285
Power and fuel	26,247	32,525
Expected credit loss	397	(3,917)
Miscelleanous expenses	80,443	71,093
	1,686,946	**1,214,258**

	Year ended 31 Mar 2022	Year ended 31 March 2021
21. EARNINGS PER SHARE ('EPS')		
Profit for the year	43,117	(296,160)
Number of weighted average shares considered for calculation of basic earnings per share (par value PLN 500 per share)	200	200
Basic/Dilutive (PLN)	**216**	**(1,481)**

22. RELATED PARTY TRANSACTIONS

a. Entities where control exists:

The related parties which exercise control are as follows:

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

b. Other related parties with which transactions have taken place:

- Mphasis Corporation ('Mphasis USA')
- Msource (India) Private Limited ('Msource India')
- Mphasis Belgium BV ('Mphasis Belgium')
- Wyde Inc, France
- Mphasis Europe BV ('Mphasis Europe')
- Mphasis UK Limited ('Mphasis UK')
- Mphasis Deutschland GmbH ('Mphasis GmbH')
- Wyde Solutions Canada Inc ('Wyde Canada')
- Stelligent Systems LLC
- Wyde Corporation Inc.

The following is the summary of significant transactions with related parties by the Company: **Amount in PLN**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rendering of services to entities where control exists	**202,522**	**3,962**
Mphasis Limited	202,522	3,962
Rendering of services to other related parties	**5,914,102**	**5,466,243**
Mphasis USA	427,145	366,415
Wyde Canada	31,534	-
Stelligent Systems LLC	553,899	-
Mphasis Belgium	59,687	260,284
Msource India	1,752,638	1,892,965
Wyde Corporation Inc.	7,507	-
Mphasis GmbH	-	4,262
Mphasis UK	-	1,587
Mphasis Europe	98,272	340,056
Wyde Inc, France	2,983,420	2,600,673
Subcontracting charges from other related parties	**1,504**	-
Mphasis USA	1,504	-
Corporate support cost	**140,612**	**151,635**
Mphasis Limited	140,199	151,635
Mphasis USA	413	-
Interest expense on inter corporate deposits received from related parties	**206,337**	**202,019**
Mphasis Europe	206,337	202,019
Interest paid on inter corporate deposits received from related parties	-	**674,610**
Mphasis Europe	-	674,610
Expenses incurred by related parties where control exists on Company's behalf	**21,209**	**18,166**
Mphasis Limited	21,209	18,166
Expenses incurred by other related parties on Company's behalf	**29,852**	**31,746**
Mphasis USA	-	787
Mphasis UK	29,852	30,959
Expenses incurred on behalf of other related parties	-	**290,361**
Wyde Inc, France	-	290,361

The balances receivable from and payable to related parties are as follows:		**Amount in PLN**
Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Trade receivables - entities where control exists	**201,329**	**-**
Mphasis Limited	201,329	-
Trade receivable - other related parties	**2,171,174**	**2,334,381**
Mphasis USA	237,174	213,630
Wyde Corporation	5,138	-
Stelligent Systems LLC	686,378	-
Mphasis Europe	3,688	176,454
Mphasis UK	-	1,592
Wyde Inc, France	645,572	1,536,488
Mphasis Belgium	4,461	48,796
Msource India	588,763	357,421
Trade payables - entities where control exists	**109,464**	**62,595**
Mphasis Limited	109,464	62,595
Trade payables - other related parties	**15,460**	**22,467**
Mphasis USA	1,894	61
Mphasis GmbH	-	189
Mphasis UK	13,566	22,217
Inter-corporate deposits placed with other related parties	**4,187,250**	**4,194,270**
Mphasis Europe	4,187,250	4,194,270
Advances recoverable in cash or in kind or for value to be received, included in Loans and Advances from entities where control exists	**706,471**	**683,979**
Wyde Inc, France	704,376	683,979
Mphasis Belgium	2,095	-
Interest payable on inter corporate deposits received from related parties	**849,082**	**629,715**
Mphasis Europe	849,082	629,715

23. No specific contingent liabilities exist as on balance sheet date.

24. Going Concern

As at the year ended 31 March 2022, the net worth of the Company is negative and its current liabilities exceeds its current assets, however, basis internal assessment of its operations, the management has prepared its financial statements of the Company on a going concern basis and will continue its operations for the foreseeable future.

For ASA & Associates LLP
ICAI Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2022.06.17 19:05:28 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 17 June 2022

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 17 June 2022

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

Financial Statements
March 31, 2022 and 2021

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

UNAUDITED STATEMENTS OF FINANCIAL POSITION

		March 31	
	Note	**2022**	2021
ASSETS			
Current Assets			
Cash in banks	3	**₱1,787,300**	₱7,185,561
Other current assets	4	**3,008,911**	2,934,875
		₱4,796,211	₱10,120,436
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other liabilities	5	**₱1,379,937**	₱2,702,014
Equity			
Capital stock - ₱1 par value			
Authorized, issued and outstanding - 8,500,000 shares		**8,500,000**	8,500,000
Deficit		**(5,083,726)**	(1,081,578)
Total Equity		**3,416,274**	7,418,422
		₱4,796,211	₱10,120,436

See accompanying Notes to Unaudited Financial Statements.

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

UNAUDITED STATEMENTS OF INCOME AND CHANGES IN DEFICIT

		Years Ended March 31	
	Note	**2022**	2021
OTHER INCOME (CHARGES)			
Reversal of provision for probable loss	5	**₱497,096**	₱–
Foreign exchange loss		**(49,064)**	(441,831)
Interest income	3	**96**	96
		448,128	(441,735)
EXPENSES			
Professional fees		**4,237,209**	1,307,735
Taxes and licenses		**140,800**	128,892
Rent	7	**59,402**	59,400
Provision for probable loss	5	**–**	2,244,212
Others		**6,946**	2,072
		4,444,357	3,742,311
LOSS BEFORE INCOME TAX		**(3,996,229)**	(4,184,046)
PROVISION FOR INCOME TAX	8	**5,919**	–
NET LOSS		**(4,002,148)**	(4,184,046)
RETAINED EARNINGS (DEFICIT) AT BEGINNING OF YEAR		**(1,081,578)**	3,102,468
DEFICIT AT END OF YEAR		**(₱5,083,726)**	(₱1,081,578)

See accompanying Notes to Unaudited Financial Statements.

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

UNAUDITED STATEMENTS OF CASH FLOWS

	Note	**Years Ended March 31** **2022**	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		**(₱3,996,229)**	(₱4,184,046)
Adjustments for:			
Provision for (reversal of) probable loss	5	**(497,096)**	2,244,212
Unrealized foreign exchange loss		**49,064**	441,831
Interest income	3	**(96)**	(96)
Operating loss before working capital changes		**(4,444,357)**	(1,498,099)
Decrease (increase) in other current assets		**(74,036)**	318,126
Increase (decrease) in accrued expenses and other liabilities		**(824,981)**	111,563
Net cash used in operations		**(5,343,374)**	(1,068,410)
Income tax paid		**(5,919)**	–
Interest received		**96**	96
Net cash used in operating activities		**(5,349,197)**	(1,068,314)
DECREASE IN CASH IN BANKS		**(5,349,197)**	(1,068,314)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH IN BANKS		**(49,064)**	(441,831)
CASH IN BANKS AT BEGINNING OF YEAR		**7,185,561**	8,695,706
CASH IN BANKS AT END OF YEAR	3	**₱1,787,300**	₱7,185,561

See accompanying Notes to Unaudited Financial Statements.

NOTES TO UNAUDITED FINANCIAL STATEMENTS

1. **Corporate Information and Status of Operations**

Corporate Information

Mphasis Philippines, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on July 20, 2012 to provide information technology (IT) services and business process outsourcing to international clients. The Company started commercial operations on January 1, 2013.

The Company is a wholly-owned subsidiary of Mphasis PTE Ltd. (the Intermediate Holding Company), an entity incorporated and registered in Singapore.

The registered office address of the Company is 20th Floor, Picadilly Star Building, 4th Avenue corner 27th Street, Bonifacio Global City, Taguig City.

Status of Operations

On January 23, 2015, the Board of Directors (BOD) approved a formal plan to ramp down the Company's operations. Moreover, the cancellation of the Company's registration with the Philippine Economic Zone Authority (PEZA) was approved by the PEZA Board on April 28, 2015. In 2022, the Company incurred net loss amounting ₱4.0 million which resulted to a deficit of ₱5.1 million as at March 31, 2022. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. The Company is exploring local business opportunities which may support the Company's firm objective to continue the business as a going concern. Nevertheless, the Intermediate Holding Company will provide financial support to enable the Company to continue as a going concern.

2. **Summary of Significant Accounting Policies**

Basis of Preparation and Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standard for Small Entities (PFRS for SE) issued by the Philippine Financial Reporting Standards Council, the Board of Accountancy and the SEC.

The significant accounting policies that have been used in the preparation of the financial statements have been consistently applied to all years presented, unless otherwise indicated.

Measurement Bases

The financial statements have been presented in Philippine Peso, which is the functional currency of the Company. All amounts represent absolute values, unless otherwise indicated.

The financial statements of the Company have been prepared on the historical cost basis of accounting. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. 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 transaction date.

Basic Financial Instruments

The Company recognizes a financial asset and liability only when the Company becomes a party to the contractual provisions of the instrument.

The Company initially measures its financial assets and liabilities at the transaction prices unless the arrangement constitutes, in effect, a financing transaction. After initial measurement, financial assets and liabilities are measured at the undiscounted amount of cash or other consideration expected to be received or paid, less any allowance for impairment loss for financial assets.

If the arrangement constitutes a financing transaction, the Company initially measures the financial assets and liabilities at the present value of the future payments discounted at a market rate of interest for a similar instrument. These are subsequently measured at amortized cost using the effective interest method.

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized by the Company when:

- the rights to the cash flows from the assets have expired or are settled;
- the Company has transferred substantially all the risks and rewards of ownership of the financial asset; or
- the Company has retained some significant risks and rewards but has transferred control of the asset to another party.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Any difference between the carrying amount and the fair value of the consideration is recognized in profit or loss.

The Company classifies its cash in banks and accrued expenses as basic financial instruments.

Cash in Banks. Cash in banks are stated at face value and generally earn interest at prevailing bank deposit rates.

Accrued Expenses. Accrued expenses are obligations on the basis of normal credit terms and do not bear interest. These are recognized in the year in which the related goods or services are received or when a legally enforceable claim against the Company is established or when the corresponding assets or expenses are recognized. These are measured at undiscounted amount.

Impairment of Basic Financial Instruments

The Company assesses at the end of each reporting date whether there is objective evidence of impairment of any financial assets or group of assets that are measured at cost or amortized cost. If there is objective evidence of impairment, an impairment loss is recognized in the statement of income immediately.

If, in a subsequent date, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not been recognized. The amount of the reversal shall be recognized in profit or loss immediately.

Other Current Assets
Other current assets include input value-added tax (VAT) and prepayments. Other current assets are measured initially at transaction cost.

Input VAT. Revenue, expenses and assets are recognized, net of the amount of VAT, except:

- where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or

- receivables and payables that are stated with the amount of VAT included.

Prepayments. These represent prepayments professional fees and advances taxes paid. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to expense as these are consumed in operations or expire with the passage of time.

Prepayments that are expected to be realized for no more than 12 months after the financial reporting date are classified as current assets. Otherwise, these are classified as noncurrent assets.

Impairment of Nonfinancial Assets
At each reporting date, nonfinancial assets are reviewed to determine whether there is any indication that nonfinancial assets have suffered impairment losses. If there is an indication of possible impairment, the recoverable amount, which is the higher of fair value less costs to sell and value-in-use, of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statement of income.

If an impairment loss subsequently reverses, the carrying amount of the nonfinancial assets is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the nonfinancial assets in prior years. A reversal of impairment loss is recognized immediately in the statement of income.

Equity

Capital Stock. Capital stock is measured at par value of all shares issued and outstanding.

Deficit. Deficit represent the cumulative balance of net loss.

Interest Income
Interest income is recognized as the interest accrues, taking into account the effective yield on the asset.

Expense Recognition
Expenses are recognized in profit or loss upon consumption of goods or utilization of services at the date these are incurred.

Operating Leases
The determination of whether an arrangement contains a lease is based on the substance of the arrangement at the inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases where the lessor retains substantially all the risks and benefits of ownership are classified as operating leases. Operating lease payments are recognized as expense in profit or loss as incurred.

For income tax reporting purposes, expenses under operating lease agreements are treated as deductible expenses in accordance with the terms of the lease agreements.

Foreign Currency Denominated Transactions
The Company determines its own functional currency and items included in the financial statements are measured using that functional currency. Transactions in foreign currencies are recorded using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of each reporting date. All differences are recognized in profit or loss. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was measured.

For income tax reporting purposes, foreign exchange gains or losses are treated as taxable income or deductible expenses in the year such are realized.

Income Tax
The Company uses the deferred income taxes method to account for income taxes. Under this method, the Company recognizes the current and future tax consequences of transactions and other events that have been recognized in the financial statements. These recognized tax amounts comprise the current tax and deferred tax.

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and the tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred tax is provided on all temporary differences at the financial reporting date between the tax bases of assets and liabilities and its carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carryforward benefit of unused net operating loss carryover (NOLCO) and MCIT, to the extent that it is probable that sufficient future taxable profits will be available against which all deductible temporary differences and the carryforward benefits of unused NOLCO and MCIT can be utilized.

The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Related Party Relationships and Transactions
Related party transactions consist of transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals who, owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company (b) associates and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual. The key management personnel of the Company are considered to be related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on legal form.

Provisions
Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects the market assessments of the value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Contingencies
Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events after the Reporting Date
Events after the reporting date that provides additional information about the Company's financial position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are non-adjusting events are disclosed in notes to financial statements when material.

3. Cash in Banks

Cash in banks amounting to ₱1.8 million and ₱7.2 million as at March 31, 2022 and 2021, respectively, pertain to the Company's bank accounts and earn interest at the prevailing bank deposit rates. Dollar denominated cash in banks amounted to $6,443 and $78,572 as at March 31, 2022 and 2021, respectively.

Interest income earned from cash in banks amounted to ₱96 in 2022 and 2021.

4. Other Current Assets

This account consists of:

	2022	2021
Input VAT	**₱2,749,772**	₱2,714,386
Prepayments	**259,139**	220,489
	₱3,008,911	₱2,934,875

Prepayments pertain to advance payment for rental and advance taxes paid.

5. Accrued Expenses and Other Liabilities

This account consists of:

	2022	2021
Accrued expenses	**₱1,376,968**	₱457,802
Statutory payables	**2,969**	–
Provision for probable loss	**–**	2,244,212
	₱1,379,937	₱2,702,014

Accrued expenses are normally settled within the next financial year.

Statutory payables are normally settled within the subsequent month.

Provision for probable loss pertains to liabilities that may arise from potential claims against the Company. As allowed under PFRS for SE Section 16, *Provisions and Contingencies,* other required information are not disclosed so that the Company's position on these potential claims will not be compromised. In 2022, the Company recognized a reversal of provision amounting to ₱0.5 million.

6. **Related Party Transactions and Balances**

<u>Compensation of Key Management Personnel</u>
Compensation of key management personnel are shouldered by the Intermediate Holding Company at no cost to the Company.

<u>Compliance with the New Revenue Regulations</u>
In July 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 19-2020, prescribing the use of the new BIR Form No. 1709, *Information Return on Related Party Transactions*, and the required documentary attachments which include but not limited to transfer pricing documentation.

Subsequently, the BIR issued RR No. 34-2020 and Revenue Memorandum Circular (RMC) No. 54-2021 prescribing the guidelines and procedures for the submission of BIR Form 1709, transfer pricing documentation and other supporting documentations. The Company did not qualify on the criteria as set forth in the said issuances. Accordingly, the Company is not covered by the requirements and procedures provided by the RR and RMC.

7. **Lease Commitment**

The Company entered into a lease agreement for office space. The lease covered a period of one year from December 4, 2019 to December 3, 2020 and was not renewed.

The Company entered into a renewable lease agreement for a different office space, effective December 4, 2020 to December 3, 2021. In 2022, the Company renewed the lease agreement for another year until December 31, 2022.

Rent expense amounted to ₱59,402 and ₱59,400 in 2022 and 2021, respectively.

8. **Income Taxes**

The Company's provision for income tax on 2022 pertains to MCIT amounting to ₱5,919. In 2021, the Company has no current income tax since the Company is at taxable loss and gross loss position.

A reconciliation of income tax benefit computed at statutory rate and income tax expense as shown in the statements of income follows:

	2022	2021
Income tax benefit at statutory tax rate	**(₱799,246)**	(₱941,410)
Movement in unrecognized net deferred tax assets	**623,767**	(42,897)
Expired NOLCO	**280,837**	197,964
Tax effects of:		
Nontaxable income	**(99,420)**	–
Interest income subjected to final tax	**(19)**	(22)
Nondeductible expense	**–**	504,948
Effect of changes in income tax rates	**–**	281,410
Expired MCIT	**–**	7
	₱5,919	₱–

Net deferred tax assets were not recognized because the management believes that it is not probable that sufficient taxable profit will be available against which these can be utilized.

The component of the Company's unrecognized net deferred tax assets represent the tax effect on the following:

	2022	2021
Deferred tax assets on:		
NOLCO	**₱1,329,868**	₱840,204
Unrealized foreign exchange loss	**9,813**	–
MCIT	**5,919**	–
	1,345,600	840,204
Deferred tax liability on unrealized foreign exchange gain	**–**	(118,371)
	₱1,345,600	₱721,833

The details of NOLCO which can be claimed as deduction against future taxable income are as follows:

Year	Balance at Beginning of Year	Incurred	Expired/Applied	Balance at End of Year	Available Until
2022	₱	₱3,852,501	₱–	₱3,852,501	2027
2021	1,498,099	–	–	1,498,099	2026
2020	1,298,738	–	–	1,298,738	2023
2019	1,404,183	–	(1,404,183)	–	2022
	₱4,201,020	₱3,852,501	(₱1,404,183)	₱6,649,338	

Pursuant to the Republic Act No. 11494, *Bayanihan Recover as One Act*, and Revenue Regulations No. 25-2020, entities which incurred net operating loss for taxable year 2021 shall be allowed to carry over the same as a deduction from gross income for the next five consecutive taxable years immediately following the year of such loss.

MCIT incurred in 2022 amounting to ₱5,919 will expire in 2025. NOLCO and MCIT incurred in 2018 amounting to ₱879,842 and ₱7, respectively, expired in 2021.

On March 26, 2021, the Corporate Recovery and Tax Incentives for Enterprises ("CREATE") Act was approved and signed into law by the country's President. Under the CREATE, the regular corporate income tax (RCIT) of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. In addition, the minimum corporate income tax (MCIT) was changed from 2% to 1% of gross income for a period of three years. The changes in the income tax rates shall retrospectively become effective beginning July 1, 2020.

The Company has applied the changes in tax rates based on the provisions of the CREATE as at March 31, 2021 since the law has already been substantively enacted as at year-end.

9. **Supplementary Information Required by Bureau of Internal Revenue (BIR) under Revenue Regulations No. 15-2010**

The information for the year 2022 as required by the above Regulations is presented below.

Output VAT

There were no revenues earned and output VAT declared by the Company for the year ended March 31, 2022.

Input VAT

The movements in the input VAT paid for by the Company for the year ended March 31, 2022 are shown below:

Balance at beginning of year	₱2,653,697
Add current year's domestic purchases/payments for services	–
Balance at end of year	₱2,653,697

All Other Local and National Taxes

The Company's local and national taxes, which are included as part of "Taxes and licenses" in the statement of income for the year ended March 31, 2022 consist of:

Business permit	₱140,300
Annual registration fee	500
Total	₱140,800

Withholding Taxes

Expanded withholding taxes withheld/paid/accrued by the Company amounted to ₱5,940 for the year ended March 31, 2022.

Tax Assessment and Case

The Company has an ongoing tax assessment for taxable year 2014 covering various taxes. In 2018, the Company received a formal assessment notice which was subsequently protested by the Company on June 20, 2018. On December 3, 2020, the BIR issued a final decision on disputed assessment. The Company filed a Motion for Reconsideration to the BIR on December 29, 2020. As at report date, the Company still awaiting response from the BIR for the settlement of the assessment.

The Company has no pending tax cases in courts or other regulatory bodies outside BIR as at March 31, 2022.

Company Registration No. 199900603R

Mphasis Pte Ltd

Unaudited Annual Financial Statements
31 March 2022

Mphasis Pte Ltd

General Information

Directors

Subramanian Narayan
Manikantan Thyagarajan
Krishna Srinivasan (appointed on 24 Oct 2021)
Eric Gordon Winston
Kathryn Airth Terry

Secretary

Raja Muhammad Shah Bin Abdullah

Registered Office

6 Battery Road,
Level 42 ‘The Executive Centre’,
Singapore 049909.

Mphasis Pte Ltd

General Information

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Director’s statement for the financial year ended 31 March 2022

Opinion of the directors
In the opinion of the directors,

(i) The financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(ii) At the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors
The Directors of the Company in office at the date of this statement are:
Subramanian Narayan
Manikantan Thyagarajan
Krishna Srinivasan (appointed on 24 Oct 2021)
Eric Gordon Winston
Kathryn Airth Terry

Directors’ interests in shares and debentures

The following Directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50 (the “Act”), an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiary companies) as stated below:

Name of Directors	At the beginning of financial year	At the end of financial year
Mphasis Limited		
Ordinary shares		
Manikantan Thyagarajan	2558	6260
Subramanian Narayan	3672	3672
Eric Gordon Winston	Nil	26336
Kathryn Airth Terry	4630	3902
Krishna Srinivasan	Nil	Nil
Stock options		
Manikantan Thyagarajan	5842	2529
Subramanian Narayan	15670	5969
Eric Gordon Winston	43938	42772
Kathryn Airth Terry	8532	6233
Krishna Srinivasan	10000	16874
Restricted Stock Units(RSU)		
Manikantan T	Nil	1616
Subramanian Narayan	Nil	2600
Eric Gordon Winston	Nil	31685
Kathryn Airth Terry	Nil	2022
Krishna Srinivasan	Nil	8674
Msource (India) Private Limited		
Ordinary shares		
Manikantan Thyagarajan	200	200
Mphasis Philippines Inc.		
Shares		
Subramanian Narayanan	10	10

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Share Options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Change of control

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

Unaudited Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 March 2022

(In Singapore Dollars)

	Note	2022	2021
		$	$
Revenue	3	**14,805,084**	12,208,387
Other income	4	**453,803**	217,204
Staff cost	5	**(4,171,113)**	(2,832,222)
Subcontracting charges		**(9,288,560)**	(7,682,219)
Depreciation on plant and equipment	8	**(19,275)**	(13,493)
Allowance for expected credit loss		**(6,583)**	737
Administrative expenses		**(190,864)**	(221,525)
Other operating expenses		**(614,960)**	(378,350)
Profit before tax	7	**967,532**	1,298,519
Income tax expense	6	**(261,922)**	(152,051)
Profit for the year		**705,610**	**1,146,468**
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**705,610**	**1,146,468**

The accompanying notes form an integral part of the financial statement.

Unaudited Statement of Financial Position as at 31 March 2022

(In Singapore Dollars)

	Note	2022	2021
ASSETS		$	$
Non-current assets			
Plant and equipment	8	**29,125**	48,240
Deferred tax assets		**6,854**	(0)
Investment in a subsidiary	9	**90,798**	205,737
		126,777	253,977
Current assets			
Trade receivables	10(a)	**3,865,246**	2,133,813
Prepayments and other receivables	10(b)	**565,479**	375,165
Cash and cash equivalents	11	**1,334,633**	3,765,306
Loans to related party	12	**11,655,133**	8,204,232
		17,420,490	14,478,516
Total assets		**17,547,267**	14,732,493
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**3,600,000**	3,600,000
Retained earnings		**9,555,532**	8,849,923
Equity attributable to owners of the Company		**13,155,532**	12,449,923
Current liabilities			
Trade and other payables	13	**4,100,680**	2,080,609
Contract liabilities	14	-	27,960
Income tax payable		**242,052**	151,999
Deferred tax liabilities		**49,003**	22,002
Total liabilities		**4,391,735**	2,282,570
Total equity and liabilities		**17,547,267**	14,732,493

The accompanying notes form an integral part of the financial statement.

Unaudited Statement of Changes in Equity for the financial year ended 31 March 2022

(In Singapore Dollars)

	Attributable to equity owners of the Company		
	Share Capital	**Retained earnings**	**Total**
	$	$	$
Balance at 1 April 2019	3,600,000	6,785,478	10,385,478
Profit for the year	-	917,977	917,977
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	917,977	917,977
At 31 March 2020 and 1 April 2020	3,600,000	7,703,455	11,303,455
Profit for the year	-	1,146,468	1,146,468
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,146,468	1,146,468
At 31 March 2021 and 1 April 2021	3,600,000	8,849,923	12,449,923
Profit for the year	-	705,610	705,610
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	705,610	705,610
At 31 March 2022	**3,600,000**	**9,555,532**	**13,155,532**

The accompanying notes form an integral part of the financial statement.

Unaudited Statement of Cash Flows for the financial year ended 31 March 2022

(In Singapore Dollars)

	2022	2021
	$	$
Cash flows from operating activities:		
Profit before tax	**967,532**	1,298,519
Adjustments for:		
Allowance for expected credit loss	**6,583**	(737)
Interest income	**(453,803)**	(217,204)
Depreciation on plant and equipment	**19,275**	13,493
Impairment loss on investment in subsidiary	**114,939**	47,786
	654,526	1,141,857
Changes in working capital:		
Trade receivables and prepayment and other receivables	**(1,336,689)**	608,292
Trade and other payables	**1,173,756**	73,036
Contract liabilities	**(27,960)**	20,377
Amounts due to holding and related parties	**409,386**	678,709
Cash generated from operations	**873,019**	2,522,271
Income tax paid	**(151,721)**	(112,680)
Net cash generated from operating activities	**721,298**	2,409,591
Cash flows from investing activities		
Purchase of plant and equipment	**(160)**	(32,427)
Loans to related party	**(3,450,901)**	(8,204,232)
Interest received	**299,089**	77,291
Net cash used in investing activities	**(3,151,972)**	(8,159,368)
Net decrease in cash and cash equivalents	**(2,430,674)**	(5,749,777)
Cash and cash equivalents at beginning of year	**3,765,306**	9,515,083
Cash and cash equivalents at end of year	**1,334,633**	3,765,306

The accompanying notes form an integral part of the financial statement.

(In Singapore Dollars)

1. General

Mphasis Pte Ltd (the "Company") is a limited liability Company, which is incorporated and domiciled in Singapore. The immediate holding Company is Mphasis Europe BV, incorporated in the Netherlands. The intermediate holding companies are Mphasis Corporation, incorporated in the United States of America and Mphasis Limited, incorporated in India. For the period upto 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

The registered office of the Company is located at 6 Battery Road, Level 42 'The Executive Centre', Singapore 049909.
The Company is engaged in the business of rendering application development services, infrastructure management services and application maintenance and other services.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below. Further, the financial statements have been prepared on a going concern basis. The financial statements are presented in Singapore Dollars ($), which is the Company's functional currency.

2.2 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below -

Revenue recognition

Refer the policy on revenue recognition for discussion on judgements and estimates on revenue.

(b) Critical judgements made in applying accounting policies

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates.

2.3 Subsidiary and principles of consolidation

(a) Subsidiary

Subsidiary is an entity over which the Company has control. The Company controls an entity when the Company 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.

Investment in subsidiary is stated at cost less allowance for any impairment losses on an individual entity basis. On disposal of an investment in subsidiary, the difference between disposal proceeds and the carrying amount of the investment is recognised in the profit or loss.

(In Singapore Dollars)

2. Significant accounting policies (cont'd)

2.3 Subsidiary and principles of consolidation (cont'd)

(b) Exemption from preparation of consolidated financial statements

The financial statements are the separate financial statements of the Company. The Company is exempted from the preparation of the consolidated financial statements as:

i. the Company is a wholly owned subsidiary of Mphasis Europe BV, a company incorporated in the Netherlands;
ii. the Company's debt or equity instruments are not traded in a public market;
iii. the Company did not file, nor is in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and
iv. the Company's intermediate holding company, Mphasis Limited, produces consolidated financial statements that are available for public use. Mphasis Limited's registered office is located at Bagmane World Technology Center, Marathahalli Ring Road, Doddanakundi Village, Mahadevapura, Bengaluru – 560048.

2.4 Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in the statement of profit or loss and other comprehensive income.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and any cost directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of cost of the property, plant and equipment if obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computer hardware	3 years
Server & Networking Equipments	6 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

(In Singapore Dollars)

2. Significant accounting policies (cont'd)

2.6 Impairment of non-financial assets

Assets are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the income statement.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement
Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

The Company has the following financial assets subject to the expected credit loss impairment model under FRS 109:

- Cash and cash equivalent, and;
- Bank deposits
- Trade and other receivables

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Classification and subsequent measurement
Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company's financial assets at amortised cost comprise cash at bank and on hand and trade and other receivable (as stated above).

2. Significant accounting policies (cont'd)

2.7 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Derecognition
A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

Impairment of financial assets
The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward-looking information. An impairment loss is recognised either based on the 12-month probability of default or lifetime probability of default.

In respect of its financial assets, like trade receivables (including contract assets representing unbilled revenue), the Company recognises ECL based on lifetime expected losses. In respect of its other financial assets comprising of amounts due from related parties, deposits and other receivables, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month credit losses, or else at an amount equal to the lifetime expected credit losses.

(b) Financial liabilities

Initial recognition and measurement
Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Subsequent measurement
After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. These financial liabilities comprise accrued operating expenses.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Derivative financial instruments

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

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

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

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

(In Singapore Dollars)

2. Significant accounting policies (cont'd)

2.8 Cash and cash equivalents

Cash and cash equivalents comprise bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised in profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

2.11 Revenue

The Company derives its revenues primarily from rendering infrastructure management services, application development and application maintenance services. Revenues from rendering application development and maintenance services comprise income from time-and-material and fixed price contracts. Revenues from infrastructure management services arise from time-based, unit-priced and fixed price contracts.

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

Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc. The Company applies the practical expedient to recognize revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the entity's performance completed to date. Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort. Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from bundled contracts is recognized separately for each performance obligation based on their allocated transaction price. Provisions for estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current contract cost estimates.

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

2. Significant accounting policies (cont'd)

2.11 Revenue (cont'd)

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets. Unearned and deferred revenue (contract liability) is recognised when there are billings in excess of revenues. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition:

- The Company's contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Use of the percentage-of completion method in accounting for its fixed-price contracts requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Judgement is also exercised in determining provisions for estimated losses, if any, on uncompleted contracts based on the expected contract cost estimates as at the reporting date.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization. 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.

2.12 Employee benefits

(a) *Defined contribution plans*

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(In Singapore Dollars)

2. Significant accounting policies (cont'd)

2.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date). Management applies this exemption on lease to lease basis. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.14 Taxes

(a) Income tax

Current Income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is provided, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2. Significant accounting policies (cont'd)

2.14 Taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets and the carrying amount of deferred tax assets. The Company recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Company conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

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

(c) Goods and service tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.15 Related party transactions

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

(i) Has control or joint control over the Company;
(ii) Has significant influence over the Company; or
(iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
(vi) The entity is controlled or jointly controlled by a person identified in (a);
(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(In Singapore Dollars)

3. Revenue

	2022	2021
	$	$
Sale of services		
- External parties	**14,124,189**	11,679,327
- Related parties	**680,895**	529,060
	14,805,084	12,208,387

Disaggregation of revenue:

Services rendered	2022	2021
	$	$
Application services	**13,308,130**	11,520,391
Business process services	**768,576**	144,313
Infrastructure management services	**728,378**	543,683
	14,805,084	12,208,387

Project type	2022	2021
	$	$
Fixed bid	**1,729,929**	2,142,607
Time and material	**13,075,155**	10,065,780
	14,805,084	12,208,387

All the Company's revenues are recognised over time.

4. Other income

	2022	2021
	$	$
Interest income from bank deposits	**1,506**	26,357
Interest income from a related party	**452,297**	190,847
	453,803	217,204

5. Staff cost

	2022	2021
	$	**$**
Salaries, bonuses and other costs	**3,868,133**	2,632,419
Contributions to Provident Fund	**302,980**	199,803
	4,171,113	2,832,222

(In Singapore Dollars)

6. Income tax expenses

	2022	2021
	$	$
Current income tax		
Current financial year	**241,776**	152,000
Excess provision in respect of prior years	**-**	(19,949)
	241,776	132,051
Deferred income tax		
Origination of temporary differences	**20,146**	20,000
	20,146	20,000
Total Income tax expense	**261,922**	152,051

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows.

	2022	2021
	$	**$**
Profit before tax	**967,532**	1,298,519
Income tax using the statutory tax rate at 17% (2021: 17%)	**164,480**	220,748
Non-deductible expenditure	**94,227**	25,707
Income not subject to tax	**(4,545)**	(56,153)
Singapore statutory tax exemption	**(17,425)**	(17,425)
Impact of differential corporate tax rate of Singapore and malaysia (Singapore Tax rate:17% ; Malaysia tax rate:24%)	**24,736**	
Excess provision in respect of prior years		(19,949)
Others	**449**	(877)
	261,922	152,051

Deferred tax balances

Movements in deferred tax assets/(liabilities) during the financial year were as follows:

	At 1st April 2020	Recognised in profit or loss	At 31st Mar 2021	Recognised in profit or loss	At 31st Mar 2022
	$	$	$	$	$
Deferred tax assets/(liabilities)					
Plant and equipement	(5,000)	(3,000)	(8,000)	3,000.00	(5,000)
Interest receivables	(8,000)	(24,000)	(32,000)	(26,000.00)	(58,000)
Provisions and accruals	11,000	7,000	18,000	2854	20,854
Others	(2)		(2)		(2)
	(2,002)	(20,000)	(22,002)	(20,146)	(42,148)

(In Singapore Dollars)

7. Profit before tax

Profit before tax has been arrived at after charging:

	2022	2021
	$	$
Included in administrative expenses		
Short term leases	**70,939**	102,853
Included in other operating expenses		
Travelling expenses	**18,070**	3,297
Communication expenses	**18,097**	9,836
Recruitment expenses	**39,582**	3,780
Foreign exchange loss, net*	**172,635**	57,630
Corporate support services	**159,626**	125,346
Professional charges	**44,482**	111,558
Impairment loss on investment in subsidiary	**114,939**	47,786
Others	**47,528**	19,117

8. Plant and equipment

	Computer Equipment	Server & Neworking Equipments	Total
	$	$	$
Cost			
At 1 April 2020	54,791	15,406	70,197
Additions during the year	**32,427**	-	**32,427**
Disposal during the year	-	-	-
At 1 April 2021	87,218	15,406	102,624
Additions during the year	**160**	-	**160**
Disposal during the year	-	-	-
At 31 March 2022	**87,377**	**15,406**	**102,783**
Accumulated depreciation			
At 1 Apr 2020	39,762	1,129	40,891
Charge for the year	10,925	2,568	13,493
Deletions during the year	-	-	-
At 1 Apr 2021	**50,687**	**3,697**	**54,384**
Charge for the year	**16,708**	**2,567**	**19,275**
Deletions during the year	-	-	-
At 31 Mar 2022	**67,395**	**6,263**	**73,658**
Carrying Amount			
At 31 March 2022	**19,983**	**9,143**	**29,125**
At 31 March 2021	**36,531**	**11,709**	**48,240**

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(In Singapore Dollars)

9. Investment in a subsidiary

	2022	2021
Mphasis Philippines Inc.	$	$
8,499,977 (2020: 8,499,977) shares of common stock of PHP1.00 each fully paid-up	**205,737**	**253,523**
Less: Allowance for impairment loss	**(114,939)**	**(47,786)**
	90,798	**205,737**

During the financial year, management performed an impairment test for the investment in Mphasis Philippines Inc., as this subsidiary had been persistently making losses. An impairment loss of $ 114,939 (2021 - $ 47,786) was recognised to write down this subsidiary to its recoverable amount. The recoverable amount of the investment in Mphasis Philippines Inc. has been determined based on fair value less costs of disposal which is measured under Level 3 of the fair value hierarchy as disclosed in Note 18.

The details of the subsidiary are as follows:

Name of Subsidiary	Principal activities	Effective equity interest held by the Company	
		2022 (%)	2021 (%)
Mphasis Philippines Inc. *	Providing information technology services and business process outsourcing to international clients	99.99%	99.99%

* Mphasis Philippines Inc. was incorporated in Philippines on 20 July 2012. The financial statement of this subsidiary is audited by another firm of auditors, Reyes Tacandong and Co.

10. (a) Trade receivables

	2022	2021
	$	$
Trade receivables	**1,845,354**	1,116,860
Trade receivables - intermediate holding companies	**562,878**	127,221
Trade receivables - related parties	**-**	1,848
Contract assets (Unbilled revenue)	**1,467,038**	891,325
	3,875,270	2,137,254
Less: Allowance for impairment	**10,024**	3,441
	3,865,246	2,133,813

Trade receivables are non-interest bearing and are generally on 30 to 45 days' terms.

Contract assets representing unbilled revenue as at 2022 and 2021 which will be billed subsequently.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

(In Singapore Dollars)

10. (b) Prepayments and other receivables

	2022	2021
	$	$
Amounts due from related parties (non - trade)	**79,573**	76,453
Deposits	**12,600**	12,600
Derivative financial instruments	**57,508**	4,749
Other receivables	**49,629**	74,106
Advance tax and tax deducted at source	**2,923**	-
Prepayments	**20,794**	19,515
Contract assets	**26,711**	45,540
Interest on loans receivable from a related party	**342,398**	187,686
Income tax receivable	**55**	56
	565,479	375,165

Non–trade receivables from related parties are unsecured and have no fixed-terms of repayment.

Derivative financial instruments comprise of the United States Dollar currency forwards used to manage the exposure of receivables and payables in foreign currencies. The contracted notional principal amount of the derivative receivable outstanding at balance sheet date are USD 504,087 (2021: USD 2,586,519).

11. Cash and Cash equivalents

	2022	2021
	$	$
On current accounts	**1,334,633**	3,765,306
	1,334,633	3,765,306

12. Loans to a related party

Loans to Mphasis Wyde SASU is unsecured and is recoverable before 21 October 22 The loans are interest bearing at 5% above Euribor and subject to minimum 5% per annum.

Loans to Mphasis Australia Pty Limited is unsecured and is recoverable before 30 June 22 and term shall be automatically renewed for further periods of 12 months unless as terminated as provided in the agreement. The loans are interest bearing at @ 6-month BBSW + 275 bps per annum and shall be reset every Six months in tandem with BBSW/ Benchmark rate.

	2022	2021
	$	$
Loan given to Mphasis Wyde SASU	**7,824,620**	8,204,232
Loan given to Mphasis Australia Pty Limited	**3,830,513**	-
	11,655,133	8,204,232

(In Singapore Dollars)

13. Trade payables and other payables

	2022	2021
	$	$
Trade payables	**1,029,352**	575,112
Trade payables - intermediate holding companies	**1,908,735**	1,148,098
Trade payables - related parties	**32,031**	5,123
Non Trade payables - intermediate holding company	**58,770**	-
Accrued operating expenses	**1,068,997**	344,589
Derivative financial instruments	**2,795**	7,687
	4,100,680	2,080,609

Trade payables are non-interest bearing and normally settled (as per Purchase Order terms) up to on 60 days' terms.

Derivative financial instruments comprise of the Euro / AUD currency forwards used to manage the exposure of receivables and payables in foreign currencies. The contracted notional principal amount of the derivative payables outstanding at balance sheet date are EUR 5,276,438 (2021: EUR 5,319,000) and AUD 3,796,703 (2021: AUD Nil).

14. Contract liabilities

Contract liabilities relates to deferred revenue for software support and maintenance to be provided to certain customers. As at 31 March 2022, the deferred revenue is amounting to $ Nil (2021: $ 27,960). During the financial year, the Company recognised the entire opening balance of $ 27,960 as revenue.

Aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March 2022 is Nil (2021: $ Nil).

The Company has applied the practical expedient in paragraph 121 of FRS 115 and does not disclose information about its remaining performance obligations if:

(i) the performance obligation is part of a contract that has an original expected duration of one year or less; or
(ii) the Company has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

15. Share capital

	No. of shares		Share capital	
	2022	2021	2022	2021
			$	$
Issued and fully paid				
Balance at beginning and end of financial year	**3,600,000**	3,600,000	**3,600,000**	3,600,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and have no par value.

(In Singapore Dollars)

16. Related party transactions

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

(i) it possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or

ii) it is subject to common control or common significant influence.

In addition to that related party information disclosed elsewhere in the financial statements, the following is the summary of significant transactions with related parties by the Company:

	2022	2021
	$	$
Intermediate holding company - Mphasis Limited		
Services fees received/receivable	**440,691**	214,163
Subcontract charges paid/payable	**(7,349,879)**	(6,743,675)
Administrative & other charges paid/payable	**(159,626)**	(125,346)
Intermediate holding company - Mphasis Corporation USA		
Services fees received/receivable	**206,567**	313,049
Subcontract charges paid/payable	**(7,870)**	(15,166)
Other related parties		
Services fees received/receivable	**33,637**	1,848
Subcontract charges paid/payable	**(21,504)**	(85,850)

Key management personnel compensation

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the Company.

Key management personnel compensation comprised of:

	2022	2021
	$	$
Short-term employee benefits	**334,963**	171,815

(In Singapore Dollars)

17. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2022 $	2021 $
Financial assets at fair value through profit or loss		
Derivative financial instruments	**57,508**	4,749
Financial assets measured at amortised cost		
Trade receivables	**3,865,246**	2,133,813
Other receivables	**487,122**	350,845
Cash and cash equivalents	**1,334,633**	3,765,306
Loans to a related party	**11,655,133**	8,204,232
	17,342,134	14,454,196
Financial liabilities at fair value through profit or loss		
Derivative financial instruments	**2,795**	7,687
Financial liabilities measured at amortised cost		
Trade and other payables	**4,097,885**	2,072,922

18. Financial risk management

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Fair Value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

The below table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy.

(In Singapore Dollars)

18. Financial risk management (cont'd)

The fair value of financial instruments that are not traded in an active market (over-the-counter currency forwards) is determined using quoted forward exchange rates at the balance sheet date. These instruments are included in Level 2.

Particulars	2022				2021			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Derivative financial instruments	**57,508**	-	57,508	-	**4,749**	-	4,749	-
Liabilities								
Derivative financial instruments	**2,795**	-	2,795	-	**7,687**	-	7,687	-

Assets and liabilities not measured at fair value

Cash and cash equivalents and other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables (including trade balances due from/to holding and related companies) approximate their fair values as they are subject to normal trade credit terms.

Credit risk:

Risk Management
Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Company.

For trade receivables, the Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company does not require collateral from its customers. Credit risk is managed by each business unit subject to the Company's established policies, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Cash and cash equivalents and deposits are placed with banks which have high credit-ratings assigned by international and domestic credit rating agencies, hence the credit risk is limited.

Impairment of financial assets
The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward-looking information. An impairment loss is recognised either based on the 12-month probability of default or lifetime probability of default.

The Company recognises lifetime expected losses for trade receivables and contract assets. The amount of allowance on these balances is not significant. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The other receivables of the Company mainly related to intercompany balances which is perceived to have low credit risk.

(In Singapore Dollars)

18. Financial risk management (cont'd)

Credit risk (cont'd)

The Company's credit risk exposure in relation to trade receivables from contracts with customers are set out in the provision matrix as presented below.

	Trade receivables Days past due					
	Not past due $	1 to 30 days $	31 to 60 days $	61 to 90 days $	> 90 days $	Total $
31 March 2022						
Estimated total gross carrying amounts at default	1,616,285	1.663,815	179,234	65,262	350,674	3,875,270
ECL	(3,791)	(3,956)	(710)	75	(1642)	(10,024)
						3,865,246
31 March 2021						
Estimated total gross carrying amounts at default	1,840,442	190,395	78,023	26,144	2,250	2,137,254
ECL	(1,164)	(1,592)	(568)	(117)	-	(3,441)
						2,133,813

The allowance for lifetime expected credit loss as at 31 March 2022 and 31 March 2021 was $ 10,024 and $ 3,441 respectively.

The reconciliation is as follows.

	2022	**2021**
	$	**$**
At 1 April	**3,441**	**4,178**
Charge / (Reversal) for the year	**6,583**	**(737)**
At 31 March	**10,024**	**3,441**

Cash and cash equivalents and bank deposits are held with highly rated bank and financial institutions. No impairment allowances have been recorded.

Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. Company is not impacted materially by price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loans to a related party.
The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.
At the reporting date, if the interest rates had been 50 basis points higher/lower with all other variables held constant, the Company's profit before tax would have been $ 58,276 higher/lower, arising mainly as a result of higher/lower interest income on floating rate loans to a related party. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(In Singapore Dollars)

18. Financial risk management (cont'd)

Foreign currency risk

The Company transacts business in various currencies other than the functional currency of the Company and hence is exposed to foreign currency risks. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities as at the end of the financial year are as follows:

	2022				2021		
	USD	**MYR**	**AUD**	**EUR**	**USD**	**MYR**	**EUR**
Financial assets							
Trade receivables	1,617,500	1,124,802	-	-	886,868	118,692	-
Other receivables	199,364	-	19,474	325,847	164,404	3,560	187,686
Cash and cash equivalents	150,571	104,462	-	-	2,592,313	68,247	-
Loans to a related party	-	-	3,830,513	7,824,620	-	-	8,204,232
	1,967,436	**1,229,263**	**3,849,986**	**8,150,468**	**3,643,584**	**190,499**	**8,391,918**
Financial Liabilities							
Trade and Other payables	2,570,707	820,615		-	1,261,806	23,768	-
	2,570,707	**820,615**		**-**	**1,261,806**	**23,768**	**-**
Currency Exposure	**(603,272)**	**408,648**	**3,849,986**	**8,150,468**	**2,381,779**	**166,731**	**8,391,918**

Sensitivity analysis:

A 10% strengthening of Singapore Dollar against the foreign currencies denominated balances as at the reporting date would decrease/ (increase) profit before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit before tax	
	2022	**2021**
	$	**$**
United States Dollar	(60,327)	238,178
Malaysian Ringgit	40,865	16,673
Euro	815,047	839,192
AUD	384,999	-

A 10% weakening of Singapore Dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Liquidity risk:

Liquidity risk refer to the risk in which the Company encounters difficulties in meeting its short-term obligations. Liquidity risk are managed by matching the payment and receipt cycle.
The Company maintains sufficient cash and cash equivalents to meet its obligations as and when they fall due. The Company's operations are financed mainly through internally generated funds.

(In Singapore Dollars)

18. Financial risk management (cont'd)

Liquidity risk (cont'd)

Analysis of financial instruments by contractual maturities

	2022		
	Carrying amount	**Contractual cash flows**	**one year or less**
Financial liabilities			
Trade payables and other payables	**4,100,680**	**4,100,680**	**4,100,680**
	4,100,680	**4,100,680**	**4,100,680**

	2021		
	Carrying amount	**Contractual cash flows**	**One year or less**
Financial liabilities			
Trade payables and other payables	2,080,609	2,080,609	2,080,609
	2,080,609	2,080,609	2,080,609

The below table analyses the company's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**
2022			
Gross-settled currency forwards			
Receipts – USD	**504,087**	-	-
Payments – AUD	**(3,796,703)**		
Payments – EUR	**(5,276,438)**	-	-
2021			
Gross-settled currency forwards			
Receipts – USD	2,586,519	-	-
Payments – EUR	(5,319,000)	-	-

18. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

No changes were made in the objectives, policies and processes during the years ended 31 March 2022 and 31 March 2021.

The Company is not subject to any significant externally imposed capital requirements.

(In Singapore Dollars)

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

The outbreak of the Covid-19, formally declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets, with broad movement and other restrictions being implemented by many countries.

The Company has considered available sources of information, both internal and external, upto the date of approval of financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Notwithstanding this, management has assessed that the Company is still able to maintain sufficient liquidity to enable the Company to continue as a going concern for at least the next 12 months from the end of the reporting period.

Digital Risk, LLC and Subsidiaries

Unaudited Consolidated Financial Statements
Years Ended March 31, 2022 and 2021

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Unaudited Consolidated Balance Sheets

March 31,		2022		2021
Assets				
Cash and cash equivalents	**$**	**12,321,429**	$	10,158,507
Accounts receivable, net		**17,044,551**		18,493,632
Unbilled accounts receivable		**9,841,343**		18,537,176
Due from Member		**40,470,837**		30,030,930
Prepaid expenses and other assets		**2,982,131**		2,349,065
Total current assets		**82,660,291**		79,569,310
Plant, property and equipment, net		**3,603,587**		3,875,668
Operating lease right-of-use		**5,257,846**		9,569,180
Capital work in progress		**18,563**		206,740
Restricted cash		**17,812**		18,465
Deferred tax assets, net		**175,822**		217,932
Total noncurrent assets		**9,073,630**		13,887,985
Total assets		**91,733,921**		93,457,295
Liabilities and Members' Equity				
Accounts payable and accrued liabilities		**23,447,216**		22,421,035
Operating lease liabilities		**3,004,109**		4,265,232
Deferred revenue		**3,454,655**		3,547,176
Total current liabilities		**29,905,980**		30,233,443
Accounts payable and accrued liabilities		**-**		2,550,965
Operating lease liabilities		**2,873,851**		6,069,044
Total noncurrent liabilities		**2,873,851**		8,620,009
Total liabilities		**32,779,831**		38,853,452
Commitments and contingencies				
Members' equity:				
Common units, no par value, 10,000 units authorized,				
issued and outstanding		**17,337,179**		17,337,179
Accumulated earnings		**41,890,780**		37,414,352
Accumulated other comprehensive income/ (loss)		**(273,869)**		(147,688)
Total members' equity		**58,954,090**		54,603,843
Total liabilities and members' equity	**$**	**91,733,921**	$	93,457,295

See accompanying notes to consolidated financial statements.

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Statements of Comprehensive Income

Year ended March 31,		2022		2021
Revenue				
Revenue	**$**	**235,481,005**	$	216,427,196
Total revenue		**235,481,005**		216,427,196
Operating expenses				
Direct costs		**176,393,722**		173,861,099
General and administrative		**11,926,681**		10,522,263
Depreciation and amortization		**1,667,212**		1,821,364
Operating lease expenses		**4,264,720**		4,441,945
Sales and marketing		**7,349,173**		8,389,618
Total operating expenses		**201,601,508**		199,036,289
Operating income		**33,879,497**		17,390,907
Other income (expenses):				
Other income (expenses), net		**1,647,785**		1,151,873
Net income before income tax expenses		**35,527,282**		18,542,780
Income tax expenses		**(1,050,854)**		(1,308,632)
Net income		**34,476,428**		17,234,148
Foreign currency translation adjustment		**(128,836)**		77,707
Other comprehensive income		**2,655**		-
Comprehensive income	**$**	**34,350,247**	$	17,311,855

See accompanying notes to consolidated financial statements.

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Statements of Members' Equity

	Members' Equity								
	Units		Amount		Accumulated Earnings		Accumulated Other Comprehensive Income (loss)		Total Members' Equity
Balance, March 31, 2020	10,000	$	17,337,179	$	20,180,204	$	(225,395)	$	37,291,988
Foreign currency translation adjustment	-		-		-		77,707		77,707
Net income	-		-		17,234,148		-		17,234,148
Balance, March 31, 2021	**10,000**		**17,337,179**		**37,414,352**		**(147,688)**		**54,603,843**
Distributions to managing member	-		-		(30,000,000)		-		(30,000,000)
Foreign currency translation adjustment	-		-		-		(128,836)		(128,836)
Other comprehensive income	-		-		-		2,655		2,655
Net income	-		-		34,476,428		-		34,476,428
Balance, March 31, 2022	**10,000**	**$**	**17,337,179**	**$**	**41,890,780**	**$**	**(273,869)**	**$**	**58,954,090**

See accompanying notes to consolidated financial statements.

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Statements of cash flows

Year ended March 31,		2022		2021
Cash flows from operating activities:				
Net income	**$**	**34,476,428**	$	17,234,148
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization		**1,667,212**		1,821,364
Operating lease expenses		**4,264,720**		4,441,945
Profit on sale of fixed assets		**(110)**		-
Deferred income tax expense / (benefit)		**49,634**		(76,124)
Changes in operating assets and liabilities:				
Accounts receivable		**1,449,081**		(8,573,071)
Unbilled accounts receivable		**8,695,833**		(8,234,313)
Prepaid expenses and other assets		**(637,935)**		2,645,757
Accounts payable and accrued liabilities		**(1,524,784)**		16,540,973
Deferred revenue		**(92,521)**		(116,719)
Repayment of operating lease liabilities		**(4,409,702)**		(4,414,564)
Net cash provided by operating activities		**43,937,856**		21,269,396
Investing activities:				
Proceeds from sale of plant, property and equipment, net		**20,713**		16,286
Purchases of plant, property and equipment, net		**(1,415,734)**		(3,049,169)
Capital work in progress		**188,177**		(191,846)
Net cash used for investing activities		**(1,206,844)**		(3,224,729)
Financing activities:				
Due from Member		**(40,439,907)**		(12,561,357)
Net cash used in financing activities		**(40,439,907)**		(12,561,357)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash		**(128,836)**		77,707
Net increase in cash, cash equivalents, and restricted cash		**2,162,269**		5,561,017
Cash, cash equivalents, and restricted cash, beginning of year		**10,176,972**		4,615,955
Cash, cash equivalent, and restricted cash, end of year	**$**	**12,339,241**	$	10,176,972

Cash, Cash Equivalent, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets

Cash and cash equivalents	**$**	**12,321,429**	$	10,158,507
Restricted cash included in noncurrent assets		**17,812**		18,465
Total cash, cash equivalents and restricted cash	**$**	**12,339,241**	$	10,176,972

Supplemental disclosures of cash flow information:				
Cash paid for taxes	**$**	**1,593,646**		1,337,693
Noncash financing activities:				
Distributions made through reduction of dues from managing member	**$**	**30,000,000**		-

See accompanying notes to consolidated financial statements.

1. Description of business

Digital Risk, LLC (the "Company") is a limited liability company organized under the Delaware Limited Liability Act and was formed on July 19, 2005. The Company will continue in existence until dissolved by its management board. Affairs of the Company are governed by its Third Amended and Restated Limited Liability Company Agreement (the "LLC Agreement"). The Company develops and uses proprietary predictive modeling analytics and forensic underwriting tools to provide risk mitigation services to clients involved in residential mortgage investing activities. In addition, the Company also provides third party mortgage loan underwriting and processing services and activities. The Company is headquartered in Maitland, Florida, and has offices in New York, New York; Boca Raton, Florida; Denver, Colorado; Jacksonville, Florida; and Lake Mary, Florida and India.

The Company is majority-owned by Mphasis Wyde Inc. (the "Managing Member" or "Mphasis"), a wholly owned U.S. subsidiary of Mphasis Limited, an Indian-based software / IT service provider and a subsidiary of Marble II Pte Limited till 09 August 2021, effective from 10 August 2021 BCP Topco IX Pte. Ltd. is the Holding company.

2. Summary of significant accounting policies

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Accounts receivable

Accounts receivable, net of the allowance for doubtful accounts, represents amounts due from customers for forensic mortgage loan file review and mortgage loan origination application processing and underwriting services and are recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowance, management considers historical losses adjusted to take into account current market conditions and their customers' financial condition, the amount of receivables in dispute, and the current receivables aging and historical payment patterns. The Company reviews its allowance for doubtful accounts monthly. Past due account balances over 90 days are reviewed individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Based on management's evaluation of accounts receivable, allowance for doubtful accounts amounting to $108,060 and $127,207 were recorded at March 31, 2022 and 2021, respectively.

Unbilled accounts receivable

Unbilled accounts receivable represent work associated with forensic mortgage loan file review and mortgage loan origination application processing and underwriting services, which have been completed but not yet invoiced to the customer.

Plant, property, and equipment, net

Plant, property, and equipment are stated at cost less accumulated depreciation and amortization on a straight-line basis over the useful life of the assets. Equipment under capital leases are initially recorded at the present value of minimum lease payments and amortized over the shorter of useful of the assets or term of the lease.

Capitalized software for internal use, which is a component of plant, property and equipment, is recorded at cost less accumulated amortization. Capitalized software is amortized using the straight-line method over the estimated useful life. Advances paid towards purchase of software pending implementation are classified as capital work in progress in the consolidated balance sheets. These advances were $18,563 and $206,740 at March 31, 2022 and March 31, 2021, respectively.

The Company's policy for capitalization of internally developed software to be sold, licensed, or otherwise marketed is in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 985, Software. All costs incurred prior to the point at which technological feasibility is established for the computer software under development are charged to expense when incurred. Only costs incurred subsequent to the establishment of technological feasibility are capitalized. After technological feasibility has been established, costs of producing a marketable product and product masters are capitalized as a component of property and equipment and amortized on a straight-line basis over the estimated life of the software beginning at the date of general release to customers. During the years ended March 31, 2022 and 2021, no software development costs were capitalized. See further discussion under *Long Lived Assets* policy below.

Leases

The Company determines if an arrangement contains a lease at inception and determine the classification of the lease, as either operating or finance, at commencement.

Operating and finance lease assets and liabilities are recorded based on the present value of future lease payments over the lease term which factors in certain qualifying initial direct costs incurred as well as any lease incentives received. If an implicit rate is not readily determinable, the Company utilize our incremental borrowing rate and inputs from third-party lenders to determine the appropriate discount rate. Lease expense for operating lease payments are recognized on a straight-line basis over the lease term, which, if applicable, may factor in renewal or termination options. Finance leases incur interest expense using the effective interest method in addition to amortization of the leased asset on a straight-line basis, both over the applicable lease term. Lease terms may factor in options to extend or terminate the lease.

The Company adheres to the short-term lease recognition exemption for all classes of assets. As a result, leases with an initial term of twelve months or less are not recorded on the balance sheet and are recognized on a straight-line basis over the lease term. In addition, for certain equipment leases, the Company account for lease and non-lease component as permitted.

Deferred revenue

The Company defers revenue on customer advance payments received and advance billings for services related to in-process forensic loan file review or loan underwriting and origination services that have not yet been completed and delivered to the customer prior to the balance sheet date.

Long-lived assets

Plant, property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to the future discounted net cash flows expected to be generated by the assets. Identifiable cash flows are measured at the lowest level for which they are largely independent of the cash flows of other groups of assets and liabilities. If such assets are determined to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds their fair value. Fair value is generally determined based on various valuation techniques including discounted cash flow models, third-party appraisals and sales prices of comparable assets. There was no impairment of long-lived assets during the years ended March 31, 2022 and 2021.

Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. The adoption of ASC 606 did not have any material impact on the financial statements of the company. Revenue is recognized on forensic mortgage loan file reviews and mortgage origination application processing, due diligence, and underwriting services.

- Revenue from time and material, unit-priced contracts is recognized on an output basis, measured by units delivered, efforts expended etc.
- Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort
- Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.
- Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.
The Company provides customers with credits for services not meeting certain performance criteria under the contract at the time the adjustment is known which are recorded as a reduction in revenue The Company establishes allowances for the expected sales adjustments based on historical experience. As of March 31, 2022, the Company had no allowance for sales adjustments.

Revenue recognized but not billed to customers is classified either as Contract assets or Unbilled receivable. Contract assets primarily relate to unbilled amounts on those contracts where right to receive consideration is not unconditional. Unbilled receivable represents contracts where right to receive consideration is unconditional (i.e. only the passage of time is required).

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met. The Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Company has applied the practical expedient provided in ASC 606.
When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract, the Company accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred unless they meet the recognition criteria for an asset. Considering the nature of revenue contracts of the Company, revenue is recognized predominantly on the basis of Time & material / Volume.

Foreign currency translation

Assets and liabilities of the Indian division of one of the Company’s subsidiary are translated at period end exchange rates and related revenues and expenses are translated at average exchange rates in effect during the reporting periods. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income / (loss) in the consolidated statement of members’ equity. Foreign currency transaction gains and losses are recorded in other income, net on the consolidated statements of comprehensive income.

Stock-Based Compensation

The employees of the Company are eligible to participate in Employee Stock Option Plan (ESOPs) / Restricted Stock units (RSUs) of Mphasis Limited as per terms and conditions as specified in the plan. The plan is assessed, managed and administered by Mphasis Limited. Mphasis Limited has charged to the Company such compensation costs upon grant of shares to the employees based on the fair value of the equity settled transactions using an appropriate pricing model (Black Scholes model).

Income taxes

The Company has elected to be taxed as a disregarded entity for federal income tax purposes. Under this election, the Company's income or loss is passed through to the Managing Member for inclusion in their separate income tax returns.

The Company identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the consolidated balance sheet. The Company has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Fair value measurements

The Company reports its financial assets and liabilities using a three-tier hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 – Valuation based on unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2 – Valuation based on observable quoted prices for similar assets and liabilities in active markets.
Level 3 – Valuation based on inputs that are unobservable and are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

The Company does not have any Level 1, 2 or 3 financial instruments as of the reporting dates.
Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include accounts receivable, unbilled accounts receivable, accounts payable and accrued liabilities. The fair value of the Company's capital lease obligations is estimated based on current rates that would be available for debt of similar terms which is not significantly different from its stated value.

3. Concentration of credit risk

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and accounts receivable. Cash is maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company places its funds with high credit quality financial institutions and does not believe it is exposed to any significant credit risk on cash. The Company has never experienced any losses related to these balances.

The Company primarily provides forensic mortgage loan file reviews, risk mitigation services, and mortgage underwriting and loan origination services to large mortgage banking companies, which has led to concentrations of revenue and accounts receivable with a relatively small number of customers. As of March 31, 2022, and 2021, the Company had 73%, and 61% respectively, of billed and unbilled accounts receivable due from two customers. For the year ended March 31, 2022, two of the Company's customers accounted for 68% of total revenue. For the year ended March 31, 2021, two of the Company's customers accounted for 71% of total revenue. The Company is required to have a mortgage broker or lender license in the majority of the states it conducts its business. Failure to maintain valid licenses in these states will significantly impact the Company's operational results.

4. Restricted cash

Restricted cash represents a deposit made with regulatory authority for allowing the removal of goods without payment of duty.

5. Plant, property, and equipment, net

The components of plant, property and equipment are as follows:

	Depreciable Life	**2022**	**2021**
Computer equipment	3 years	**$ 5,229,265**	$ 4,825,144
Purchased software	1-3 years	**3,868,784**	3,627,889
Furniture and fixtures	5 years	**2,398,006**	2,633,581
Office equipment	5 years	**1,028,214**	1,023,038
Plant and machinery	7 years	**419,297**	416,142
Leasehold improvements	Lesser of 10 years or lease term	**864,995**	867,029
Servers and network equipment	6 years	**4,452,970**	3,832,927
Capitalized software for internal use	7 years	**4,000,270**	4,000,270
Total plant, property and equipment		**22,261,801**	21,226,020
Less accumulated depreciation and amortization		**(18,658,214)**	(17,350,352)
Total plant, property and equipment, net		**$ 3,603,587**	$ 3,875,668

6. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

March 31,		2022		2021
Accrued payroll and related expenses	**$**	**16,082,381**	$	18,642,870
Accrued vacation		**2,219,515**		2,301,328
Accounts payable and other accrued expenses		**5,145,320**		4,027,802
	$	**23,447,216**	$	24,972,000

7. Leases

Operating leases

The Company has noncancelable operating leases, primarily for office space, that expire at various dates ranging from May 2022 to January 2028. Rental expense for operating leases for the years ended March 31, 2022 and March 31, 2021, were $4,264,720 and $4,441,945, respectively, and are included in operating lease expenses in the accompanying consolidated statements of comprehensive income.

Lease expense

Year ended March 31,		2022		2021
Operating lease expense	$	4,264,720	$	4,441,945
Short-term lease expense		12,926		11,954
Variable lease expense		993,326		800,218
Sublease income		(1,606,985)		(1,104,375)
Total	**$**	**3,663,987**	$	4,149,742

Cash paid for amounts included in the measurement of operating lease liabilities

March 31,		2022		2021
Operating cash flows	$	4,409,702	$	4,414,564
Operating lease right-of-use obtained in exchange for operating lease liabilities		5,257,846		9,569,180
Weighted-average remaining lease term (in years) operating leases		2.73		3.08
Weighted-average discount rate operating leases		6%		5%

Future minimum lease payments due under non-cancelable operating leases with initial or remaining lease term in excess of one year as of March 31, 2022, are as follows:

Year ended March 31,		2022		2021
Year-1	$	3,241,947	$	4,671,281
Year-2		1,519,906		3,380,625
Year-3		740,852		1,540,627
Year-4		319,937		757,828
Year-5		355,931		331,675
Thereafter		275,945		655,061
Total minimum payments		**6,454,518**		11,337,098
Less:Present value of discount		(576,558)		(1,002,822)
Operating lease liabilities	**$**	**5,877,960**	$	10,334,276

8. Income taxes

Income tax expense consists of the following:

Year ended March 31,		2022		2021
Current - foreign	**$**	**1,001,220**	$	1,384,756
Deferred - foreign		**49,634**		(76,124)
	$	**1,050,854**	$	1,308,632

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

March 31,		2022		2021
Deferred tax assets – employee benefits and others	**$**	**159,857**	$	198,359
Deferred tax assets – depreciation		**15,965**		19,573
Deferred tax assets, net	**$**	**175,822**	$	217,932

Income tax expense consists of the following:

Year ended March 31,		2022		2021
Current - foreign	**$**	**1,001,220**	$	1,384,756
Deferred - foreign		**49,634**		(76,124)
	$	**1,050,854**	$	1,308,632

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

March 31,		2022		2021
Deferred tax assets – employee benefits and others	**$**	**159,857**	$	198,359
Deferred tax assets – depreciation		**15,965**		19,573
Deferred tax assets, net	**$**	**175,822**	$	217,932

9. Commitments and contingencies

Litigation

The Company is subject to certain legal actions arising in the normal course of business, none of which is expected to have a material adverse effect on its results of operations, financial condition, or cash flows.

10. Related party transactions

As of March 31,2022, and 2021, $40,470,837 and $30,030,930, respectively, were due to the Company from its Managing Member, Mphasis Wyde Inc., and other group companies for cash advanced and other expenses incurred by the Company on their behalf. There are no repayment terms or interest accrued on the outstanding balance. During the years ended March 31, 2022 and 2021, approximately $11,000,000 and $13,000,000, respectively, were advanced to the Managing Member.

During the years ended March 31, 2022 and 2021, the Company made noncash distributions of $30,000,000 and $nil, respectively, to the Managing Member.

The Company recognized approximately $1,150,000 and $2,200,000 of revenue during the years ended March 31, 2022 and 2021, respectively, by providing certain support services to various group companies and are recorded in revenue before reimbursements in the accompanying consolidated statements of comprehensive income.

During the years ended March 31, 2022 and March 31, 2021, the Mphasis Limited (Intermediate parent company) provided various support services to the Company in the amount of approximately $3,770,000 and $3,880,000, respectively, of which $700,000 and $800,000, respectively, are included in direct costs and $3,077,000 and $3,080,000, respectively, are included in general and administrative expense in the accompanying consolidated statements of comprehensive income.

The Company avails software integration and development service from various group companies. During the year ended March 31, 2022 and March 31, 2021, the Company has recorded approximately $990,000 and $1,720,000, respectively, and are included in Direct costs in the accompanying consolidated statements of comprehensive income.

Mphasis Limited subleases its office space to the Company which expires in October 2024. During the years ended March 31, 2022 and March 31, 2021, rent expense paid to Mphasis Limited amounted to approximately $274,000 and $258,000, respectively, and are included in operating expenses in the accompanying consolidated statements of comprehensive income. Future minimum lease payments to Mphasis Limited as of March 31, 2022 are as follows:

Year ended March 31,		2022		2021
2022	$	-	$	245,316
2023		**255,249**		264,615
2024		**255,249**		264,615
2025		**142,721**		147,957
	$	**653,219**	$	922,502

The Company has subleased office space to Mphasis Corporation (subsidiary of Mphasis Ltd) which at various dates ranging from

July 2022 to August 2023. During the years ended March 31, 2022 and March 31, 2021, rent income from Mphasis Corporation amounted to approximately $1,400,000 and $1,100,000, respectively, and are included in other income in the accompanying consolidated statements of comprehensive income.

The Company has subleased office space to Mphasis Limited US Branch (branch of Mphasis Ltd) which at various dates ranging from July 2021 to May 2022. During the year ended March 31,2022 rent income from Mphasis Limited US Branch amounted to approximately $220,000 and is included in other income in the accompanying consolidated statements of comprehensive income.

11. Employee benefit plans

Defined contribution plan

The Company maintains a defined contribution plan (the "Plan") that covers all employees of Digital Risk, LLC and its participating affiliates. Participants may contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company may make annual discretionary matching contributions. For the years ended March 31, 2022 and 2021, the Company did not make any matching contributions to the Plan.

Defined benefit plan

The Company operates a gratuity defined benefit plan (the "Plan") exclusively for the benefit of employees at their location in India. The Plan is governed by the India Payment of Gratuity Act, 1972 (the "Act"). Under the Act, employees who have completed five years of service are entitled to specific benefits. The level of benefits provided depends on the employee's length of service and salary at retirement age. The funding liability under the Plan is actuarially determined, based on a rate of interest of 6.38% (6.15% for March 31, 2021) and a retirement age of 60 years (60 years for March 31, 2021) and was $84,000 as of March 31, 2022 and $ 84,000 for March 31, 2021. The liability is included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets. Actuarial losses recognized during the year ended March 31, 2022 was $18,000, and $15,000 during the year ended March 31,2021 and are included in general and administrative expenses on the accompanying statement of comprehensive income.

12. Subsequent events

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

Mphasis Corporation

Unaudited financial statements as at and for the year ended March 31, 2022

(Amounts expressed in $ except as otherwise stated)

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2022

		March 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	10,722,213
Accounts receivable, net		15,287,768
Unbilled receivables		27,602,228
Receivable from related parties		93,482,659
Loans given to related parties		1,494,749
Other current assets		6,011,580
Total current assets	**$**	**154,601,197**
Property and equipment, net	$	6,015,016
Capital work-in-progress		1,421,902
Operating lease-right-of-use		10,731,305
Investment in subsidiaries		165,142,525
Deferred tax asset, net		2,934,980
Loans given to related parties		18,000,000
Other non - current assets		350,920
Total non-current assets	**$**	**204,596,648**
Total assets	**$**	**359,197,845**
Liabilities and Stockholder's equity		
Current liabilities:		
Borrowings	$	36,183,315
Loans taken from related parties		2,013,057
Accounts payable and accrued expenses		57,269,172
Operating lease liabilities		1,748,441
Payable to related parties		27,557,871
Income taxes payable		2,358,404
Deferred revenue		2,569,302
Other current liabilities		32,950,079
Total current liabilities	**$**	**162,649,641**
Operating lease liabilities	$	9,547,087
Income taxes payable		3,006,731
Other non-current liabilities		10,930,725
Loans taken from related parties		26,000,000
Total non - current liabilities	**$**	**49,484,543**
Total Liabilities	**$**	**212,134,184**
Stockholders' equity		
Common stock; $0.01 par value; 3,187 shares authorised,shares issued and outstanding	$	32
Additional paid-in capital		42,840,612
Retained earnings		104,223,017
Total Stockholders' equity	**$**	**147,063,661**
Total liabilities and Stockholders' equity	**$**	**359,197,845**

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue	$	217,061,840
Revenue from related parties		331,069,756
Total revenue	$	548,131,596
Cost of revenue (excluding depreciation and amortization)		457,128,064
Gross profit	$	91,003,532
General and administrative	$	22,289,097
Sales and marketing		44,774,695
Depreciation and amortization		2,738,439
Operating lease expenses		3,220,936
Foreign exchange gain, net		(63,731)
Total operating expenses	**$**	**72,959,436**
Operating income	**$**	**18,044,096**
Other income, net:		
Interest and other income net		5,312,506
Interest expense		(3,286,050)
Total other income, net	**$**	**2,026,456**
Profit before income taxes	$	20,070,552
Tax expense		5,749,299
Net profit	**$**	**14,321,253**
Other comprehensive income		-
Comprehensive income	**$**	**14,321,253**

The accompanying notes are an integral part of these financial statements

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2022

	Capital stock	Additional paid-in capital	Retained earnings	Stockholders' equity
Balance at March 31, 2021	**$ 32**	**$ 42,840,612**	**$ 89,901,764**	**$ 132,742,408**
Comprehensive income				
Net profit	-	$ -	$ 14,321,253	14,321,253
Balance at March 31, 2022	**$ 32**	**$ 42,840,612**	**$ 104,223,017**	**$ 147,063,661**

The accompanying notes are an integral part of these financial statements

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Operating activities:		
Net profit	$	14,321,253
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation		2,738,439
Opreating lease expenses		3,220,936
Provision for expected credit loss		552,510
Profit on sale of property and equipment		2,037
Interest expenses		3,286,050
Interest income		(1,314,456)
Dividend Income		(4,000,000)
Deferred tax		(943,983)
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		(6,260,224)
Receivable from related parties		(40,921,937)
Other assets		(422,389)
Accounts payable and accrued expenses		31,937,997
Repayment of operating lease liabilities		(2,807,344)
Payable to related parties		18,525,671
Income taxes payable		2,476,857
Deferred revenue		(541,964)
Other liabilities		15,152,220
Net cash flow from operating activities	**$**	**35,001,673**
Investing activities		
Purchase of property and equipment		(2,822,044)
Proceeds from sale of property and equipment		2,771
Dividend received		4,000,000
Interest received		3,886
Loans given to related parties		95,120,000
Loans repaid by related parties		(55,070,736)
Net cash flow used in investing activities	**$**	**(52,342,922)**
Financing activities		
Loans taken from related parties		43,200,000
Loan repaid to related parties		(18,857,473)
Availment of borrowings		151,447,443
Repayment of borrowing		(162,211,680)
Net cash flow generated from financing activities	**$**	**13,578,290**
Net decrease in cash and cash equivalents	$	(3,762,959)
Cash and cash equivalents at the beginning of the year		14,485,172
Cash and cash equivalents, end of the year	**$**	**10,722,213**
Supplementry disclosure of cash flow information:		
Cash paid for income taxes		4,216,425
Interest paid		3,095,124
Lease payments		2,807,344

The accompanying notes are an integral part of these financial statements

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

NOTE 1 – CORPORATE INFORMATION

Nature of Business

Mphasis Corporation ('the Company') was incorporated on 17 September 1998 and is a wholly owned subsidiary of Mphasis Limited ('parent company'). The Company is engaged in the business of rendering software services and projects, infrastructure outsourcing services, call center & business process outsourcing services and application services. For the period up to 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

As required by its parent company Mphasis Limited India, the special purpose financial statements are prepared in accordance with recognition and measurement principles referred to in generally accepted accounting standards in the United States of America ("U.S. GAAP") except for consolidation of its wholly-owned subsidiaries namely, Mphasis Europe B.V., Mphasis Infrastructure Services Inc., Stelligent Systems LLC, Mphasis Solutions Services Corporation and Blink Interactive Inc., accordingly, the financial statement do not purport to follow U.S. GAAP to this extent.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for costs and efforts expected to be incurred to complete performance under revenue recognition, allowance for doubtful accounts, the useful lives of plant and equipment and income taxes. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents.

Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from time and material, unit-priced contracts are recognized based on the number of hours worked at an agreed upon rate per hour and is recognized during the period in which the services are performed.

Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled account receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met. The Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Company has applied the practical expedient provided in ASC 606.

When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract, the Company accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of bank balance and accounts receivable. The Company believes it mitigates any risks by banking with major financial institutions of high credit rating.

The Company maintained $ 9,999,344 in the bank accounts within the United States and $ 722,869 in the bank and cash accounts in other foreign branches at March 31, 2022. The Company does not expect the maintenance of cash reserves in foreign countries to be a risk.

The Company provides credit to customers in the normal course of business. Credit risk is affected by conditions or occurrences within the economy. Collateral is not required for accounts receivable, but ongoing credit evaluations of customers' financial condition are performed. Management provides for an allowance for doubtful accounts on a specifically identified basis, as well as through historical experience applied to an aging of accounts.

The Company had certain customers whose revenue individually represented 10% or more of the Company's total revenue. For the year ended March 31, 2022, two customers have accounted for 33% of revenue and no other customer has accounted for more than 10% of revenue. As March 31, 2022, these customers accounted for 6% of accounts receivable.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximise the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Company considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, accounts payable, and borrowings to approximate the fair value of the respective assets and liabilities at March 31, 2022 and upon the short-term nature of the assets and liabilities.

Accounts receivable

Accounts receivables are stated net of an allowance for doubtful accounts. On a periodic basis, the Company evaluates its receivables and establishes an allowance for doubtful accounts based on historical experience and other currently available information. Provision for expected credit loss as at March 31, 2022 is $ 2,465,918.

Deferred revenue

Deferred revenue consists of billings or payments received in advance of revenue recognition and it is recognised as the revenue recognition criteria are met. Deferred revenue includes certain professional services fees and licensing revenues where all the criteria for recognition were not met. Deferred revenue that will be recognised over the succeeding 12-month period is recorded as current and the remaining portion is recorded as non-current.

Foreign currency transaction

The Company's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and loss are recognised in statement of comprehensive income.

Property and equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years. Leasehold improvements are amortised over the shorter of the asset life or the term of the applicable office lease. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalised. When assets are retired or otherwise disposed off, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Investments

Investments consist of equity investment in subsidiaries. Equity securities are measured at fair value with changes in fair value recognized in Statement of comprehensive income and other investments in equity securities that do not have readily determinable fair values are measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions.

Leases

The Company has operating leases for office spaces. The Company determines if a contract is, or contains, a lease at inception. A contract is, or contains, a lease if the contract conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration. The Company has the right to control the use of the identified asset when the Company has both of the following: the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. In making this determination, the Company considers all relevant facts and circumstances. Operating lease right-of-use ("ROU") assets are included in non-current assets and operating lease obligations are included in current liabilities on the accompanying balance sheet.

The Company's ROU assets are recognized as the lease obligation, including any initial indirect costs and any prepaid lease payments, less any lease incentives. The Company's lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Lease payments consist of amounts relating to the use of the underlying asset during the lease term, specifically fixed payments, payments to be made in optional periods when the Company is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease and the amounts probable of being owed by the Company under residual guarantees. Variable lease payments are excluded in measuring ROU assets and lease obligations because they do not depend on an index or a rate and are not in substance fixed payments. The Company excludes lease incentives and initial direct costs incurred from lease payments. The Company's leases typically do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments.

For operating leases, after lease commencement, the Company measures lease obligations for each period at the present value of any remaining lease payments, discounted by using the rate determined at lease commencement. The Company recognizes a single operating lease expense calculated on a straight-line basis over the remaining lease term. The depreciation of the ROU asset increases each year as a result of the declining lease obligation balance.

(Amounts expressed in $ except as otherwise stated)

In the accompanying statement of comprehensive income, the Company recognizes lease expenses under operating lease expenses.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are tested for impairment, based on undiscounted cash flows, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable and, if impaired, written down to fair value.

Impairment of investments

Equity investments without readily determinable fair values are written down to fair value if a qualitative assessment indicates that the investment is impaired, and the fair value of the investment is less than carrying value.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, "Income Taxes" (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's financial statements recognize the current and deferred income tax consequences that result from the Company's activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the consolidated income tax return group.

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income.

NOTE 3 – REVENUE

Movement in contract assets:		**March 31, 2022**
Balance at the beginning of the year	$	333,295
Revenue recognized during the year		(14,292)
Invoiced during the year		(312,907)
Closing balance	**$**	**6,096**

Movement in unearned revenue:		**March 31, 2022**
Balance at the beginning of the year	$	3,111,264
Revenue recognized during the year		(3,611,137)
Invoiced during the year		3,069,175
Closing balance	**$**	**2,569,302**

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as at March 31, 2022:

	Estimated useful Lives		**March 31, 2022**
Office equipment	5 years	$	319,959
Computer equipment	3 years		3,844,364
Servers and networks	6 years		1,588,098
Furniture and fixtures	5 years		270,450
Vehicles	5 years		411,907
Leasehold improvements	Shorter of lease term or 10 years		7,546
Computer software	3 to 7 years		27,289,562
Total			**33,731,886**
Less: accumulated depreciation and amortisation			27,716,870
Property and equipment, net		**$**	**6,015,016**

Depreciation and amortization expense for the year ended March 31, 2022, is $ 2,738,439.

(Amounts expressed in $ except as otherwise stated)

NOTE 5 - INVESTMENTS IN SUBSIDIARIES		**March 31, 2022**
Mphasis Europe BV	$	19,714,977
Mphasis Infrastructure Services- Inc		27,509,094
Stelligent Systems LLC		24,341,655
Blink Interactive, Inc		93,526,799
Mphasis Solutions Services Corporation		50,000
	$	**165,142,525**

NOTE 6 – BORROWINGS

The Company has availed credit facility from Citi bank in aggregate principal amount of $50,000,000 for its working capital requirement. The facility carries interest @ LIBOR plus ranging from 0.94% to 1.60% (31 March 2021: LIBOR plus ranging from 0.65% to 0.85%) p.a. The loan is repayable on or before 14 June 2022. The loan is availed by issuing a corporate guarantee by the parent company. As at March 31, 2022, the outstanding principal amount payable under this facility is $36,183,315 recorded as part of borrowings in the accompanying balance sheet. Further, the Company has also availed borrowing facility from related parties (Note 10).

NOTE 7 – LEASES

Operating leases

The Company has non-cancelable operating leases, primarily for office space, that expire at various dates ranging from July 2022 to March 2026. Rental expense for operating leases for the year ended March 31, 2022, were $3,220,936, and is included in operating lease expenses in the accompanying statement of comprehensive income.

Lease expense:		**March 31, 2022**
Operating lease expense	$	3,220,936
Short-term lease expense		43,538
Variable lease expense		266,333
Total	**$**	**3,530,807**

Cash paid for amounts included in the measurement of operating lease liabilities		**March 31, 2022**
Operating cash flows	$	2,807,344
Operating lease right-of-use obtained in exchange for operating lease liabilities		10,731,305
Weighted-average remaining lease term (in years) operating leases		8.38
Weighted-average discount rate operating leases		2.63%

Future minimum lease payments due under non-cancellable operating leases with initial or remaining lease term in excess of one year as of March 31, 2022, are as follows:

Years		**March 31, 2022**
2023	$	2,015,151
2024		1,627,592
2025		1,211,062
2026		1,259,531
2027		827,541
Thereafter		5,765,541
Total minimum payments		**12,706,417**
Less:Present value of discount		(1,410,889)
Operating lease liabilities	**$**	**11,295,528**

NOTE 8 – INCOME TAXES

Income tax expense comprises:

Taxes:		**March 31, 2022**
Current taxes	$	6,693,282
Deferred tax		(943,983)
Total taxes	**$**	**5,749,299**

NOTE 9 – EMPLOYEE BENEFIT PLANS:

a. Social security - Employee of the company receives benefits under social security schemes, which is a defined contribution plan based on specified percentage of employee's salary. The company contributed $ 15,219,035 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the years ended March 31, 2022.

b. Compensated absences - The employees of the company are entitled to compensated absences based on the unavailed leave balance and the last drawn salary of the respective employees. The obligation of compensated absences is based on actuarial valuation as at the valuation date.

(Amounts expressed in $ except as otherwise stated)

The company has recorded $ 4,132,168 towards expense for compensated absences for the year ended March 31, 2022. The balance as at March 31, 2022 is $ 5,383,013.

NOTE 10 – RELATED PARTY

Revenue and expenses

The Company has entered into an agreement to provide software integration and development service to the customers of its parent company, its subsidiary companies and subsidiaries of parent company.

During the year ended March 31, 2022, the Company has recorded $ 331,069,756 as revenue from the following related parties:

Name of the party	Relationship	March 31, 2022
Mphasis Limited	Parent Company	325,023,590
Others	Subsidiary of Company and Parent Company	6,046,166

As at March 31, 2022, the Company has $ 93,482,659 as balance receivable including trade receivables from following related parties:

Name of the party	Relationship	March 31, 2022
Mphasis Limited	Parent Company	78,661,985
Mphasis Infrastructure Services Inc	Subsidiary Company	1,057,838
Others	Subsidiary of Company and Parent Company	13,777,674

The Company avails software integration and development service from its parent company, its subsidiary companies and subsidiaries of parent company.

During the year ended March 31, 2022, the Company has recorded $ 27,039,241 as cost of revenue in the accompanying statement of comprehensive income from following related parties.

Name of the party	Relationship	March 31, 2022
Mphasis Limited	Parent Company	19,736,622
Mphasis Infrastructure Services Inc	Subsidiary Company	2,590,453
Stelligent systems LLC	Subsidiary Company	1,074,830
Digital Risk Mortgage Services, LLC	Subsidiary of Parent Company	527,422
Mphasis UK Limited	Subsidiary of Parent Company	1,265,894
Others	Subsidiary of Company and Parent Company	1,844,020

Pursuant to cost sharing agreement the company was charged from the parent company $4,091,607.

The Company was charged $ 446,500 from the parent company towards reimbursement of expenses incurred on our behalf:

The Company has charged $ 2,120,396 to related parties towards recovery of expenses incurred on their behalf:

Name of the party	Relationship	March 31, 2022
Mphasis Limited	Parent Company	269,855
Wyde Corporation	Subsidiary of Parent Company	431,625
Digital Risk Mortgage Services, LLC	Subsidiary of Parent Company	306,204
Stelligent systems LLC	Subsidiary Company	562,647
Others	Subsidiary of Company and Parent Company	550,065

Digital Risk LLC has sublease office space to the Company. During the year ended March 31, 2022, ccrent expenses incurred amounted to $1,383,569 and this is included in operating expenses in the accompanying statement of comprehensive income.

As at March 31, 2022, the company has $ 27,557,871 as balance payable to following related parties;

Name of the party	Relationship	March 31, 2022
Mphasis Limited	Parent Company	20,745,251
Digital Risk LLC	Subsidiary of Parent Company	1,606,855
Blink Interactive Inc	Subsidiary Company	1,812,247
Others	Subsidiary of Company and Parent Company	3,393,709

Borrowings

On September 14, 2010, the Company entered into unsecured credit agreement with its subsidiary company, Mphasis Europe BV. for borrowing in the aggregate principal sum of $10,000,000 bearing interest rate of 5% and repayable on demand. Of the $10,000,000 available under this facility, $2,610,000 borrowed during prior years. The Company has additionally borrowed $4,200,000 in current year and repaid the loan amounting to $5,010,000 and accrued interest amounting to $ 74,153, respectively. As on March 31, 2022, the outstanding principal amount payable under this facility is $1,800,000, recorded as loans taken from related party in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $ 67,607 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2022, the amount payable is $ 14,548 recorded as loans taken from related party.

On July 13, 2017, the Company entered into unsecured credit agreement with subsidiary of parent company, Mphasis Australia Pty Ltd for borrowing in the aggregate principal sum of $6,000,000 bearing interest rate at LIBOR (Quarterly reset) plus a margin of 3% and repayable on demand. Of the $6,000,000 available under this facility, $199,900 borrowed during prior years. The Company has additionally borrowed

(Amounts expressed in $ except as otherwise stated)

$1,000,000 in current year and repaid the loan amounting to $ 1,199,900 and accrued interest amounting to $ 4,097, respectively. As on March 31, 2022, the outstanding principal amount payable under this facility is Nil, recorded as loans taken from related party in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $ 3,516 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2022, the amount payable is Nil recorded as loans taken from related party.

On September 15, 2021, the Company entered into unsecured credit agreement with its parent company, Mphasis Limited. for borrowing in the aggregate principal sum of $60,000,000 bearing interest rate of 180 days average SOFR (secured overnight financing rate) + 4.4% and repayable on demand. Of the $60,000,000 available under this facility, $38,000,000 borrowed during current year. The Company has repaid the loan amounting to $12,000,000 and accrued interest amounting to $ 447,008, respectively. As on March 31, 2022, the outstanding principal amount payable under this facility is $26,000,000, recorded as loans taken from related party in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $767,376 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As of March 31, 2022, $198,509 remains payable and included in loans taken from related party.

During the year ended March 31, 2022, the Company has paid $ 36,100,1000 as corporate Guarantee commission for amount borrowed from Mphasis Limited.

During the year ended March 31, 2022, the Company recorded $ 564,286 as corporate Guarantee commission cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income.

Loan given

On May 6, 2010, the Company entered into unsecured credit agreement with its subsidiary company, Mphasis Infrastructure Services Inc. to grant facility with initial aggregate principal sum of $5,000,000, later amended to $18,000,000 bearing interest of L+3% and repayable on demand. Of the $18,000,000 available under this facility, $18,000,000 was disbursed during prior years. The Company has accrued interest amounting to $ 570,546. As on March 31, 2022, the outstanding principal amount receivable under this facility is $18,000,000, recorded as loans given to related party in the accompanying balance sheet.

On February 7, 2013, the Company entered into unsecured credit agreement with subsidiary of parent company, Mphasis Wyde Inc to grant facility in the aggregate principal sum of $88,500,000 bearing interest rate at LIBOR (Quarterly reset) plus a margin of 3% and repayable on demand. Of the $88,500,000 available under this facility, $39,629,000 disbursed was during prior years. The Company has additionally disbursed $95,120,000 in current year and received the loan amounting to $133,949,000 and accrued interest amounting to $ 737,727, respectively. As on March 31, 2022, the outstanding principal amount receivable under this facility is $800,000, recorded as loans given to related party in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $ 1,308,273 as interest income and is included in interest and other income, net in the statement of comprehensive income. As at March 31, 2022, $ 694,752 remains receivable and included in loans given to related party in the accompanying balance sheet.

Employee stock options

The employees of the Company are eligible to participate in Employee Stock Option Plan (ESOPs)/ Restricted Stock Unit (RSUs) of the parent company as per terms and conditions as specified in the plan. The plan is assessed, managed and administered by the parent company.

Mphasis Limited, India has charged to the Company such compensation costs upon grant of shares to the employees based on the fair value of the equity settled transactions using an appropriate pricing model (Black Scholes model). During the current year the parent company has charged an aggregate amount of $ 5,675,921 included in statement of comprehensive income. As at March 31, 2022, $3,093,795 remains payable and included in payable to related parties.

Dividend

During the year ended March 31, 2022, the Company has received dividend income amounting to $ 4,000,000 from its subsidiary company Blink Interactive, Inc.

NOTE 11 – SHARE BASED COMPENSATION

The employees of the Company are granted Employee Stock Options (under equity settled share-based payment scheme) by the parent, Mphasis Limited and accordingly the Company is subject to cross charge of fair value of options/share awards from

Mphasis Limited. The fair value of the equity settled transactions are determined at the date of the grant using an appropriate pricing model (Black Scholes model). The expense is recognized in profit or loss over the vesting period.

Effective 4 November 2016, the parent company instituted the 2016 Plan. The weighted average share price as at the date of exercise of stock option was ₹ 2,817.05. As per the ESOP 2016 Plan, the stock options are granted at the Market Price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee of the parent at the time of Grant. The equity shares covered under these options vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting. The options outstanding as at 31 March 2022 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00.

Particulars		**March 31, 2022**
Options outstanding at the beginning	$	2,332,064
Granted		537,510
Exercised		(403,410)
Forfeited		(22,546)
Transfers		754
Options outstanding at the end	**$**	**2,444,372**

(Amounts expressed in $ except as otherwise stated)

Effective 22 November 2021, the parent company instituted the Restricted Stock Unit Plan-2021(RSU 2021). There has been no exercise of units during the current year. As per the RSU 2021 Plan, the units are granted at ₹ 10 as may be determined by the Compensation Committee. The equity shares covered under these plan vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting. The options outstanding as at 31 March 2022 have an exercise price of ₹ 10.

Particulars		March 31, 2022
Granted		677,172
Options outstanding at the end	$	**677,172**

NOTE 12 -COMMITMENTS AND CONTINGENCIES

Legal Claims

The Company is subject to legal claims in the normal course of business. Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 13 - IMPACT OF THE GLOBAL PANDEMIC ('Covid-19')

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 14 - SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

Mphasis Infrastrcture Services Inc.

Unaudited financial statements as at and for the year ended March 31, 2022

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2022

		March 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	56,994
Receivable from related parties		619,749
Other current assets		487
Total current assets	**$**	**677,230**
Total assets	**$**	**677,230**
Liabilities and Stockholders' equity		
Current liabilities:		
Loans taken from related parties	$	620,231
Accounts payable and accrued expenses		16,953
Payable to related parties		1,083,993
Other current liabilities		205,388
Income taxes payable		45,836
Total current liabilities	**$**	**1,972,401**
Non current liablities		
Loans taken from related parties	$	18,000,000
Total non current liabilities	**$**	**18,000,000**
Total liabilities	**$**	**19,972,401**
Stockholders' equity		
Common stock: $ 0.0001 par value; 9,976,583 shares authorised, shares issued and outstanding	$	998
Additional paid-in capital		9,919,144
Accumulated deficit		(29,215,313)
Total Stockholders' equity	**$**	**(19,295,171)**
Total liabilities and Stockholders' equity	**$**	**677,230**

The accompanying notes are an integral part of these financial statements.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME YEAR MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue from external parties	$	44,627
Revenue from related parties		2,807,007
Total revenue	**$**	**2,851,634**
Cost of revenue	$	2,694,340
Gross profit	**$**	**157,294**
General and administrative	$	86,264
Total operating expenses	**$**	**86,264**
Operating profit	**$**	**71,030**
Other income:		
Interest and other income, net	$	20
Interest expense		(570,546)
Total other income	**$**	**(570,526)**
Loss before income taxes	$	(499,496)
Tax Expense	$	837,496
Net loss	**$**	**(1,336,992)**
Other comprehensive income		-
Comprehensive loss	**$**	**(1,336,992)**

The accompanying notes are an integral part of these financial statements.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2022

	Common Stock	Additional paid-in capital	Accumulated deficit	Stockholders' Equity
Balance at March 31, 2021	**$ 998**	**$ 9,919,144**	**$ (27,878,321)**	**$ (17,958,179)**
Comprehensive income				
Net loss	-	-	(1,336,992)	(1,336,992)
Balance at March 31, 2022	**$ 998**	**$ 9,919,144**	**$ (29,215,313)**	**$ (19,295,171)**

The accompanying notes are an integral part of these financial statements.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 2022

		March 31, 2022
Operating activities:		
Net loss	$	(1,336,992)
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest expenses		570,546
Interest income		(20)
Deferred Tax		767,296
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		(2,627)
Receivable from related parties		(301,625)
Other current assets		3,893
Accounts payable and accrued expenses		(7,444)
Payable to related parties		283,179
Income taxes payable		44,833
Other liabilities		(133,519)
Net cash used in operating activities	**$**	**(112,480)**
Investing activities:		
Interest received on bank deposits	$	20
Net cash flow generated from investing activities	**$**	**20**
Financing activities:		
Interest on loans paid to related parties		(144,247)
Net cash flow used in financing activities	**$**	**(144,247)**
Net decrease in cash and cash equivalents	$	(256,707)
Cash and cash equivalents, beginning of year		313,701
Cash and cash equivalents, end of year	**$**	**56,994**
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$	25,367
Interest paid		144,247

The accompanying notes are an integral part of these financial statements.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

NOTE 1 – CORPORATE INFORMATION

Nature of business

Mphasis Infrastructure services Inc. ('the Company') having registered office at 3411 Silverside Road Tatnall Building #104 Wilmington, DE 19810 New Castle County, is a wholly owned subsidiary of Mphasis Corporation effective from 1 May 2010. The Company is engaged in the business of rendering software services and projects, infrastructure outsourcing services. The parent of Mphasis Corporation is Mphasis Limited, India and the ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P till 09 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements are prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”).

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for costs and efforts expected to be incurred to complete performance under revenue recognition, allowance for doubtful accounts, and income taxes. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents.

Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from time and material, unit-priced contracts are recognized based on the number of hours worked at an agreed upon rate per hour and is recognized during the period in which the services are performed.

Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled account receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

The Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Company has applied the practical expedient provided in ASC 606.

When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract, the Company accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable. The Company believes it mitigates any risks by depositing cash with major financial institutions. The Company maintained $56,994 in the bank accounts within the United States at March 31, 2022. Cash balances does not exceed federally insured limits.

The Company provides credit to customers in the normal course of business. Credit risk is affected by conditions or occurrences within the economy. Collateral is not required for accounts receivable, but ongoing credit evaluations of customers’ financial condition are performed. Management provides for an allowance for doubtful accounts on a specifically identified basis, as well as through historical experience applied to an aging of accounts.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Company considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, deferred revenue and borrowings to approximate the fair value of the respective assets and liabilities at March 31, 2022 and upon the short-term nature of the assets and liabilities.

Accounts receivable

Accounts receivables are stated net of an allowance for doubtful accounts. On a periodic basis, the Company evaluates its receivables and establishes an allowance for doubtful accounts based on historical experience and other currently available information. Provision for doubtful debt as at March 31, 2022 is nil.

Foreign currency transactions

The Company's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year-end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and losses are recognized in statement of comprehensive income.

Leases

The Company has operating leases for office spaces. The Company determines if a contract is, or contains, a lease at inception. A contract is, or contains, a lease if the contract conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration. The Company has the right to control the use of the identified asset when the Company has both of the following: the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. In making this determination, the Company considers all relevant facts and circumstances. Operating lease right-of-use ("ROU") assets are included in non-current assets and operating lease obligations are included in current liabilities on the accompanying balance sheet.

The Company's ROU assets are recognized as the lease obligation, including any initial indirect costs and any prepaid lease payments, less any lease incentives. The Company's lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Lease payments consist of amounts relating to the use of the underlying asset during the lease term, specifically fixed payments, payments to be made in optional periods when the Company is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease and the amounts probable of being owed by the Company under residual guarantees. Variable lease payments are excluded in measuring ROU assets and lease obligations because they do not depend on an index or a rate and are not in substance fixed payments. The Company excludes lease incentives and initial direct costs incurred from lease payments. The Company's leases typically do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments.

For operating leases, after lease commencement, the Company measures lease obligations for each period at the present value of any remaining lease payments, discounted by using the rate determined at lease commencement. The Company recognizes a single operating lease expense calculated on a straight-line basis over the remaining lease term. The depreciation of the ROU asset increases each year as a result of the declining lease obligation balance.

In the accompanying statement of comprehensive income, the Company recognizes lease expenses under operating lease expenses.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, "Income Taxes" (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's financial statements recognize the current and deferred income tax consequences that result from the Company's activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the parent Company's consolidated income tax return group.

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income.

NOTE 3 – INCOME TAXES		**March 31, 2022**
Income tax expense/ (benefit) comprises of:		
Current taxes	$	70,201
Deferred tax		767,295
Total taxes	**$**	**837,496**

NOTE 4 - EMPLOYEE BENEFIT PLANS

Social security - Employee of the Company receives benefits under social security schemes, which is a defined contribution plan based on specified percentage of employee's salary. The Company contributed $129,966 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the years ended March 31, 2022.

Compensated absences - The employees of the Company are entitled to compensated absences based on the unavailed leave balance and the last drawn salary of the respective employees. The obligation of compensated absences in the Company is based on actuarial valuation as at the valuation date.

The Company has recorded $ 7,300 towards expense for compensated absences for the year ended March 31, 2022. The balance as at March 31, 2022 is $ 23,462.

NOTE 5 - RELATED PARTY

Revenue and expenses

The Company has entered into an agreement to provide software integration and development service to the customers of its parent company, intermediate holding company and subsidiaries of parent company.

1. During the year ended March 31, 2022, the Company has recorded $2,590,453 as revenue from its parent company Mphasis Corporation and $216,554 from intermediate holding company Mphasis Limited.
2. As at March 31, 2022, balances receivable from Mphasis Corporation and Mphasis Limited is $496,409 and $123,340. respectively.
3. Pursuant to cost sharing arrangement with group companies, the Company was charged $33,952 by Mphasis Limited.
4. As at March 31, 2022, balance amount payable to Mphasis Corporation and Mphasis Limited is $1,057,837& $ 26,156 respectively.
5. The Company was charged $309,503 by Mphasis Corporation and $5,697 by Mphasis limited as at March 31, 2022.

Borrowings

On May 6, 2010, the Company entered into unsecured credit agreement with its parent company, Mphasis Corporation for borrowing an initial aggregate principal sum of $5,000,000, later amended to $18,000,000 bearing interest of LIBOR+ 3% and repayable on demand. Of the $18,000,000 available under this facility, $18,000,000 was borrowed during prior years. As on March 31, 2022, the outstanding principal amount payable under this facility is $18,000,000 and accrued interest $ 620,231 recorded as loans taken from related parties in the accompanying balance sheet.

During the year ended March 31, 2022 the Company recorded $570,546 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2022, $620,231 remains payable and included in loans taken from related parties in the accompanying balance sheet.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

(a) Commitments:

Liabilities for loss contingencies, arising from claims, assessments, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. The Company's facility comes under the purview of short-term lease definition of ASC 842.

Total rental expenses under operating leases for the year ended March 31, 2022 amounted to $5,452.

(b) Legal claims:

The Company is subject to legal claims in the normal course of business. Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 7 – IMPACT OF THE GLOBAL PANDEMIC (COVID-19)

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any.

Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 8 – SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

Mphasis Solutions Services Corporation

Unaudited financial statements as at and for the period ended 31 March 2022

BALANCE SHEET		Amount in USD
	Notes	As at 31 March 2022
ASSETS		
Current assets		
Financial assets		
Cash and cash equivalents	3	50,000
Total current assets		**50,000**
TOTAL ASSETS		**50,000**
EQUITY AND LIABILITIES		
Equity		
Share capital	4	50,000
Total equity		**50,000**
TOTAL EQUITY AND LIABILITIES		**50,000**

Summary of significant accounting policies. 2

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting.

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

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

The financial statements are presented in USD('$').

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

Use of estimates, assumptions and judgements

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

Revenue recognition

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

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

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

Property, plant and equipment and intangible assets

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

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

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

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

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

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

Depreciation and amortization

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

(In Years)

Asset	Useful life as per Companies Act, 2013	Useful life estimated by the management
Computer equipment	3	3
Furniture and fixtures	10	5
Building	20	20 or remaining lease term whichever is less
Lease hold improvements	Not Applicable	10 or remaining lease term whichever is less
Office equipment	5	5
Plant and equipment	15	4 to7
Server and networks	6	6
Computer Software	As per Ind AS 38	3
Vehicles	8	5

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

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

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

- financial assets, which include cash and cash equivalents.

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

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

a. Cash and cash equivalents

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

b. Financial liabilities

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

c. De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Recent pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS - 16 Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

	Amount in USD
	Current
	As at 31 March 2022
3. CASH AND CASH EQUIVALENTS	
Balances with banks:	
In current accounts	50,000
	50,000

	As at 31 March 2022
4. EQUITY SHARE CAPITAL	
Authorised share capital	
Authorized 100,000 shares of $1.00 par value	100,000
Issued, subscribed and fully paid-up shares	
50,000 shares of $1.00 par value	50,000
Total issued, subscribed and fully paid-up share capital	**50,000**

Stelligent Systems LLC

Unaudited Financial Statements
for the year ended 31 March 2022

UNAUDITED FINANCIAL STATEMENTS (Amounts expressed in $ except as otherwise stated)

Stelligent Systems, LLC
UNAUDITED BALANCE SHEET AS AT MARCH 31, 2022

		March 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	1,004,799
Accounts receivable, net		936,616
Unbilled receivables		691,158
Receivable from related parties		1,076,182
Other current assets		16,306
Total current assets	**$**	**3,725,061**
Property and equipment, net	$	10,479
Deferred tax asset, net		1,204,108
Total assets	**$**	**4,939,648**
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$	142,080
Payable to related parties		6,850,595
Other current liabilities		435,913
Total current liabilities	**$**	**7,428,588**
Total liabilities	**$**	**7,428,588**
Stockholders' equity		
Retained earnings	$	(2,488,940)
Total Stockholders' equity	**$**	**(2,488,940)**
Total liabilities and Stockholders' equity	**$**	**4,939,648**

The accompanying notes are an integral part of these financial statements.

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue from external parties	$	9,522,603
Revenue from related parties		1,481,447
Total revenue	**$**	**11,004,050**
Cost of revenue (excluding depreciation and amortization)		9,932,244
Gross profit	**$**	**1,071,806**
General and administrative	$	158,918
Sales and marketing		1,104,581
Depreciation and amortisation		40,530
Total operating expenses	**$**	**1,304,029**
Operating loss	**$**	**(232,223)**
Other income		
Interest income		105
Total other income	**$**	**105**
Loss before taxes	$	(232,118)
Tax expense	$	(58,384)
Net loss	**$**	**(173,734)**
Comprehensive Loss	**$**	**(173,734)**

The accompanying notes are an integral part of these financial statements.

UNAUDITED FINANCIAL STATEMENTS (Amounts expressed in $ except as otherwise stated)

NAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEAR ENDED MARCH 31,20

	Common stock	Retained earnings	Stockholders' equity
Balance at March 31, 2021	**$ -**	**$ (2,315,206)**	**$ (2,315,206)**
Comprehensive income			
Net loss	$ -	$ (173,734)	$ (173,734)
Other comprehensive income	-	-	-
Balance at March 31, 2022	**$ -**	**$ (2,488,940)**	**$ (2,488,940)**

The accompanying notes are an integral part of these financial statements.

UNAUDITED FINANCIAL STATEMENTS (Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

		March 31, 2022
Operating activities:		
Net loss	$	(173,734)
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	$	40,530
Provision for expected credit loss		6,194
Interest income		(105)
Deferred Tax		(60,910)
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		(754,290)
Receivable from related parties		(679,083)
Other assets		4,016
Accounts payable and accrued expenses		(32,419)
Payable to related parties		2,440,328
Income taxes payable		2,625
Other liabilities		(77,511)
Net cash flow generated from operating activities	**$**	**715,641**
Investing activities		
Interest received		105
Net cash flow generated from investing activities	**$**	**105**
Net decrease in cash and cash equivalents	**$**	**715,746**
Cash and cash equivalents at the beginning of the year		289,053
Cash and cash equivalents, at the end of the year	**$**	**1,004,799**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

NOTE 1 – CORPORATE INFORMATION

Nature of business

Stelligent Systems LLC. ('the Company') having registered office at 11710 Plaza America, DR STE 2000, Reston VA20190, is a wholly owned subsidiary of Mphasis Corporation effective from 8 November 2018. The Company is engaged in the business of technology services that provides DevOps automation on the Amazon Web Services cloud. The parent of Mphasis Corporation is Mphasis Limited, India and the ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P till 09 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

Company background

Pursuant to the agreement dated 8 November 2018, Mphasis Corporation entered into purchase agreement with the erstwhile members of the Company to acquire the membership interest. 08 November 2018 being the acquisition date, Mphasis Corporation, obtained control of the Company, by acquiring 100% of its membership interests. The acquisition was executed through a membership interest purchase agreement for a cash consideration of $ 24.34 million.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

As required by its intermediate parent company Mphasis Limited , the special purpose financial statements are prepared by management in accordance with recognition and measurement principles referred to in generally accepted accounting standards in the United States of America ("U.S. GAAP") following the principles of new basis of accounting as given required under ASC 805 "Business Combination" except accounting for goodwill and intangibles identified during the acquisition which have been recognized in the consolidated books of Mphasis Group and the excess of total assets over liabilities, being the net assets acquired in the aforesaid transaction, has been recorded as Capital in the books of the Company. Accordingly, the financial statement do not purport to follow U.S. GAAP to this extent.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for costs and efforts expected to be incurred to complete performance under revenue recognition, allowance for doubtful accounts, the useful lives of plant and equipment and income taxes. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents.

Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from time and material, unit-priced contracts are recognized based on the number of hours worked at an agreed upon rate per hour and is recognized during the period in which the services are performed.

Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled account receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met. The Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Company has applied the practical expedient provided in ASC 606.

When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract , the Company accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of bank balances and accounts receivable. The Company believes it mitigates any risks by banking with major financial institutions of high credit rating.

The Company maintained $ 1,004,799 in the bank accounts within the United States as at March 31, 2022. Cash balances exceed federally insured limits.

The Company provides credit to customers in the normal course of business. Credit risk is affected by conditions or occurrences within the economy. Collateral is not required for accounts receivable, but ongoing credit evaluations of customers' financial condition are performed. Management provides for an allowance for doubtful accounts on a specifically identified basis, as well as through historical experience applied to an aging of accounts.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximise the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Company considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, deferred revenue to approximate the fair value of the respective assets and liabilities at March 31, 2022 and upon the short-term nature of the assets and liabilities.

Accounts receivable

Accounts receivable are stated net of an allowance for doubtful accounts. On a periodic basis, the Company evaluates its receivables and establishes an allowance for doubtful accounts based on historical experience and other currently available information. Provision for doubtful debt as at March 31, 2022 is $ 94,870.

Deferred revenue

Deferred revenue consists of billings or payments received in advance of revenue recognition and it is recognised as the revenue recognition criteria are met. Deferred revenue includes certain professional services fees and licensing revenues where all the criteria for recognition were not met. Deferred revenue that will be recognised over the succeeding 12-month period is recorded as current and the remaining portion is recorded as non-current.

Foreign currency transactions

The Company's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and losses are recognised in statement of comprehensive income.

Property and equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years. Leasehold improvements are amortised over the shorter of the asset life or the term of the applicable office lease. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalised. When assets are retired or otherwise disposed off, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Impairment of long lived assets

Long-lived assets, other than goodwill, are tested for impairment, based on undiscounted cash flows, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable and, if impaired, written down to fair value.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, "Income Taxes" (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's financial statements recognize the current and deferred income tax consequences that result from the Company's activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the parent Company's consolidated income tax return group.

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income."

UNAUDITED FINANCIAL STATEMENTS (Amounts expressed in $ except as otherwise stated)

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2022:

	Estimated useful lives		March 31, 2022
Computer equipment	3 years	$	198,208
Less: accumulated depreciation		$	(187,729)
Net balance		**$**	**10,479**

NOTE 4 – TAXES

Income Tax expense / (benefit) comprises:

		March 31, 2022
Taxes:		
Current taxes	$	2,526
Deferred tax		(60,910)
Total taxes	**$**	**(58,384)**

NOTE 5 – EMPLOYEE BENEFIT PLANS:

Social security - Employees of the Company receives benefits under social security schemes, which is a defined contribution plan based on specified percentage of employee's salary. The Company contributed $ 439,805 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the years ended March 31, 2022.

NOTE 6 - RELATED PARTY

The Company has entered into an agreement to provide software integration and development service to the customers of its parent company, its intermediate parent company and subsidiaries of intermediate parent company.

During the year ended March 31, 2022, the Company has recorded $ 1,481,447 as revenue from the following related parties:

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	1,074,830
Mphasis Limited	Intermediate Parent company		406,617

As at March 31, 2022, the Company has $ 1,076,182 as balance receivable including trade receivables from following related parties:

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	752,651
Mphasis Limited	Intermediate Parent company		323,531

The Company avails software integration and development service from it's parent company and intermediate parent company.

During the year ended March 31, 2022, the Company has recorded $ 1,135,156 as cost of revenue in the accompanying statement of comprehensive income from following related parties;

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	401,035
Mphasis Limited	Intermediate Parent company		54,000
Mphasis Ireland Limited	Subsidiary of Intermediate Parent company		403,674
Poland Z.o.o	Subsidiary of Intermediate Parent company		135,689
Mphasis UK Limited	Subsidiary of Intermediate Parent company		140,758

Pursuant to cost sharing agreement with group companies, the Company was charged $ 109,245 from following related parties

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	14,021
Mphasis Limited	Intermediate Parent company		95,224

During the year ended March 31, 2022, the Company was charged $573,553 from following related parties

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	562,647
Mphasis Limited	Intermediate Parent company		10,906

As at March 31, 2022, the company has $6,850,595 as balance payable to following related parties;

Name of the party	Relationship		March 31, 2022
Mphasis Corporation	Parent company	$	6,075,270
Mphasis Limited	Intermediate Parent company		98,459
Mphasis UK Limited	Subsidiary of Intermediate Parent company		137,503
Mphasis Ireland Limited	Subsidiary of Intermediate Parent company		403,674
Mphasis Poland z.o.o	Subsidiary of Intermediate Parent company		135,689

Employee stock options

The employees of the Company are eligible to participate in Employee Stock Option Plan (ESOPs)/ Restricted Stock Units (RSUs) of Mphasis Limited as per terms and conditions as specified in the plan. The plan is assessed, managed and administered by Mphasis Limited.

Mphasis Limited has charged to the Company such compensation costs upon grant of shares to the employees based on the fair value of the equity settled transactions using an appropriate pricing model (Black Scholes model). During the current year Mphasis Limited has charged an aggregate amount of $4,671 included in statement of comprehensive income.

UNAUDITED FINANCIAL STATEMENTS (Amounts expressed in $ except as otherwise stated)

NOTE 7 – SHARE BASED COMPENSATION

The employees of the Company are granted Employee Stock Options (under equity settled share-based payment scheme) by the intermediate parent company Mphasis Limited and accordingly the Company is subject to cross charge of fair value of options/share awards from Mphasis Limited. The fair value of the equity settled transactions are determined at the date of the grant using an appropriate pricing model (Black Scholes model). The expense is recognized in profit or loss over the vesting period.

Effective 4 November 2016, the parent company instituted the 2016 Plan. The weighted average share price as at the date of exercise of stock option was ₹ 2,817.05 As per the ESOP 2016 Plan, the stock options are granted at the Market Price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee of the parent at the time of Grant. The equity shares covered under these options vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting. The options outstanding as at 31 March 2022 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00.

The movements in the options under the 2016 plan for the year ended 31 March 2022 is set out below:	**No of Options**
Options outstanding at the beginning	-
Granted	457
Options outstanding at the end	**457**

Effective 22 November 2021, the parent company instituted the Restricted Stock Unit Plan-2021(RSU 2021). There has been no exercise of units during the current year. As per the RSU 2021 Plan, the units are granted at ₹10 as may be determined by the Compensation Committee. The equity shares covered under these plan vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting. The options outstanding as at 31 March 2022 have an exercise price of ₹10

The movements in the options under the RSU 2021 plan for the year ended 31 March 2022 is set out below:	**No of Options**
Options outstanding at the beginning	-
Granted	576
Options outstanding at the end	**576**

NOTE 8 - COMMITMENTS AND CONTINGENCIES

(a) Commitments:

Liabilities for loss contingencies, arising from claims, assessments, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

(b) Legal claims:

Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 9 - IMPACT OF THE GLOBAL PANDEMIC ('Covid-19')

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any.
Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 10 - SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

MPHASIS UK LIMITED

REGISTERED NUMBER: 03770564

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

COMPANY INFORMATION

Directors	Subramanian Narayan Vilas Kanyal Jan Kathleen Hier Anurag Bhatia Nichola Jayne Thomson
Company number	03770564
Registered Office	1 Ropemaker Street London EC2Y 9HT
Company Secretary	**Congress Company Secretarial Services Limited** 7 St John's Road Harrow Middlesex HA1 2EY

CONTENTS	PAGE

Company number 03770564

Strategic Report for the year ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Principal activities and review of business

The rapidly changing environment that was the backdrop to many world events in the past couple of years, continues to remain so ever at present. In these two years of the global pandemic, the world has witnessed the consequences of the most widely shared economic crisis on record and a robust recovery the very next year, marking the highest growth rate in more than four decades according to the UN's World Economic Situation and Prospects 2022 report. With the emergence of new COVID variants across the globe becoming a routine, it is heartening that modern medicine, vaccinations and technology have largely helped to decouple and mitigate the link between mobility and economic growth. While the road to complete economic recovery remains fragile, people and organizations have adapted to life with the virus, bolstered by the effectiveness of vaccines with ease of living and technology enabled working, resulting in more resilient economies. While we can expect economies to shift from stimulus spending and policy supports, potentially resulting in a slower pace for global growth in 2022, a recent report from McKinsey however suggests that the growth will still be faster than the pre-pandemic levels.

As we step into the third year of the pandemic, the urgent priorities for organizations have seen a marked shift. While 2020 was the year of adapting to the 'new normal' and 2021 was seeking crisis-led opportunities, today, most enterprises are navigating persistent labor market and supply-chain challenges in the technology decade or 'techade' they find themselves in. According to McKinsey, 2022 will witness more "enterprises capitalizing on sophisticated provider offerings, including customized industry solutions and advances in digital technology, such as AI, analytics and machine learning." This analysis is echoed by NASSCOM's latest report which states that while enterprises focused on short-term digital transformation projects that had to be implemented rapidly in 2020, the focus in 2021 and beyond has been on larger initiatives with longer time frames while investing in emerging technology segments. It has become increasingly clear that all businesses will have to reinvent themselves as digital-first businesses to survive in the new world.

At Mphasis, the new realities of this world have led to a recalibration and reimagining of Mphasis's purpose in the world – ***To be the Driver in the Driverless car*** *– where next-gen design, architecture and engineering services deliver scalable and sustainable software and technology solutions to global enterprises.* From this reinvigorated purpose, Mphasis has renewed its commitment to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi-Trust environment as part of Mphasis' value proposition to all of its stakeholders. The pandemic has more than ever before cast a spotlight on the importance of growth in a sustainable way which is fundamental to our strategy.

Through the pandemic, our Company remained agile, quick to adapt and willing to go the extra mile for its clients and other stakeholders. With your Company's help, enterprises were able to accelerate their digital journeys thereby cementing Mphasis' position as a preferred technology partner for many clients.

Our Company will continue to make its bets led by our engineering DNA mindset and stay ahead of technology curve, by remaining true to our renewed purpose. Together, we will continue to grow and accelerate our Hi-Tech, Hi-Touch, Hi-Trust organization for future success.

The Company is a wholly owned subsidiary of Mphasis Europe BV and operates from the United Kingdom. The intermediate holding companies of the Company are Mphasis Corporation, USA, and Mphasis Limited, India. Consequent to change of control of Mphasis Limited, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte. Ltd., Singapore, effective 10 August 2021. The Company continues to be part of Blackstone Group of Companies under another fund of Blackstone.

Results and dividends

The revenue during the period was £ 58,055,423 recording a growth of 12% over previous year. The loss for the year ended 31 March 2022 amounted to £ 1,775,747 (Loss for 31 March 2021: £ 3,083,643). The loss during the year was on account of higher cost of sales and lower gross margins. The directors have not recommended a dividend for 31 March 2022 (31 March 2021: £ nil).

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements.

Key performance indicators

The Key Performance Indicators used to manage the business are:

- Financial performance- The Company closely monitors its financial positions which includes revenue and profit before tax
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The revenue during the period was £ 58,055,423 recording a growth of 12% over the previous year. The loss for the year ended 31 March 2022 amounted to £ 1,775,747 (Loss for 31 March 2021: £ 3,083,643). The loss during the year was on account of higher cost of sales and lower gross margins.

Financial risk management objectives, risks and policies

Risk management is integral to the whole business. The Company, being part of Mphasis, has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are managed as follows:

- **Liquidity risk** - funds are held and managed by the group corporate treasury function in order to ensure that there are sufficient funds available to meet the obligations of the Company as they fall due.
- **Foreign exchange risk** - certain intercompany balances are held in currencies other than sterling and the resulting exposure to the associated foreign exchange risk is managed across the group by hedging through forward contracts.
- **Credit risk** - invoicing for external customers is agreed with the customer in advance. In addition, trade debtor balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is minimized.
- **Market risk** - market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.
- **Interest risk** – Loans, taken / given, are within Mphasis group. Hence there is no risk on interest rates. The Company's exposure to interest rate risk arises primarily from loans to/from a related party. The transactions with Mphasis Group are on Arms' length basis and the Company does not expect any significant effect arising from the possible changes to interest rates on such transactions at the end of the financial year.

Strategic Report for the year ended 31 March 2022(continued)

The Company manages these risks by seeking to ensure that appropriate systems and controls are in place as well as ensuring that the continued support and resources of the group are made available to the Company.

Section 172(1) Statement

Section 172 of the Companies Act 2006 sets out a number of general duties that directors owe to a company. These includes a general duty requiring directors to act in a way in which they consider, in good faith, will promote the success of the company for the benefit of shareholders as a whole, which shall have regard to the following:
The likely consequences of any decision in the long term;
The interest of company's employees;
The need to foster for the Company's business relationship with suppliers, customers and others;
The impact of the Company's operations on the community and environment;
The desirability of the Company maintaining a reputation for high standards of business conduct; and
The need to act fairly between the members of the Company.

The decisions of directors and their factors considered are well evidenced in the Company's culture and responsible practices followed by the Company.

The following section sets out the how the directors have regard to the matters set out in the above sections:

The Company's strategic vision is Growth - Growth along the four key vectors namely, Consistent, Competitive, Profitable and Responsible. The Company has made great progress on all 4Gs of Growth, which has resonated extremely well with the market. Our clients responded positively to our message of customer centric transformation with the application of Front2Back™ (F2B), powered by $X2C^2_{TM}$. Most remarkably, we demonstrated that we have a unique combination of domain and technology solutions, which helps in the long-term growth of the Company. We continuously strive to create cutting edge digital solutions through hyper-specialized approaches and deep customer relationships, service delivery improvement, increased customer value and future-proofing our solutions to meet evolving needs and long-term expectations.

We recognize the importance of providing an atmosphere of mutual trust and support to our employees. For creating a diverse workforce, retaining talent, providing recognition and keeping our employees motivated, we have undertaken various initiatives to implement an effective employee engagement and well-being strategy. The idea behind each event and initiative is to cater to the holistic development of our employees. We empower our employees by providing opportunities to channel their creativity, abilities and skills towards achieving their professional and personal goals.

Mphasis's purposes – ***To be the Driver in the Driverless car*** – *and from* this reinvigorated purpose, Mphasis commits to nurture and empower employees by fostering a Hi-Tech, Hi-Touch and Hi- Trust environment as part of Mphasis' value proposition to all of its stakeholders.

We are mindful of our responsibility towards the natural environment and are committed to minimize the impact of our businesses on the environment and have developed initiatives to address global environmental issues such as climate change and global warming. We are part of "Let us 'Say No To Plastic'" program of Mphasis group, a program which helps us divert waste and do our part to reduce our impact on the local community and in turn the environment.

Our suppliers are a vital part of the Mphasis sustainability process. Sustainable sourcing at Mphasis is twofold approach, while we hold ourselves up to the highest standard of commitment, we also demand the same level of excellence from our suppliers. We select our suppliers responsibly by requiring them to have an environmental management system and follow our governance policies.

We believe that following strong governance practices are imperative for generating trust with our customers as well as our stakeholders which is critical for smooth functioning of our business operations. Our principles of governance are based on ethics, transparency, responsibility, accountability, compliance, trust and confidence values. We strive to remain competitive and in order to ensure implementation of highest standards of corporate governance principles and practices in our operations, we have a robust governance system in place. We have a transparent and clear organizational structure with well-defined roles and responsibilities, an effective risk management system and control mechanisms in place. To ensure transparency & accountability towards all stakeholders, we have implemented various policies and practices to be followed and upheld by all our employees and the management. Such policies include, Code of Business Conduct, Compensation Policies, Prevention of Sexual Harassment Policy, Anti Bribery and Anti-Corruption Policy, Whistleblower Policy, to name a few.

At Mphasis, we develop a two-way partnership with our stakeholders and explore possibilities to create, preserve and enhance value for the company. We have mapped our internal and external stakeholders and engage with them through multiple engagement channels throughout the year. Our internal stakeholders include employees, trainees, interns and management. Our external stakeholders include our customers, suppliers, partners, investors, regulatory bodies and the communities in which we operate.

Employee Engagement:

At Mphasis we strongly believe that our employees are our most important asset and we empower them to perform their best. Our HR programs are designed on the principles of equality, fairness, collaboration and transparency to reinforce our deep-rooted winning culture. With the tectonic shifts in supply and demand of digital talents, we are focused on investing in a best-in-class, future-ready talent. Towards this end, we have been implementing efficient processes through enhancement of digital platform. We have customized hire-to-retire policies, frameworks and programs for specific talent segments and skill communities. We ensure that our talent management programs across employee lifecycle - including pay models and career progression encourage meritocracy and skill development.

Talent Next, our flagship program, has now evolved into a comprehensive HR ecosystem through robust iterations of practical application.

This program has ensured alignment to the objective of hyper-specialized competency development in line with the $X2C^{2\,TM}$ strategy (read as "Applying Cloud and Cognitive to everything": i.e., capability building in NextGen Digital skills). In FY22, this program became the basis for all strategic talent programs - integrating talent acquisition, talent development, performance management, employee productivity, engagement, total rewards, and retention efforts.

Strategic Report for the year ended 31 March 2022(continued)

Talent Next is a hyper-personalized cognitive automation platform with a 'recommendation engine for skill acquisition' that provides suggestions based on both business requirements as well as employees' aspirational needs. Further, it is powered by a host of immersive learning features, social learning ecosystem and diverse learning resources for over 1,000 skills. On the learning adoption, there has been a two-fold increase as compared to the previous year.

Mphasis continues to invest in employee welfare through policy and budget enhancements in medical and life insurance programs across the globe. From 24/7 support on insurance during pandemic to Covid-specific policies, we put our employees' physical and mental well-being at the front and center. Instead of a bi-annual pay review, Mphasis has now implemented a continuous review mechanism that enables flexibility and skill-based intervention with speed. With the guiding principle of hyper-personalized rewards, our focus on identified talent segments like specific digital skills, campus hires, leadership etc., has helped us to secure the intended results.

With the changes brought in through accelerated adoption of hybrid work environment, we saw the need to redefine the single purpose that draws Mphasians across remote teams and geographies to work together every day. Mphasis's **'Hybrid first'** workplace model has enabled us to think beyond engagement. Our Hi-Touch, Hi-Tech and Hi-Trust proposition stays at the core of all people programs, with a keen focus on employee experience, wellness, and connections.

Energy consumption and Carbon reporting:

Mphasis remains committed to a better understanding and contribution towards climate change and working collaboratively with stakeholders to reduce potential impacts. As a provider of software solutions, Mphasis operations have a relatively limited impact on the environment. However, the Board of the Company is committed to implementing measures that will result in incremental improvements to the Company's environmental impact, such as minimizing paper usage, considering the environmental credentials of future office spaces and by avoiding unnecessary travel and using video-based meeting facilities where appropriate. As the Company uses shared services office, there are no energy utilization related payments made by the Company directly for the year ended 31 March 2022. With the increase in the capability of the Company to resume remote operations, there would be a substantial reduction in the energy consumption by the Company on such shared services offices, in addition to eliminating the need for the employees to travel to the offices. Accordingly, disclosures on energy consumption and emissions for the year ended 31 March 2022, including the intensity ratio, on account of these reimbursements have not been reported.

The Company will continue to monitor emission and energy use information with respect to the fuel reimbursements and will continue to evaluate for reporting indirect emissions and energy consumption in UK, post pandemic.

Going concern

The financial statements have been prepared on a going concern basis. The Company is expected to continue to generate revenue from both internal and external customers. The directors have reviewed the Company's budget and forecasts and have reasonable expectation that the Company will continue to operate as a going concern for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements.

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the standalone financial statements are required as at 31 March 2022.

Directors' report for the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Future developments

The directors do not anticipate any change in the nature of the business in the forthcoming year.

Directors and directors' qualifying third party indemnity provision

The directors who held office during the year, including details of changes since the year ended 31 March 2022, were:
Mr. Subramanian Narayan
Mr. Vilas Kanyal
Ms. Jan Kathleen Hier
Mr. Anurag Bhatia
Ms. Nichola Jayne Thomson

No director holds any interest in the share capital of the Company; any interest in the Parent Company is shown in those financial statements. During the period, and up to the date of approval of the financial statements, the Company had in place a third -party indemnity provision for the benefit of all the directors of the Company.
Directors' emoluments and benefits have been disclosed on page 1 3 of the financial statements.

Political and charitable contributions

The Company has made no political or charitable contributions.

Company number 03770564

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company number 03770564

Unaudited statement of comprehensive income for the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover	2	**58,055,423**	**51,623,378**
Cost of sales		(51,567,875)	(45,095,385)
Gross profit		**6,487,548**	**6,527,993**
Administrative expenses		(9,514,566)	(9,759,451)
Other operating income - furlough grants		-	122,514
Operating loss	3	**(3,027,018)**	**(3,108,944)**
Interest receivable and similar income	5	101,849	127,926
Interest payable and similar charges	5	(39,047)	(77,882)
Loss on ordinary activities before taxation		**(2,964,216)**	**(3,058,900)**
Tax on loss from ordinary activities	7	1,188,469	(24,743)
Loss for the financial year attributable to the owners of the company		**(1,775,747)**	**(3,083,643)**
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to the owners of the company		**(1,775,747)**	**(3,083,643)**

All amounts relate to continuing operations.

The notes on pages 9 to 18 form part of these financial statements.

MPHASIS UK LIMITED

Company number 03770564

Unaudited statement of financial position as at 31 March 2022

	Note		2022		2021
			£		£
Fixed assets					
Tangible fixed assets	6		472,771		123,704
Intangible fixed assets	6		871		1,417
Capital work-in progress			-		95,129
Investments	8		120,986,662		120,986,662
			121,460,304		**121,206,912**
Noncurrent assets					
Prepayments and accrued income	9		2,447,334		3,357,025
Current assets					
Debtors	9	37,374,840		21,676,388	
Cash at bank and in hand		1,237,483		2,276,651	
		38,612,323		**23,953,039**	
Creditors : amounts falling due within one year	10	(34,447,010)		(18,668,278)	
Net current assets			**4,165,313**		**5,284,761**
Total assets less current liabilities			**128,072,951**		**129,848,698**
Net assets			**128,072,951**		**129,848,698**
Capital and reserves					
Called up share capital	11		3,107		3,107
Share premium	11		121,015,552		121,015,552
Profit and loss account			7,054,292		8,830,039
Shareholders' equity			**128,072,951**		**129,848,698**

The notes on pages 9 to 18 form part of these financial statements.

Company number 03770564

Unaudited statement of changes in equity as at 31 March 2022

	Called-up share capital	Share Premium	Profit and loss account	Total
At 1 April 2020	**3,107**	**121,015,552**	**11,913,682**	**132,932,341**
Loss for the financial year	-	-	(3,083,643)	**(3,083,643)**
Total comprehensive loss	-	-	(3,083,643)	**(3,083,643)**
At 31 March 2021	**3,107**	**121,015,552**	**8,830,039**	**129,848,698**
Loss for the financial year	-	-	(1,775,747)	**(1,775,747)**
Total comprehensive loss	-	-	(1,775,747)	**(1,775,747)**
At 31 March 2022	**3,107**	**121,015,552**	**7,054,292**	**128,072,951**

The notes on pages 9 to 18 form part of these financial statements.

Notes to the Unaudited Financial Statements for the year 31 March 2022

GENERAL INFORMATION

Mphasis UK limited is a Private company limited by shares incorporated in England and Wales.

The address of its registered office and principal place of business is:

1 Ropemaker Street
London
EC2Y 9HT

The principal activities of the Company predominantly relate to providing Application (APPS) and Business Process Outsourcing (BPO) services. A large proportion of the Company's services are for related companies and the terms of contracts are negotiated between the parties to the transactions. The functional currency of the Company is Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 'the Financial Rep orting Standard applicable in the UK and Republic of Ireland' and applicable legislations as set out in the Companies Act 2006.

The financial statements are presented in GBP ('£') except when otherwise indicated.

In preparing these financial statements, the company has taken advantage of the disclosure exemptions, as permitted by FRS 10 2 paragraph 1.12. The Company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing these financial statements:

- from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements;
- from providing the related party disclosures, required under paragraphs 33.8 to 33.14, for transactions with other wholly -owned group members on the basis that the Company is itself a wholly-owned member of the group.
- The requirements of section 26 Share-based Payment for a subsidiary with share-based payment arrangements for equity instruments of another group entity.

A company is exempt from the requirement to prepare group accounts if it is itself a subsidiary undertaking and its parent unde rtaking is not established under the law of any part of the United Kingdom set out in section 401 of the companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group. The consolidated financ ial statements of Mphasis Limited within which this Company is included, can be obtained as detailed in note 16.

These financial statements have been prepared on a going concern basis. Based on the forecast the directors of the Company have a reasonable expectation that the Company has adequate resources in operational existence for the foreseeable future and there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as going concern being a period of not less than 12 mon ths from the date of approval of these financial statements. Thus, the directors have continued to adopt the going concern basis of accounting in the preparing these financial statements.

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

The Company has taken into account the possible impacts of Covid-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal du ring the year, including expenses billed to customers.

Revenue from services rendered to Mphasis Group Companies (including software development) is recognised as services are rendered, on a cost-plus basis as per the agreement with the Mphasis Group Companies.

Where the contract element is for the provision of service or repetitive processes, revenue is recognised when the product or service is provided. Where the contract element is a major development or implementation project that is transferred to the customer on completion , revenue recognition is based on a delivery approach to measure the stage of completion. Depending on the specific contractual terms, the measurement of delivery takes the form of performance milestones, costs completed to date or other appropriate measure. Revenues are recognised when all of the following conditions are satisfied:

i. The amount of revenue can be measured reliably;
ii. It is probable that the Company will receive the consideration due under the contract;
iii. The stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. The costs incurred and the costs to complete the contract can be measured reliably.

Interest income is recognized as it accrues in the statement of comprehensive income using effective interest rate method

c. Investments

Fixed asset investments (including investment in subsidiaries) are carried at cost. Provision for diminution in value of investment is made if the impairment is not temporary in nature.

Notes to the Unaudited Financial Statements for the year 31 March 2022

d. Tangible and intangible fixed assets and depreciation and amortization

Tangible and intangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives.

Asset	Useful life
Furniture, Fixtures and Office equipment	5 years
Computer equipment	3 years
Server and Network equipment	6 years
Plant and Machinery	7 years
Software	3 years

e. Capital work-in progress

Costs incurred towards tangible fixed assets not ready to use before the statement of financial position date is disclosed under 'Capital work in progress'.

f. Post-retirement benefits

Defined Contribution scheme

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the Statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period.

Defined Benefit scheme

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

g. Taxation

The tax expense for the period comprises of current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in obligation to pay more tax in the future or right to pay less in the future give rise to a deferred tax liability or asset. Timing differences are the differences between taxable profits and the total comprehensive income as stated in the financial statements that arise from the conclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

h. Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transaction took place. Where this is not possible to determine, income and expense items are translated using average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the statement of comprehensive income.

Forward contracts are entered into by the Company to hedge the foreign currency risk of the underlying outstanding at the statement of financial position date and also to hedge the foreign currency risk of firm commitments or highly probable forecast transactions. The premium or discount on all such contracts arising at the inception of the contract is amortized as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as foreign exchange gain or loss for the year.

The exchange difference on such a forward exchange contract is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognised in the Statement of comprehensive income in the reporting period in which the exchange rates change.

Notes to the Unaudited Financial Statements for the year 31 March 2022

i. Share based payments

The employees of Mphasis UK Limited are granted Employee Stock Options /Restricted stock unit plan (RSU) (under equity settled share-based payment scheme) by the intermediate parent, Mphasis Limited and accordingly Mphasis UK Limited is subject to cross ch arge of fair value of options/share awards from Mphasis Limited. The fair value of the equity settled transactions are determined at the date of the grant using an appropriate pricing model (Black Scholes model). The expense is recognised in Statement of comprehensive income over the vesting period.

j. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financi al instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loans and borrowings.

Financial assets – classified as basic financial instruments

- **Cash and cash equivalents**

  Cash and cash equivalents comprise cash in hand, deposits held with banks and other short term highly liquid investments with original maturities of three months or less.

- **Trade and other debtors**

  Trade and other debtors are initially recognised at the transaction price, including any transaction costs and are subsequently measured at amortised cost, less any provision for impairment.

Financial liabilities - classified as basic financial instruments

- **Trade and other creditors, loans and borrowings**

  Trade and other creditors, loans and borrowings are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost.

Derivative Financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Derivative financial instruments are initially recognised at fair value at a date the de rivative contract is entered into and are subsequently measured at fair value at each repo rting date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of comprehensive income.

k. Leased Assets.

At inception the company assesses agreements, that transfers the right to use assets. The ass essments considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

- **Finance leased assets**

  Leases of assets that transfer substantially all the risk and rewards incidental to ownership are classified as finance lease.
  Finance lease are capitalised at the commencement of the lease as assets at the fair value of the leased assets or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

  Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date. The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lea se payments are apportioned between capital repayment and finance charge, using effective interest rate method, to produce a constant rat e of charge on the balance of capital repayments outstanding.

- **Operating leased assets**

  Leases that do not transfer all the risk and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on the straight-line basis over the period of lease.

l. Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed asset s are credited to the statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

m. Critical accounting policies and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They aff ect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Key sources of estimation uncertainty**

  The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets an d liabilities within the next financial year are discussed below:

  <u>Contract work-in-progress</u>

  The Company recognises contract revenue by reference to the stage of completion of the contract activity at the statement of financial position date, when the outcome of the contract can be estimated reliably. The stage of completion is measured by referen ce to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant as sumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stag e of completion. The estimates are made based on past experience and knowledge of management.

Notes to the Unaudited Financial Statements for the year 31 March 2022

- **Critical judgements made in applying accounting policies**

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimates.

Recognition of Deferred Tax Assets

Management estimation is required to determine the amount of deferred tax assets that can be recognised based upon likely timing and level of future taxable profits together with an assessment of the future tax planning strategies.

Expected credit loss ('ECL') on trade receivables

The impairment provisions for financial assets are based on evaluation of the risk of default over the expected life of the r eceivables and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history of collections, customer's credit- worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of investments

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is arrived at using a suitable valua tion technique.

SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS

2. TURNOVER

The turnover is mostly attributable to Application Services and Business Process Outsourcing stream.
A geographical analysis of turnover is as follows:

Geographical analysis of turnover	**2022**	**2021**
	£	**£**
United Kingdom	49,904,525	40,606,229
Rest of the world	8,150,898	11,017,149
	58,055,423	**51,623,378**

Analysis of turnover by customer	**2022**	**2021**
	£	**£**
External revenue	46,759,491	41,307,242
Revenue from fellow group undertakings	11,295,932	10,316,136
	58,055,423	**51,623,378**

3. OPERATING LOSS

	2022	**2021**
The Operating loss is stated after charging / (crediting)	**£**	**£**
Depreciation of tangible and intangible fixed assets	102,956	50,968
Operating lease rentals	392,260	347,427
Auditor's remuneration	24,156	36,257
Foreign exchange loss	205,544	27,846

4. STAFF COSTS

	2022	**2021**
Staff costs including directors' remuneration, were as follows:	**£**	**£**
Wages and salaries	22,090,081	19,191,685
Social security costs	2,443,114	1,864,310
Other contributions	451,311	301,082
	24,984,506	**21,357,077**

Included in staff cost is an amount of £183,399 (2021 - £75,039) relating to Employee Stock Option plan (ESOPs) and £307,848 (2021 - Nil) relating to Restricted Stock Unit Plan-2021 (RSU).

During the year, 61,208 (2021 - Nil) stock options pertaining to ESOP 2016 Plan and 77,156 (2021 - Nil) stock options pertaining to Restricted Stock Unit Plan-2021 were granted to current employees of Mphasis UK Limited.

Notes to the Unaudited Financial Statements for the year 31 March 2022

The average monthly number of employees, including the directors, during the year were as follows:

Category	2022 No.	2021 No.
Direct production	264	222
Sales	28	28
Administration	8	5
	300	**255**

Directors' emoluments and transactions	2022 £	2021 £
Remuneration	878,465	937,988
National insurance contributions	112,694	106,326
	991,159	**1,044,314**
Emoluments of the highest paid director		
Remuneration	483,171	505,755
National insurance contributions	60,482	49,103
	543,653	**554,858**
The number of directors who exercised share options	1	1

During the year, no retirement benefits were accrued for directors (2021: Nil) in respect of pension schemes.

Remuneration of key management personnel

Key management personnel comprise of all the directors and their aggregate remuneration for the year was as stated above.

5. INTEREST

Interest receivable and similar income	2022 £	2021 £
Interest on loans given to fellow undertaking	101,849	127,926
	101,849	**127,926**
Interest payable and similar charges		
Interest on loans taken from fellow undertaking	39,047	77,882
	39,047	**77,882**

6. TANGIBLE & INTANGIBLE FIXED ASSETS

	Furniture, fixtures and office equipment £	Plant and machinery £	Computer equipment £	Server and Network equipment £	Total Tangible Assets £	Software £	Total Intangible assets £
Cost							
At 1 April 2021	38,426	-	225,084	145,847	409,357	99,619	99,619
Additions	22,040	6,563	277,290	145,584	451,477	-	-
Disposals	-	-	-	(504)	(504)	-	-
At 31 March 2022	**60,466**	**6,563**	**502,374**	**290,927**	**860,330**	**99,619**	**99,619**
Depreciation							
At 1 April 2021	15,484	-	162,501	107,668	285,653	98,202	98,202
Charge for the year	8,473	588	66,649	26,700	102,410	546	546
Disposals	-	-	-	(504)	(504)	-	-
At 31 March 2022	**23,957**	**588**	**229,150**	**133,864**	**387,559**	**98,748**	**98,748**
Net book value							
At 31 March 2022	**36,509**	**5,975**	**273,224**	**157,063**	**472,771**	**871**	**871**
At 31 March 2021	**22,942**	**-**	**62,583**	**38,179**	**123,704**	**1,417**	**1,417**

Notes to the Unaudited Financial Statements for the year 31 March 2022

7. TAXATION

(a) Tax expense included in the statement of comprehensive income	2022 £	2021 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2021 - 19%)	-	-
Adjustments in respect of prior years	(399,386)	58
Total current tax	**(399,386)**	**58**
Deferred tax		
Origination and reversal of timing differences	(789,083)	24,685
Effect on opening deferred taxes of change in tax rate		-
Total deferred tax	**(789,083)**	**24,685**
Total tax expense included in the statement of comprehensive income	**(1,188,469)**	**24,743**

b) Reconciliation of tax expense included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is lower than (2021: higher than) to the standard rate of corporation tax in the UK of 19% (2021: 19%) .The differences are reconciled as follows.

	2022 £	2021 £
Profit on ordinary activities before taxation	(2,964,216)	(3,058,900)
Income tax calculated at 19% (2021-19%)	(563,201)	-
Expenses not deductible for tax purposes	6,867	-
Utilisation of tax losses, previously unrecognised	-	-
Other timing differences	556,334	-
Tax expense for the year	**-**	**-**
Adjustment in respect of prior years	(399,386)	58
Deferred tax (income) / expense for the year	(789,083)	24,685
Total tax expense for the year	**(1,188,469)**	**24,743**

c) Factors that may affect the future tax charges

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

There are no other factors affecting future tax charges.

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

Deferred Tax Asset (net)	2022 £	2021 £
Fixed assets	(13,954)	-
Provision for employee benefits	19,217	-
Net operating losses	783,820	-
Total	**789,083**	**-**

8. INVESTMENTS

	2022 £	2021 £
Opening balance	120,986,662	120,986,662
Closing balance	**120,986,662**	**120,986,662**

The investments made in Mphasis Wyde Inc. which consists of 204 equity shares of USD 0.01 each.

Notes to the Unaudited Financial Statements for the year 31 March 2022

Direct subsidiaries	Country of registration	Direct holding	Activity
Mphasis Wyde Inc. Address: 3411, Silverside Road, Tatnall Bldg, #104, Wilmington, DE 19810, New Castle County	USA	100%	Software and services
Indirect subsidiaries			
Wyde Corporation Inc. Address: 3411, Silverside Road, Tatnall Bldg, #104, Wilmington, DE 19810, New Castle County	USA	100%	Software and services
Digital Risk LLC. Address: Corporate Creations Network, 3411 Silverside Road, Tatnall Bldg, Suite 104, Wilmington DE 19810	USA	100%	Mortgage services

9. DEBTORS

	2022 £	2021 £
Debtors due within one year		
Trade debtors	9,486,784	5,513,901
Deferred tax (refer note 7)	789,083	-
Amounts owed by group undertakings	9,168,080	5,258,720
Other debtors	264,682	85,912
Advance tax net of provisions	447,788	43,415
Prepayments	3,670,611	3,706,656
Amount receivable on contracts	5,696,618	4,264,432
Other assets	7,851,194	2,803,352
	37,374,840	**21,676,388**
Debtors due more than one year		
Prepayments	2,047,546	2,597,677
Other assets	399,788	759,348
	2,447,334	**3,357,025**
	39,822,174	**25,033,413**

Amounts owed by group undertakings includes a loan of £3,800,000 (2021 - £3,050,000) to Mphasis Consulting Limited which carries interest of 3.1% per annum. The loans are repayable on demand.

10. CREDITORS

	2022 £	2021 £
Amounts falling due within one year		
Trade creditors	1,639,087	908,130
Amounts owed to group undertakings	21,750,770	7,134,059
Social security and other taxes	1,498,135	1,644,417
Accruals and deferred income	9,559,018	8,981,286
Taxation payable	-	386
	34,447,010	**18,668,278**

Amounts owed to group undertakings includes loans of £2,823,696 (2021 - £Nil). This loan is taken from Mphasis Belgium BV and carries interest at Euribor +350 bps p.a. The loan is repayable on demand.

Notes to the Unaudited Financial Statements for the year 31 March 2022

11. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2022 £	2021 £
3,107 Ordinary shares of £1 each	3,107	3,107

The company has only one class of ordinary shares which carry voting rights but no right to fixed income.

Share premium

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Profit and loss account

This reserve represents the cumulative profits and losses.

12. LEASE COMMITMENTS

Operating leases

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods is as follows:

Buildings	2022 £	2021 £
Operating lease payments due		
Within 1 year	275,513	362,531
1 year to 5 year	57,545	286,624
Total	**333,058**	**649,155**

13. RELATED PARTY TRANSACTIOS

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

- It possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or
- It is subject to common control or common significant influence.

The Company is a wholly owned subsidiary of Mphasis Europe BV and has taken the advantage of exemption permitted by section 33 Related party disclosures, not to provide disclosures of transactions entered into with other wholly – owned members of the group. The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P until 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd.

During the year the Company provided services to Mphasis Deutschland GmbH. Revenue of £47,746 was recognised and Cost of sales of £118,055 is accounted. At the year-end £189,482 & £130,647 was outstanding and included within debtors and creditors, respectively.

During the year the Company provided services to Mrald Limited. Revenue of £12,771 was recognised. At the year-end £13,044 was outstanding and included within debtors.

14. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2022 £	2021 £
Trade and other debtors	9,751,466	5,599,813
Amounts owed from holding and related companies	9,168,080	5,258,720
Cash and cash equivalents	1,237,483	2,276,651
	20,157,029	**13,135,184**

Financial Liabilities measured at amortised cost	2022 £	2021 £
Trade creditors	1,639,087	908,130
Amounts due to holding and related companies	21,750,770	7,134,059
	23,389,857	**8,042,189**

Notes to the Unaudited Financial Statements for the year 31 March 2022

15. EMPLOYEE BENEFITS

Projected Liabilities are estimated using the Projected Unit Credit method. Under this method each participant's benefits under the plan are attributed to years of service, taking into consideration future salary increases and the plan's benefit allocation formula.

	2022	2021
Defined Benefit Plan	**£**	**£**
Charge to statement of comprehensive income	434,941	284,821
Liability in GBP	430,352	352,653
Assumptions		
Discount rate	4.80%	6.14%
Salary escalation rate	1.00%	1.00%
Withdrawal Rate	5.00%	5.00%
Retirement Age	60	60

Total Expense Recognised in the Statement of Profit & Loss Account

	2022	2021
	£	**£**
Service cost		
Current service cost	157,674	124,289
Total service cost	157,674	124,289
Net interest cost		
Interest expense on DBO	20,179	13,974
Total net interest cost	20,179	13,974
Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	257,088	146,559
Defined benefit cost included in P&L	**434,941**	**284,821**

	2022	2021
	£	**£**
Cost Recognised in P&L	434,941	284,821
Amounts Effects Recognised in OCI	-	-
Total Cost Recognised in Comprehensive Income	**434,941**	**284,821**

Change in Defined Benefit Obligation

	2022	2021
	£	**£**
Defined Benefit Obligation as of Prior Year end	**352,653**	**295,448**
Service Cost		
Current service cost	157,674	124,289
Interest Cost	20,179	13,974
Benefit payments directly by employer	(357,242)	(227,616)
Actuarial (Gain) / Loss - Financial Assumptions	43,212	18,065
Actuarial (Gain) / Loss - Experience	213,876	128,494
Defined Benefit Obligation as of Current Year end	**430,352**	**352,653**

Net Defined Benefit Liability

	2022	2021
	£	**£**
Defined Benefit Obligation	430,352	352,653
Fair value of Plan Assets	-	-
(Surplus) / Deficit	430,352	352,653
Effect of Asset Ceiling	-	-
Net Defined Benefit Liability	**430,352**	**352,653**

Reconciliation of Amounts in Balance Sheet

	2022	2021
	£	**£**
Net defined benefit liability at prior year end	**352,653**	**295,448**
Defined benefit cost included in P&L	434,941	284,821
Direct benefit payments by Employer	(357,242)	(227,616)
Net defined benefit liability at end of period	**430,352**	**352,653**

Notes to the Unaudited Financial Statements for the year 31 March 2022

16. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parental undertaking is Mphasis Europe BV. The Company is controlled by Mphasis Limited, a Company incorporated in India.

The parent undertaking of the smallest group for which the consolidated accounts will be prepared for the year ended 31 March 2022 is Mphasis Limited. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company was Blackstone Capital Partners (Cayman II) VI L.P till 9 August 2021. Consequent to change of control on 10 August 2021, the ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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MSOURCE MAURITIUS INC.

CORPORATE DATA

			Date of appointment	Date of Resignation
DIRECTORS	:	Rehma Imrith	6-Sep-13	-
		Manikantan Thyagarajan	1-Aug-14	-
		Sevin Chendriah	1-Jan-16	-
		Sivaramakrishnan Puranam	24-Sep-19	-

ADMINISTRATOR & SECRETARY	:	IQ EQ Corporate Services (Mauritius) Ltd 33, Edith Cavell Street Port Louis, 11324 Republic of Mauritius
REGISTERED OFFICE	:	C/o IQ EQ Corporate Services (Mauritius) Ltd 33, Edith Cavell Street Port Louis, 11324 Republic of Mauritius
BANKER	:	SBI (MAURITIUS) LTD SBI Tower Mindspace Republic of Mauritius

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	NOTES	2022	2021
ASSETS		**USD**	USD
Non-current asset			
Investment in subsidiary	**6**	**13,060,247**	13,060,247
Current assets			
Prepayment	**7**	**10,849**	7,335
Cash and cash equivalents		**20,791**	21,256
Total current assets		**31,640**	28,591
Total assets		**13,091,887**	13,088,838
EQUITY AND LIABILITY			
Capital and reserves			
Stated capital	**8**	**225,001**	225,001
Contributed capital	**9**	**12,266,527**	12,266,527
Retained earnings		**559,169**	570,047
Shareholders' equity		**13,050,697**	13,061,575
Current liability			
Other payables	**10**	**41,190**	27,263
Total equity and liability		**13,091,887**	13,088,838

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	NOTE	2022 USD	2021 USD
EXPENSES			
Licence fees		**1,731**	832
Professional fees		**510**	917
Disbursements		**-**	250
Accountancy fees		**750**	2,950
Audit fees		**5,300**	4,950
Bank charges		**465**	537
Administration fees		**2,122**	2,038
		10,878	12,474
Loss before taxation		**(10,878)**	(12,474)
Taxation	**11**	**-**	-
Loss for the year		**(10,878)**	(12,474)
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(10,878)**	(12,474)

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Stated capital USD	Contributed capital USD	Retained earnings USD	Total USD
At 01 April 2020	225,001	12,266,527	582,521	13,074,049
Total comprehensive income for the year				
Loss for the year	-	-	(12,474)	(12,474)
At 31 March 2021	**225,001**	**12,266,527**	**570,047**	**13,061,575**
Total comprehensive income for the year				
Loss for the year	**-**	**-**	**(10,878)**	**(10,878)**
At 31 March 2022	**225,001**	**12,266,527**	**559,169**	**13,050,697**

MSOURCE MAURITIUS INC.

UNAUDITED SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	USD	USD
Cash flows from operating activities		
Loss before taxation	**(10,878)**	(12,474)
Changes in:		
Prepayment	**(3,514)**	(4,597)
Other payables	**13,927**	(11,848)
Net cash used in operating activities	**(465)**	(28,919)
Net decrease in cash and cash equivalents	**(465)**	(28,919)
Cash and cash equivalents at start of the year	**21,256**	50,175
Cash and cash equivalents at end of the year	**20,791**	21,256

1. GENERAL INFORMATION

MSOURCE MAURITIUS INC. (the "Company") was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001, on 10 April 2000, as a private company limited by shares. The Company's registered office address is C/o IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Republic of Mauritius. The Company's principal activity is that of investment holding.

The Company is the holder of a Global Business Licence under the Financial Services Act 2007.

2. BASIS OF PREPARATION

(a) Statement of compliance

The Company has a subsidiary and in accordance with International Financial Reporting Standards is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act 2001, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act 2001, Content and form of financial statements, these separate financial statements present the financial position, financial performance and cash flow of the Company. Since the Company is a holder of a Global Business Licence and is a wholly owned subsidiary of another company, these separate financial statements are prepared in accordance with Mauritius Companies Act 2001 which allows the use of International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"), except for the standard applicable to Consolidated Financial Statements (IFRS 10).

(b) Basis of measurement

The separate financial statements have been prepared on the going concern basis using the historical cost convention, except as otherwise stated.

(c) Use of estimates and judgements

The presentation of separate financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to financial statements are disclosed in note 5.

2. BASIS OF PREPARATION (CONTINUED)

(d) Determination of functional currency

Functional currency is the currency of the primary economic environment in which the Company operates. When indicators of the primary economic environment are mixed, management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management has determined that the functional currency of the Company is USD.

(e) Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statement except for new standards, amendments and interpretations adopted during the year as disclosed in note 4.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined.

Foreign currency differences arising on retranslation are generally recognised in profit or loss. Non-monetary items that are measured based on historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(b) Investment in subsidiary

Subsidiaries are entities controlled by the Company. The Company 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.

Investments in subsidiaries are initially shown at cost less impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of profit or loss and other comprehensive income.

At each reporting date, the Company reviews the carrying amounts of its investment to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investment in subsidiary (continued)

For impairment testing, assets are grouped 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 cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater 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 asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

(c) Expenses

Expenses are accounted for in statement of profit or loss on an accrual basis.

(d) Stated capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

(e) Contributed capital

Contributed capital relates to funds received from shareholders, being either cash or other non-monetary assets, which are non-reciprocal (i.e. no financial or non-financial obligation exists). Capital contribution also relates to the difference between the fair value of the interest-free holding company's loans and actual proceeds received by the Company from the holding company on initial recognition of the proceeds in accordance with IFRS 9. Contributed capital is classified as equity.

(f) Cash and cash equivalents

For the pupose of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

(g) Financial instruments

Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets at FVOCI (debt instruments) are recognised initially when they are originated. Other financial assets and liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

Classification

Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI).

Financial assets at FVTPL
Financial assets which are managed and whose performance is evaluated on a fair value basis and those are not classified as measured at amortised cost or FVOCI as described below are measured at FVTPL. The Company does not have any financial asset at FVTPL at the reporting date.

Financial assets at amortised cost
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 (SPPI) on the principal amount outstanding.

This category includes cash and cash equivalents and other receivables.

Financial liabilities

A financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

The Company has determined that it has the held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flows.

Assessment whether contractual cash flows are solely for payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest (SPPI), the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows
- Leverage features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Subsequent measurement

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest rate method. Interest income is recognised in 'finance income' and impairment is recognised in the separate line item in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition and modification is also recognised in profit or loss.
Financial liabilities at amortised cost	These financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Impairment

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

Impairment (continued)

The Company recognises loss allowances for expected credit loss (ECL) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- 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.

Other financial assets for which credit risk (i.e risk of default occuring over the expected life of the asset) has not increased significantly since intial recognition.

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).

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

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

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs 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 entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost 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;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

Impairment (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. 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.

Derecognition

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 it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss and other comprehensive income. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of prior years. The amount of current tax payable on receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences 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;
- temporary differences related to investments in subsidiaries, associates and joint arrangements 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.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at 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 only if the Company has the legal right to settle current tax amounts on a net basis and the deferred tax amounts are levied by the same taxing authority on the same entity or different entities that intend to realise the asset and settle the liability at the same time.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Fair value measurement principles

'Fair Value' is a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting year during which the change has occurred.

(j) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control of the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS

(a) New standards, amendments and interpretations that are effective during the current year (continued)

The following new and amended Standards and Interpretations are mandatory for the first time for the financial year beginning 01 April 2021:

- IFRS 16: COVID - 19 Related Rent Concessions (Amendment to IFRS 16)

- Various: Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

Management has assessed the impact of these new and revised Standards and Interpretations and concluded that none of these has an impact on the financial statement.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS (CONTINUED)

(b) *New standards, interpretations, and amendments to published standards not yet effective*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 April 2022 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Amendments to IAS 1 and IFRS Practice Statement 2

The Board has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- Several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed;
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements;
- accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are consistent with the refined definition of material.

The amendments are effective from 1 January 2023 but may be applied earlier.

The Directors are currently assessing the impact of this amendment on the financial statements and do not expect any significant impact on the Company's financial statements.

Annual Improvements to IFRS Standards 2018-2020

IFRS 9 Financial Instruments - The amendment clarifies that for the purpose of performing the ''10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The Directors are currently assessing the impact of this standard on the financial statements and do not expect any significant impact on the Company's financial statements.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS (CONTINUED)

(b) ***New standards, interpretations, and amendments to published standards not yet effective (continued)***

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. The amendments are to be applied retrospectively from the effective date.

The Directors are currently assessing the impact of this standard on the financial statements and do not expect any significant impact on the Company's financial statements.

Definition of accounting estimates (Amendments to IAS 8)

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates.
- Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The Board clarified that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

Definition of accounting estimates (Amendments to IAS 8) (continued)

The effects of changes in inputs and/or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Company applies the amendments.

The Directors are currently assessing the impact of this amendment on the financial statements and do not expect any significant impact on the Company's financial statements.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Company's accounting policies, which are described in note 3, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements:-

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the Directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar.

Impairment assessment of investment

Management carries out a regular review of the status of the assets of the Company to determine whether there is any indication that these assets suffered any impairment.

If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment, which is then recognised in profit or loss. Management checks whether there is objective evidence that the assets are impaired and that the fair values have declined. Management estimates of the impairment are based on critical evaluation of the economic circumstances involved, historical experience and other factors considered to be relevant.

6. INVESTMENT IN SUBSIDIARY

	2022	2021
Cost:	**USD**	USD
At 01 April and 31 March	**13,060,247**	13,060,247

Details of investments are as follows:

Name of Companies	**Principle place of business and Country of incorporation**	**Type of shares held**	**No of shares held**	**% Holding 2022**	**% Holding 2021**
				USD	USD
Msource (India) Private Limited	India	Ordinary	**6,685,261**	**100%**	100%

The directors consider that the recoverable amount of the investment in the subsidiary is not less than its carrying amount and that the investment is not to be impaired.

7. PREPAYMENTS

	2022	2021
	USD	USD
At 31 March	**10,849**	7,335
	10,849	7,335

8. STATED CAPITAL

	2022	2021
	USD	USD
Issued and fully paid:		
225,001 Ordinary shares of USD 1 each	**225,001**	225,001

Each of the above shares confers to its holder the following rights:

(a) the right to vote on a poll for every share held at a meeting of the Company on any resolution;

(b) the right to an equal share in dividends authorised by the board; and

(c) the right to an equal share in the distribution of the surplus assets of the Company.

9. CONTRIBUTED CAPITAL

	2022	2021
	USD	USD
At 31 March	**12,266,527**	12,266,527

The contributed capital is of no fixed terms and conditions. The capital contribution was made by the shareholders of the Company and this amount would be refundable at the option of the Company.

10. OTHER PAYABLES

	2022	2021
	USD	USD
Accruals	**16,205**	14,595
Amount due to Mphasis Corporation (note 14)	**24,985**	12,668
	41,190	27,263

The amount due to the parent of holding company is unsecured, interest free and repayable on demand.

11. TAXATION

Mauritius

The Company holds a Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Entities which had obtained their Global Business Licence on or before 16 October 2017 would have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company was entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax (“Deemed foreign tax credit”) on its foreign source income resulting in a maximum effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of Shares.

11. TAXATION (CONTINUED)

Mauritius (continued)

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

India

As a tax resident of Mauritius, the Company expects to obtain benefits under the double taxation treaty between India and Mauritius ("DTAA"). To obtain benefits under the double taxation tax treaty, the Company must meet certain tests and conditions, including the establishment of Mauritius tax residence and related requirements. The Company has obtained a tax residence certificate ("TRC") from the Mauritius Revenue Authority, renewable annually and believes such certification is determinative of its resident status for treaty purposes.

Capital gains tax

Following the amendments to India-Mauritius treaty made on 10 May, 2016, taxation rights on capital gains from disposal of shares has been shifted from Mauritius to India effective from 01 April 2017 and there has been the implementation of Long Term Capital Gain Tax (LTCGT) in India on long term capital gains. However, investments made by Mauritius structures up to 31 March 2017 shall be grandfathered and thus exempted from capital gains tax in India irrespective of the date of disposal.

Capital Gains Tax rates applicable

- The long-term capital gains on sale of listed securities exceeding INR 100,000 are taxed at 10.92% and the Short-term capital gains shall be taxed at 16.38%. On sale of unlisted securities, the tax rates are 10.92% and 43.68% for Long-term capital gains and Short-term capital gains respectively.

Disposal of investments made by a Mauritius company in Indian financial instruments other than shares (such as limited partnerships, options, futures, warrants, debentures, and other debt instruments) are not impacted by the change and will continue to be exempted from capital gains tax in India.

As per the revised DTAA, interest arising in India payable to Mauritian residents shall be subject to withholding tax in India at the rate of 7.5% in respect of debt claims or loans made after 31 March 2017.

General anti-avoidance rule (GAAR) has become effective as from 01 April 2017 and therefore, investments made till 31 March 2017 are outside the purview of GAAR.

There was no capital gain tax for the year ended 2022 and 2021.

11. TAXATION (CONTINUED)

Tax reconciliation

	2022	2021
	USD	USD
Current year charge	**-**	-
Loss before taxation	**(10,878)**	(12,474)
Tax at 15%	**(1,632)**	(1,871)
Deferred tax assets not recognised	**1,632**	1,871
	-	-

No provision for deferred tax asset has been recognised in respect of tax losses accumulated to **USD 83,722** (2021: USD 87,818) because it is not certain whether future taxable profit will be available against which the loss can be utilised.

Tax loss amounting to **USD 14,974** has been lapsed during the year (2021: USD 16,044).

	2022	2021
	USD	USD
Tax losses carried forward for the next 5 years	**(10,878)**	(12,474)
Tax losses carried forward for the next 4 years	**(12,474)**	(18,251)
Tax losses carried forward for the next 3 years	**(18,251)**	(10,325)
Tax losses carried forward for the next 2 years	**(10,325)**	(17,394)
Tax losses carried forward for the next 1 years	**(17,394)**	(14,400)
Tax losses carried forward for the next year	**(14,400)**	(14,974)
	(83,722)	(87,818)

12. FINANCIAL RISK MANAGEMENT

Overview

The Company has exposure to the following risks from its use of financial instruments:

- market risk
- credit risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The nature and extent of the financial instruments outstanding at reporting date and the risk management policies employed by the Company are discussed below.

Fair values

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

The Company's investments are valued as described in note 3. The Company's other financial assets and liabilities include cash and cash equivalents and acruals which are realizable or settled within a short period of time. The carrying amounts of these assets and liabilities approximate their fair values.

The table below provides reconciliation of the line items in the Company's statement of financial position to the categories of financial instruments.

	Financial Assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
31 March 2022	**USD**	**USD**	**USD**
Financial assets			
Cash and cash equivalents	**20,791**	**-**	**21,256**
Financial liabilities			
Other payables	**-**	**41,190**	**41,190**

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair values (continued)

	Financial Assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
31 March 2021	USD	USD	USD
Financial assets			
Cash and cash equivalents	21,256	-	21,256
Financial liabilities			
Other payables	-	27,263	27,263

Associated risk

The Company's activities are exposed to the various types of risk which are associated with financial instruments and markets in which it invests. The following summary is not intended to be a comprehensive summary of all risks:

(i) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, price risk and interest rate risk. The Company's market risk is managed in accordance with its policies and procedures in place.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Company has no significant exposure to price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has financial assets and financial liabilities which are mainly denominated in United States Dollar. Consequently, the Company is not exposed to the currency risk.

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. At the end of the reporting year, there was no significant concentration of credit risk. The maximum exposure to credit risk at the end of the reporting year was:

	2022	2021
	USD	USD
Less than 1 year		
Cash and cash equivalents	**20,791**	21,256

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. At the end of the reporting year, the Company is not significantly exposed to any credit risk. The Company manages its exposure to credit risk by banking with reputable financial institutions. The approved banker of the Company is SBI (Mauritius) Ltd, which has a credit rating of Baa3/P-3/Stable in 2022. Hence, no ECL has been provided on cash at bank.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the Company's contractual maturities of financial liabilities:

	2022	2021
	USD	USD
Less than one year		
Other payables	**41,190**	27,263

Prudent liquidity risk management implies maintaining a level of cash at bank deemed adequate by management to finance the Company's activities. The Company has sufficient liquidity to meet its obligation.

13. CAPITAL MANAGEMENT

The objective of the Company when managing capital is to provide an adequate return to its investor by achieving superior risk-adjusted returns through medium term and long-term capital appreciation of its investments.

The board of directors evaluates investment opportunities and take all investment and divestment decisions in accordance with the investment policy of the Company.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust return on capital to shareholders or issue new shares.

The Company's total equity as at 31 March 2022 is **USD 13,050,697** (2021: USD 13,061,575).

14. RELATED PARTY DISCLOSURES

For the year ended 31 March 2022, the Company had transaction and balance with the related entities as follows:

Name of entities	**Relationship**	**Nature of transactions**	**Volume of transactions**	**Balance at 31 March 2022**	Balance at 31 March 2021
				USD	USD
Mphasis Corporation	Parent of holding company	Payment of expenses	**(12,317)**	**24,985**	12,668

The amount due to the parent of holding company is unsecured, interest free and repayable on demand (See note 10).

Key management personnel

The directors of the Company, Mr Sevin Chendriah and Mrs Rehma Imrith are also employees of IQ EQ Corporate Services (Mauritius) Ltd (the "Administrator") and hence are deemed to have interests in the Administration Agreement between the Company and the Administrator. Details of transactions between the Company and the Administrator during the year were as follows:

	2022	2021
	USD	USD
Director fees	**1,600**	1,600

IQ EQ Corporate Services (Mauritius) Ltd performs certain administration and related services for the Company. A sum amounting to **USD 2,122** (2021: USD 2,038) was expensed during the year in respect of the aforesaid services.

15. GOING CONCERN AND IMPACT OF COVID-19

At 31 March 2022, the Company has incurred losses of **USD 10,878** (2021: USD 12,474) and as at that date, its current financial liabilities exceed its current financial assets by **USD 20,399** (2021: current financial assets exceeded its current financial liabilities by USD 6,007).

The Company has received letter of support from Mphasis Corporation to enable it to meet its liabilities for the next 12 months from the date of authorization of these separate financial statements.

Accordingly, the separate financial statements are prepared based on accounting policies applicable to a going concern.

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. There are meaningful direct and indirect effects developing with companies across multiple industries and the world.

COVID-19 has caused significant volatility within the economic markets, for which the duration and spread of outbreak and the resultant economic impact is uncertain and cannot be predicted. The directors have made an assessment of the Company's ability to continue as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but not limited to, twelve months from date of authorisation of these separate financial statements. Based on this assessment, no material impact is expected on the Company from COVID-19 and the directors are of the view that sufficient cash flow would be available for operations of the Company for the foreseeable future. The carrying value of investment as at 31 March 2022 reflect the conditions known as at that date and do not factor in the effect of COVID-19 on those valuation. As at the date of this report, it is not possible to reliably estimate the financial effect (if any) of the virus on the investment considering that, the Company is not in a position to assess the magnitude of the impact on the operations of the underlying investment and there are no indications which suggests that the Company's investment will be materially impacted.

16. HOLDING AND ULTIMATE HOLDING COMPANIES

The Company is a wholly owned subsidiary of Mphasis Europe BV, a Company incorporated in Netherlands. Mphasis Europe BV is a subsidiary of Mphasis Corporation. The immediate holding company of Mphasis Corporation is Mphasis Limited, a company incorporated in India, and the ultimate holding Company is Blackstone Capital Partners (Cayman II) VI L.P, a company incorporated in Cayman Islands upto 9 August 2021, from 10 August 2021 BCP Asia (SG) Mirror Holding Pte Ltd is the ultimate holding company..

17. SUBSEQUENT EVENTS

There have been no material events after the end of the reporting year which would require disclosure or adjustments to the separate financial statements for the year ended 31 March 2022.

Mphasis Wyde Inc.

Unaudited Financial Statements
for the year ended 31 March 2022

(Amounts expressed in $ except as otherwise stated)

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2022

		March 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	185,504
Loans given to related parties		15,903,738
Other assets		5,991
Total current assets	**$**	**16,095,233**
Investment in subsidiaries	$	275,170,000
Other non-current assets		36,257
Total assets	**$**	**291,301,490**
Liabilities and Stockholders' equity		
Current liabilities:		
Loans taken from related parties	$	874,519
Accounts payable and accrued expenses		16,873
Payable to related parties		43,073,099
Income Tax Liabilities (Net)		81,599
Total current liabilities	**$**	**44,046,090**
Non current liabilities:		
Deferred tax liability,net	$	9,881,344
Total non current liabilities	**$**	**9,881,344**
Total liabilities	**$**	**53,927,434**
Stockholders' equity		
Common stock; $0.01 par value; 204 shares authorised, 204 shares issued and outstanding	$	2
Additional paid-in capital		194,499,998
Retained earnings		42,874,056
Total Stockholders' equity	**$**	**237,374,056**
Total liabilities and Stockholders' equity	**$**	**291,301,490**

The accompanying notes are an integral part of these financial statements.

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue	$	-
Cost of revenue		-
Gross profit	$	-
General and administrative	$	20,324
Total operating expenses	**$**	**20,324**
Operating loss	$	(20,324)
Other income, net:		
Interest and other income, net		30,583,446
Interest expense		(737,728)
Total other income, net	**$**	**29,845,718**
Profit before taxes	$	29,825,394
Tax expense		6,166,530
Net profit	**$**	**23,658,864**
Other comprehensive income		-
Comprehensive income	**$**	**23,658,864**

The accompanying notes are an integral part of these financial statements.

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2022

	Common stock		Additional paid-in capital		Retained earnings		Stockholders' equity	
Balance at March 31, 2021	**$**	**2**	**$**	**194,499,998**	**$**	**19,215,192**	**$**	**213,715,192**
Comprehensive income								
Net profit		-		-		23,658,864		23,658,864
Other comprehensive income		-		-		-		-
Balance at March 31, 2022	**$**	**2**	**$**	**194,499,998**	**$**	**42,874,056**	**$**	**237,374,056**

The accompanying notes are an integral part of these financial statements.

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Operating activities:		
Net Profit	$	23,658,864
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest expenses		737,728
Interest income		(583,394)
Deferred Tax		4,156,766
Dividend income on investments		(30,000,000)
Changes in operating assets and liabilities:		
Other non-current assets		5,970
Accounts payable and accrued expenses		4,997
Income taxes payable		62,290
Net cash flow used in operating activities	**$**	**(1,956,779)**
Investing activities:		
Loans given to related parties		(7,900,000)
Loans repaid by related parties		8,753,660
Dividend income on investments		30,000,000
Net cash flow generated from investing activities	**$**	**30,853,660**
Financing activities:		
Loans taken from related parties		95,120,000
Loans repaid to related parties		(135,025,018)
Funds received from related parties		11,108,999
Net cash flow used in financing activities	**$**	**(28,796,019)**
Net decrease in cash and cash equivalents	$	100,862
Cash and cash equivalents, beginning of year		84,642
Cash and cash equivalents, end of year	**$**	**185,504**
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$	1,942,032
Interest paid	$	1,076,018

The accompanying notes are an integral part of these financial statements.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

NOTE 1 - CORPORATE INFORMATION

Nature of Business

Mphasis Wyde Inc. ('the Company') was incorporated on 27 July 2011, is a wholly owned subsidiary of Mphasis UK Limited ('parent company'). The Company is an investment company and does not render any services. The intermediate parent company of Mphasis UK Limited is Mphasis Limited, India. For the period upto 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

As required by its intermediate parent company Mphasis Limited India, the special purpose financial statements are prepared in accordance with recognition and measurement principles referred to in generally accepted accounting standards in the United States of America ("U.S. GAAP") except for consolidation of its wholly-owned subsidiaries namely Wyde Corporation & Digital Risk LLC. Accordingly, the financial statement do not purport to follow U.S. GAAP to this extent.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, income taxes. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable. Cash balances does not exceed federally insured limits. The Company believes it mitigates any risks by depositing cash with major financial institutions.

The Company maintained $185,504 in the bank accounts within the United States as at March 31, 2022.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximise the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Company considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts payable, accrued expesnes and borrowings to approximate the fair value of the respective assets and liabilities at March 31, 2022 and upon the short-term nature of the assets and liabilities.

Foreign currency transaction

The Company's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and losses are recognised in statement of comprehensive income.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, "Income Taxes" (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's financial statements recognize the current and deferred income tax consequences that result from the Company's activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the consolidated income tax return group.

(Amounts expressed in $ except as otherwise stated)

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income.

Investment

The Company has elected to account for its investments in subsidiaries at cost, less any impairments, which approximate fair values at March 31, 2022. The carrying amount of investments are reviewed annually for potential impairment or when changes in circumstances indicate the carrying amount of the investments may not be recoverable.

Impairment of investments

Equity investments without readily determinable fair values are written down to fair value if a qualitative assessment indicates that the investment is impaired and the fair value of the investment is less than carrying value.

NOTE 3 – INVESTMENT IN SUBSIDIARIES		March 31, 2022
Wyde Corporation	$	88,270,000
Digital Risk LLC		186,900,000
	$	**275,170,000**

NOTE 4 – INCOME TAXES		March 31, 2022
Income tax expense comprises		
Current taxes	$	2,009,764
Deferred tax		4,156,766
Total taxes	**$**	**6,166,530**

NOTE 5 - RELATED PARTY

Borrowings

On February 07, 2013, the Company entered into unsecured credit agreement with its intermediate holding company, Mphasis Corporation to grant facility in the aggregate principal sum of $88,500,000 bearing interest rate at LIBOR (Quarterly reset) plus an margin of 3% and repayable on demand. Of the $88,500,000 available under this facility, $39,629,000 was borrowed during prior years. The Company has additionally borrowed $95,120,000 in current year and repaid the loan and interest amounting $135,025,017 and accrued interest amounting to $737,727 respectively. As on March 31, 2022, the outstanding principal amount payable under this facility is $800,000, recorded as loans taken from related parties in the accompanying balance sheet.

During the year ended March 31,2022, the interest cost to the extent borrowed amounted to $737,727 included in interest expense in the statement of comprehensive income. As at March 31, 2022, $74,519 remains payable and included in loans taken from related parties in the accompanying balance sheet.

Loan given

On August 22, 2013, the Company entered into unsecured credit agreement with its subsidiary company, Wyde Corporation for lending in the aggregate principal sum of $15,500,000 bearing interest rate at 3.25% of nominal value and repayable on demand. Of the $15,500,000 available under this facility, $15,500,000 was lent in prior years. The Company has additionally given $7,900,000 in current year and Wyde Corporation has repaid the loan amounting $8,100,000 and interest amounting $637,082 respectively in the current year . The Company accrued interest amounting to $565,612 during current year. As on March 31, 2022, the outstanding principal amount receivable under this facility is $15,300,000, recorded as loans given to related parties in the accompanying balance sheet.

On February 14, 2019, the Company entered into unsecured credit agreement with its affiliate company, Wyde Solution Canada for lending in the aggregate principal sum of $5,000,000 bearing interest rate at 3.25% of nominal value and repayable on demand. Of the $5,000,000 available under this facility, $520,000 was lent in prior years. The Company has repaid the interest amounting $16,578 in current year . The Company accrued interest amounting to $17,782 during current year.As on March 31, 2022, the outstanding principal amount receivable under this facility is $520,000, recorded as loans given to related parties in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $583,394 as interest income and is included in interest and other income in the statement of comprehensive income. As at March 31, 2022, $83,738 remains receivable and included in loans given to related parties.

Advances from related parties

The Company has received advances from its subsidiaries, Digital Risk Mortgage Services, LLC and Digital Risk,LLC of $42,523,100 and $550,000 respectively. As at March 31, 2022, $43,073,100 is outstanding payable and is included in payable to related parties in the accompanying balance sheet.

Dividend

During the current year Digital Risk LLC has declared a dividend of 30,000,000 and the same has been accounted as dividend income and disclosed under other income in statement of comprehensive income.

NOTE 6 - COMMITMENTS AND CONTINGENCIES

(a) Commitments:

Liabilities for loss contingencies, arising from claims, assessments, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

Total rental expenses under operating leases for the year ended March 31, 2022 is Nil.

(b) Legal claims:

Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 7 - IMPACT OF THE GLOBAL PANDEMIC ('Covid-19')

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any.
Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 8 - SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

Wyde Corporation

Unaudited Financial Statements
for the year ended 31 March 2022

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2022

	March 31, 2022
Assets	
Current assets	
Cash and cash equivalents	3,213,253
Accounts receivable, net	4,062,431
Receivable from related parties	3,118,663
Unbilled receivables	2,241,069
Other current assets	597,599
Total current assets	**13,233,015**
Property and equipment net	86,855
Investment in subsidiaries	67,356
Other non - current assets	44,540
Deferred tax assets, net	1,293,082
Total non current assets	**1,491,833**
Total Assets	**14,724,848**
Liabilities and Stockholders' equity	
Current liabilities	
Loans taken from related parties	15,379,812
Accounts payable and accrued expenses	2,543,954
Payable to related parties	5,282,965
Deferred revenue	1,402,866
Other current liabilities	1,219,548
Total current liabilities	**25,829,145**
Other non current liabilities	108,697
Total non current liabilities	**108,697**
Stock holder's equity	
Common stock; $30 par value; 2,247 shares authorised, 2,247 shares issued and outstanding	67,410
Additional paid-in capital	362,148
Accumulated deficit	(11,642,552)
Total Stockholders' equity	**(11,212,994)**
Total liabilities and Stockholders' equity	**14,724,848**

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

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue from operations	$	25,919,846
Revenue from related parties		1,386,562
Total revenue		**27,306,408**
Cost of revenue		24,654,275
Gross profit	**$**	**2,652,133**
Selling, General and administrative		1,900,725
Depreciation and amortization		31,941
Total operating expenses	**$**	**1,932,666**
Operating Profit	$	719,467
Other income/(expenses)		
Interest expense		(565,612)
Interest income		16,248
Total other income/(expenses)	**$**	**(549,364)**
Profit before taxes	$	170,103
Income taxes		387,148
Net profit	**$**	**557,251**
Other comprehensive income		-
Comprehensive profit	**$**	**557,251**

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

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

WYDE CORPORATION
UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31,2022

		Common stock		Additional paid-in capital		Accumulated deficit		Stockholders' equity
Balance at March 31, 2021	$	67,410	$	362,148	$	(12,199,803)	$	(11,770,245)
Comprehensive Income								
Net Profit	$	-	$	-	$	557,251	$	557,251
Other comprehensive income	$	-	$	-	$	-	$	-
Balance at March 31, 2022	**$**	**67,410**	**$**	**362,148**	**$**	**(11,642,552)**	**$**	**(11,212,994)**

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

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

WYDE CORPORATION
UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2022

	March 31, 2022
Operating activities:	
Net profit	557,251
Adjustment to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization expense	31,941
Impairement on expected credit losses	(11,086)
Interest expenses	565,612
Interest income	(16,248)
Changes in operating assets and liabilities:	
Accounts and unbilled receivables	2,729,454
Receivable from related parties	(774,087)
Other assets	363,691
Accounts payable and accrued expenses	(875,343)
Payable to related parties	1,547,022
Deferred revenue	316,005
Other liabilities	(487,311)
Net cash from operating activities	**4,015,284**
Investing activities	
Purchase of property and equipment	(93,517)
Interest received	16,248
Net cash used in invesing activities	**(77,269)**
Financing activities	
Loans taken from related parties	7,900,000
Loans repaid to related parties	(8,737,082)
Net cash used in financing activities	**(837,082)**
Net increase in cash and cash equivalents	3,100,933
Cash and cash equivalents at the beginning of the year	112,320
Cash and cash equivalents at the end of the year	**3,213,253**
Supplementry disclosure of cash flow information:	
Interest paid	637,082

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

NOTE 1 – CORPORATE INFORMATION

Nature of business

Wyde Corporation ('the Company') was acquired on 29 August 2011 by Mphasis Wyde Inc., a subsidiary of Mphasis UK Limited. The company is engaged in the business of rendering software services and projects, infrastructure outsourcing services, call centre & business process outsourcing services and application services. For the period upto 9 August 2021, the holding company and ultimate holding company were Marble II Pte Ltd. and Blackstone Capital Partners (Cayman II) VI L.P respectively. On 10 August 2021, Marble II Pte Ltd. sold the shares held in the Company to BCP Topco IX Pte. Ltd. This consequently led to a change of control. Accordingly, with effect from 10 August 2021, the holding company and ultimate holding company are BCP Topco IX Pte. Ltd and BCP Asia (SG) Mirror Holding Pte Ltd respectively.

Business outlook

The Company primarily renders software integration and development service to its customers. The Company has a profit of $ 557,251 and has an accumulated deficit of $ 11,642,552 as at 31 March 2022, while these factors would normally indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, the letter of continuing financial and operating support from Mphasis Wyde Inc., the parent Company to assist the Company in meeting its liabilities, including operating and capital expenditure requirements and statutory liabilities as and when they fall due, mitigates this uncertainty. The management of the Company is of the opinion that the Company could meet their day-to-day cash flow requirements based on the working capital generated from operations.

In view of the foregoing, the management is satisfied that there are no events or conditions that may cast a significant doubt on the ability of the Company to continue as a going concern and hence the assets and liabilities have been recorded in the financial statements on the basis that the Company will be able to realise its assets and discharge its liabilities, in the normal course of business.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

As required by its intermediate parent Company Mphasis Limited India, these special purpose financial statements are prepared in accordance with recognition and measurement principles referred to in generally accepted accounting standards in the United States of America (“U.S. GAAP”) except for consolidation of its wholly owned subsidiaries namely, Wyde Solutions Canada Inc., and Mphasis Wyde SASU. Accordingly, the financial statement does not purport to follow U.S. GAAP to this extent.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for costs and efforts expected to be incurred to complete performance under revenue recognition, allowance for doubtful accounts, the useful lives of plant and equipment and income taxes. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents. Cash balances exceed federally insured limits.

Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from time and material, unit-priced contracts are recognized based on the number of hours worked at an agreed upon rate per hour and is recognized during the period in which the services are performed.

Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled account receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met. The Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Company has applied the practical expedient provided in ASC 606.

When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract, the Company accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable. Cash balances does not exceed federally insured limits. The Company believes it mitigates any risks by depositing cash with major financial institutions.

The Company maintained $1,056,375 in the bank accounts within the United States and $21,56,878 in the bank accounts in other foreign branches at March 31, 2022. The Company does not expect the maintenance of cash reserves in foreign countries to be a risk.

The Company provides credit to customers in the normal course of business. Credit risk is affected by conditions or occurrences within the economy. Collateral is not required for accounts receivable, but ongoing credit evaluations of customers' financial condition are performed. Management provides for an allowance for doubtful accounts on a specifically identified basis, as well as through historical experience applied to an aging of accounts.

The Company had certain customers whose revenue individually represented 10% or more of the Company's total revenue. For the year ended March 31, 2022, two customers have accounted for 87% of revenue and no other customer has accounted for more than 10% of revenue.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Company considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and borrowings to approximate the fair value of the respective assets and liabilities on March 31, 2022, and upon the short-term nature of the assets and liabilities.

Accounts receivable

Accounts receivables are stated net of an allowance for doubtful accounts. On a periodic basis, the Company evaluates its receivables and establishes an allowance for doubtful accounts based on historical experience and other currently available information. Provision for doubtful debt as of March 31, 2022, is $ 140,348

Deferred revenue

Deferred revenue consists of billings or payments received in advance of revenue recognition and it is recognized as the revenue recognition criteria are met. Deferred revenue includes certain professional services fees and licensing revenues where all the criteria for recognition were not met. Deferred revenue that will be recognized over the succeeding 12-month period is recorded as current and the remaining portion is recorded as non-current.

Foreign currency transactions

The Company's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and losses are recognized in statement of comprehensive income.

Property and equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years. Leasehold improvements are amortized over the shorter of the asset life or the term of the applicable office lease. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized. When assets are retired or otherwise disposed off, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Impairment of long-lived assets

The company reviews long-lived assets, including the property and equipment, for impairment whenever event or changes in business circumstances indicate that the carrying amount of the asset may not be fully recoverable. An impairment loss is recognized when estimated undiscounted future cash flows expected to result from use of the asset and its eventual disposition are less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. Management has completed its impairment review for the year ended March 31, 2022 and believes that Company's long lived assets are not impaired.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, "Income Taxes" (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all the deferred tax assets will not be realized.

The Company's financial statements recognize the current and deferred income tax consequences that result from the company's activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the parent company's consolidated income tax return group.

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure, sand transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

NOTE 3 – REVENUE

Movement in Unearned Revenue	**March 31, 2022**
Balance at the beginning of the year	1,086,862
Revenue recognised during the year	(980,816)
Invoiced during the year	1,296,820
Closing Balance	**1,402,866**

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2022:-

	Estimated useful Lives	**March 31, 2022**
Furniture, fixtures and equipment	5 years	167,832
Plant and equipment	7 years	2,535
Computer equipment	3 years	236,012
Servers and networks	6 years	41,666
Computer software	3 years	32,437
Office equipment	5 years	9,943
Total		**490,425**
Less: accumulated depreciation		(403,570)
Property and equipment, net		**86,855**

Depreciation and amortisation expense for the year ended March 31, 2022 is $ 31,941.

NOTE 5– INVESTMENT IN SUBSIDIARIES

	March 31, 2022
Wyde Solutions Canada Inc.	984
Mphasis Wyde SASU	66,372
	67,356

NOTE 6 – INCOME TAXES

Income tax expense/ (benefit) comprises of :

		March 31, 2022
Taxes:		
Current taxes	$	(455,649)
Deferred taxes		68,501
Total taxes	**$**	**(387,148)**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income.

NOTE 7- EMPLOYEE BENEFIT PLANS

a. Social security - Employee of the Company receives benefits under social security schemes, which is a defined contribution plan based on specified percentage of employee’s salary. The Company contributed $ 1,205,846 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the year ended March 31, 2022.

b. Compensated absences - The employees of the Company are entitled to compensated absences based on the unavailed leave balance and the last drawn salary of the respective employees. The obligation of compensated absences is based on actuarial valuation as at the valuation date. The Company has recorded $ 158,717 towards expense for compensated absences for the year ended March 31, 2022. The outstanding accrual as at March 31, 2022 is $ 224,052.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

NOTE 8- RELATED PARTY

Revenue and expenses –

The Company has entered into an agreement to provide software integration and development service to the customers of its parent company, its subsidiary companies, and subsidiaries of parent company.

During the year ended March 31, 2022, the Company has recorded $1,386,562 as revenue in the accompanying statement of comprehensive income from the following related parties; -

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	1,089,733
Mphasis Corporation	Intermediate parent company	242,290
Wyde Solutions Canada Inc.	Subsidiary company	39,914
Mphasis Wyde SASU	Subsidiary company	374
Digital Risk LLC.	Subsidiary of Intermediate parent company	867
Mphasis Pte Limited	Subsidiary of Intermediate parent company	13,384

As at March 31, 2022, the Company has $ 3,118,664 as balance receivable from following related parties; -

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	1,093,493
Mphasis Corporation	Intermediate parent company	247,559
Wyde Solutions Canada Inc.	Subsidiary company	665,293
Mphasis Wyde SASU	Subsidiary company	1,097,703
Digital Risk LLC	Subsidiary of Intermediate parent company	867
Mphasis Pte Limited	Subsidiary of Intermediate parent company	13,750

The Company avails software integration and development service from its parent company, its ultimate parent company, and subsidiaries of parent company.

During the year ended March 31, 2022, the Company has recorded $ 6,754,326 as cost of revenue in the accompanying statement of comprehensive income from following related parties; -

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	2,850,436
Mphasis Corporation	Intermediate parent company	2,433,148
Mphasis Wyde SASU	Subsidiary company	985,200
Mphasis UK Limited	Intermediate parent company	96,776
Wyde Solutions Canada Inc.	Subsidiary Company	423
Mphasis GmbH	Subsidiary of Intermediate parent company	9,432
Mphasis Poland Z.o.o	Subsidiary of Intermediate parent company	1,869
Datalytyx Ltd	Subsidiary of Intermediate parent company	376,606
Dynamyx	Subsidiary of Intermediate parent company	436

Pursuant to cost sharing agreement with group companies, the Company was charged $ 674,175 from following related parties;-

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	608,460
Mphasis Corporation	Intermediate parent company	38,715

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

During the year ended March 31, 2022, the Company was charged $606,314 from following related parties;-

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	72,694
Mphasis Corporation	Intermediate parent company	533,620

As of March 31, 2022, the Company has $5,282,962 as balance payable to following related parties; -

Name of the party	Nature of relationship	March 31, 2022
Mphasis Limited	Intermediate parent company	1,647,247
Mphasis Corporation	Intermediate parent company	2,579,021
Wyde Solutions Canada Inc.	Subsidiary Company	10,753
Mphasis Wyde SASU	Subsidiary company	542,996
Mphasis UK Limited	Intermediate parent company	117,855
Mphasis Gmbh	Subsidiary of Intermediate parent company	6,850
Datalytyx Limited	Subsidiary of Intermediate parent company	376,606
Dynamyx Ltd	Subsidiary of Intermediate parent company	405
Mphasis Poland z.o.o	Subsidiary of Intermediate parent company	1,229

Borrowings –

On August 22, 2013, the Company entered into unsecured credit agreement with its parent company, Mphasis Wyde Inc. for borrowing in the aggregate principal sum of $ 15,500,000 bearing interest rate at 3.25% of nominal value and repayable on demand. Of the $ 15,500,000 available under this facility, $15,500,000 borrowed in prior years. The Company has additionally borrowed $ 7,900,000 in current year and repaid the loan and interest amounting $ 8,100,000 and $ 637,082 respectively in the current year. As on March 31, 2022, the outstanding principal amount payable under this facility is $ 15,300,000, recorded as loans taken from related parties in the accompanying balance sheet.

During the year ended March 31, 2022, the Company recorded $ 565,612 (Mphasis Wyde) as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2022 $ 79,812 related to Mphasis Wyde Inc remains payable and included in loans taken from related parties.

NOTE 9 - Employee stock options

The employees of the Company are eligible to participate in Employee Stock Option Plan (ESOPs) of Mphasis Limited, India as per terms and conditions as specified in the plan. The plan are assessed, managed and administered by Mphasis Limited, India

Mphasis Limited, India has charged to the Company such compensation costs upon grant of shares to the employees based on the equity settled transactions using an appropriate pricing model (Black Scholes model). During the current year the parent company has charged an aggregate amount of $ 5,193 included in statement of comprehensive loss.

NOTE 10- SHARE BASED COMPENSATIONS

The employees of the Company are granted Employee Stock Options (under equity settled share-based payment scheme) by the intermediate parent, Mphasis Limited and accordingly the Company is subject to cross charge of fair value of options/share awards from Mphasis Limited. The fair value of the equity settled transactions are determined at the date of the grant using an appropriate pricing model (Black Scholes model). The expense is recognized in profit or loss over the vesting period.

Effective 4 November 2016, the parent company instituted the 2016 Plan. The weighted average share price as at the date of exercise of stock option was ₹ 2,817.05. As per the ESOP 2016 Plan, the stock options are granted at the Market Price subject to a discount up to twenty per cent (20%) as may be determined by the Compensation Committee of the parent at the time of Grant. The equity shares covered under these options vest over 60 months from the date of grant. The exercise period is sixty months from the respective date of vesting. The options outstanding as at 31 March 2022 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00.

Unaudited financial statements (Amounts expressed in $ except as otherwise stated)

The movements in the options under the 2016 plan for the year ended 31 March 2021 is set out below:

	March 31, 2022
Options outstanding at the beginning of the year	44,118
Granted	-
Exercised	
Transfers	-
Options outstanding at the end of the year	44,118

NOTE 11– COMMITMENTS AND CONTINGENCIES

Legal Claims:

The Company is subject to legal claims in the normal course of business. Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 12-IMPACT OF THE GLOBAL PANDEMIC (‘Covid-19’)

The Company is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Company, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 13- SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Company evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.

Mphasis
The Next Applied

Mrald Group

Unaudited consolidated financial statements as at and for the period ended 31 March 2022

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BALANCE SHEET		**GBP**
	Notes	**As at 31 March 2022**
ASSETS		
Current assets		
Financial assets		
Trade receivables		
Billed	3	432,374
Cash and cash equivalents	4	24,333
Other assets	5	51
Total current assets		**456,758**
TOTAL ASSETS		**456,758**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	6	51
Other equity	7	(466,209)
Total equity		**(466,158)**
LIABILITIES		
Current liabilities		
Financial liabilities		
Borrowings	8	260,000
Trade payables	9	465,271
Other financial liabilities	10	26,749
Other liabilities	11	148,914
Employee benefit obligations	12	21,982
Total current liabilities		**922,916**
TOTAL EQUITY AND LIABILITIES		**456,758**

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements.

STATEMENT OF PROFIT AND LOSS		**GBP**
	Notes	**Period ended 31 March 2022**
Income		
Revenue from operations	13	361,161
Total income (I)		**361,161**
Expenses		
Employee benefits expense	14	418,663
Finance costs	15	555
Other expenses	16	408,152
Total expenses (II)		**827,370**
Loss before tax (III) [(I)-(II)]		**(466,209)**
Tax expenses		
Current tax		-
Deferred tax		-
Total tax expenses		**-**
Loss for the period		**(466,209)**

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
a. Equity share capital

Equity shares of GBP 0.01 each issued, subscribed and fully paid	GBP
As at 1 April 2021	-
Issue of shares	5,100
As at 31 March 2022	**5,100**

b. Other equity GBP

	Attributable to the equity owners of the Company	
	Retained earnings	**Total**
As at 23 December 2021	-	-
Loss for the period	(466,209)	**(466,209)**
As at 31 March 2022	**(466,209)**	**(466,209)**

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

a. Retained earnings - Retained earnings comprises of current year's undistributed earnings after tax.

Summary of significant accounting policies (note 2)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS	**GBP**
	Period ended 31 March 2022
Operating activities	
Loss before tax	**(466,209)**
Adjustments to reconcile profit before tax to net cash provided by operating activities:	
Provision for expected credit loss	1,017
Finance costs	555
Operating profit before changes in operating assets and liabilities	**(464,637)**
Changes in operating assets and liabilities	
Trade receivables	(433,391)
Trade payables	465,271
Other financial liabilities	26,749
Other liabilities	148,914
Provisions and employee benefit obligations	21,982
Total changes in operating assets and liabilities	**229,525**
Income tax paid (net of refunds)	-
Net cash flows used in operating activities (A)	**(235,112)**
Financing activities	
Availment of borrowings	260,000
Interest paid	(555)
Net cash flows generated from financing activities (B)	**259,445**
Net increase in cash and cash equivalents (A+B)	**24,333**
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year (refer note 4)	**24,333**

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

On 23 December 2021,Mphasis Consulting Limited the parent company entered into a business venture agreement with Ardonagh Services Limited ("Ardonagh"). Pursuant to this agreement, the parent company owns 51% voting interest in Mrald Limited and the remaining voting interest is owned by Ardonagh. However, the parent company is entitled to 100% economic benefits in Mrald Limited. Mphasis Limited ('ML') is an intermediate holding company. BCP Asia (SG) Mirror Holding Pte Ltd is the ultimate holding company.

Mrald Limited and its subsidiary Mrald Services Limited together are referred as "Mrald Group".

Statement of compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis of accounting.

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

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

The Group's consolidated financial statements are presented in GBP, which is also the Company and its subsidiary functional currency.

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

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

The financial statements have been prepared for the period 23 December 2021 to 31 March 2022

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of estimates, assumptions and judgements

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

Revenue recognition

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

The Group derives its revenues primarily from call centre and business and knowledge process outsourcing operations and software services and projects.

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

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

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

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Contract modifications: Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition

- The Group's contracts with customers could include promises to transfer multiple goods and services to a customer. The Group assesses the goods / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Group has applied the practical expedient provided by Ind AS 115, whereby the Group does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such good or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.
- Contract acquisition costs are generally expensed as incurred except for certain costs which meet the criteria for capitalization, in particular if such costs are expected to be recovered. Contract acquisition costs are amortized over the contract term, consistent with the pattern of transfer of goods or services to which the asset relates.

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

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

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

Borrowing costs

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

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

Impairment

a. Financial assets (other than at fair value)

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

b. Non-financial assets

- **Tangible and intangible assets**

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

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of the following:

➢ financial assets, which include cash and cash equivalents, trade receivables and eligible current and non-current assets;

- financial liabilities, which include trade payables, eligible current and non-current liabilities.

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

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

a. Cash and cash equivalents

The Group's cash and cash equivalents consist of cash on hand and in banks. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in are considered part of the Group's cash management system.

b. Financial assets at amortised cost

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

c. Financial liabilities

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

Employee benefits

a. Short-term employee benefits

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

Foreign currencies

Transactions and balances

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

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

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

Provisions and contingent liabilities

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Recent Pronouncements

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

Ind AS - 103 Business Combination

The amendment specifies that for identified assets and liabilities to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS - 37 Provisions

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

Annual improvements to Ind AS 109 - Financial instruments

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

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

	GBP
	Current
	As at 31 March 2022
3. TRADE RECEIVABLES - BILLED	
Unsecured - considered good	
Trade receivables	433,391
Allowance for doubtful receivables	(1,017)
	432,374

	As at 31 March 2022
4. CASH AND CASH EQUIVALENTS	
In current accounts	24,333
	24,333

	Current
	As at 31 March 2022
5. OTHER ASSETS	
Unsecured - considered good	
Other receivables	51
	51

	As at 31 March 2022
6. EQUITY SHARE CAPITAL	
Authorised share capital	
5100 equity shares of GBP 0.01 each fully paid-up	51
Issued, subscribed and fully paid-up shares	
5100 equity shares of GBP 0.01 each fully paid-up	51
Total issued, subscribed and fully paid-up share capital	**51**

	As at 31 March 2022
7. OTHER EQUITY	
Retained earnings	
Balance as per previous financial statements	-
Loss for the period	(466,209)
Closing balance	**(466,209)**
Total other equity	**(466,209)**

	As at 31 March 2022
8. BORROWINGS	
Unsecured	
Loan from related party*	260,000
	260,000

* The loan of GBP 260,000 is taken from Mphasis Consulting Limited (parent company) carrying a minimum interest of GBP 6m SONIA + 3.0% p.a. The loan is repayable on demand.

	Current
	As at 31 March 2022
9. TRADE PAYABLES	
Trade payables *	465,271
	465,271

*Includes GBP 186,122 with Mphasis Limited (intermediate parent company, control exists), GBP 195,707 with Mphasis Corporation (fellow subsidiary) , GBP 68,205 with Mphasis Consulting Limited (parent company) & GBP 13,043 with Mphasis UK Limited (fellow subsidiary)

	GBP
	Current
	As at 31 March 2022
10. OTHER FINANCIAL LIABILITIES	
Salary related costs	26,194
Interest payable	555
	26,749

	Current
	As at 31 March 2022
11. OTHER LIABILITIES	
Statutory dues	148,914
	148,914

	Current
	As at 31 March 2022
12. EMPLOYEE BENEFIT OBLIGATIONS	
Provision for employee compensated absences	21,982
	21,982

	Period ended 31 March 2022
13. REVENUE FROM OPERATIONS	
Sale of services	361,161
	361,161

	Period ended 31 March 2022
14. EMPLOYEE BENEFITS EXPENSE	
Salaries and bonus	371,579
Contribution to provident and other funds	47,084
	418,663

	Period ended 31 March 2022
15. FINANCE COSTS	
Interest expense	555
	555

	Period ended 31 March 2022
16. OTHER EXPENSES	
Subcontracting charges *	166,179
Legal and professional charges	10,632
Software support and annual maintenance charges	434
Communication expenses	1,183
Provision for expected credit loss	1,017
Corporate support cost **	223,295
Sales support and marketing expenses ***	4,966
Miscellaneous expenses	446
	408,152

* Includes GBP 166,179 with Mphasis Limited (intermediate parent company, control exists)
** Includes GBP 18,274 with Mphasis Limited (intermediate parent company, control exists), GBP 195,707 with Mphasis Corporation (fellow subsidiary) and GBP 9,314 with Mphasis UK Limited (fellow subsidiary).
*** Includes GBP 1,509 with Mphasis Limited (intermediate parent company, control exists) and GBP 3,457 with Mphasis UK Limited (fellow subsidiary)

Blink Interactive Inc.

Unaudited consolidated financial statements as at and for the period ended March 31, 2022

(Amounts expressed in $ except as otherwise stated)

UNAUDITED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

		March 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	2,392,348
Accounts receivable, net		6,165,442
Unbilled receivables		1,353,955
Receivable from related parties		1,812,247
Income taxes receivable		72,189
Other current assets		319,118
Total current assets	**$**	**12,115,299**
Property and equipment, net	$	846,399
Operating lease-right-of-use		8,422,482
Deferred tax asset, net		625,800
Other non - current assets		78,187
Total non-current assets	**$**	**9,972,868**
Total assets	**$**	**22,088,167**
Liabilities and Stockholder's equity		
Current liabilities:		
Accounts payable and accrued expenses		490,087
Operating lease liabilities		1,522,646
Deferred tax liabilities, net		632,282
Deferred revenue		902,653
Other current liabilities		5,521,779
Total current liabilities	**$**	**9,069,447**
Operating lease liabilities	$	7,052,991
Total non - current liabilities	**$**	**7,052,991**
Total Liabilities	**$**	**16,122,438**
Stockholders' equity		
Shares authorised,shares issued and outstanding	$	2,468,350
Additional paid-in capital		12,312,518
Retained earnings		(8,815,139)
Total Stockholders' equity	**$**	**5,965,729**
Total liabilities and Stockholders' equity	**$**	**22,088,167**

The accompanying notes are an integral part of these financial statements

(Amounts expressed in $ except as otherwise stated)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR PERIOD ENDED MARCH 31, 2022

		March 31, 2022
Revenue:		
Revenue	$	22,931,841
Total revenue	**$**	**22,931,841**
Cost of revenue (excluding depreciation and amortization)		14,233,335
Gross profit	**$**	**8,698,506**
General and administrative	$	4,754,710
Sales and marketing		2,002,129
Depreciation and amortization		226,582
Operating lease expenses		985,934
Total operating expenses	**$**	**7,969,355**
Operating income	**$**	**729,151**
Other income, net:		
Interest and other income net		473
Interest expense		(3,027)
Total other income, net	**$**	**(2,554)**
Profit before income taxes	**$**	**726,597**
Tax expense		(625,800)
Net profit	**$**	**1,352,397**
Other comprehensive income		-
Comprehensive income	**$**	**1,352,397**

The accompanying notes are an integral part of these financial statements

(Amounts expressed in $ except as otherwise stated)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR PERIOD ENDED MARCH 31, 2022

	Capital stock		Additional paid-in capital		Retained earnings		Stockholders' equity	
Balance at September 21, 2021	**$**	**2,468,350**	**$**	**12,312,518**	**$**	**(6,167,536)**	**$**	**6,144,982**
Comprehensive income								
Net profit		-	**$**	**-**	$	1,352,397		1,352,397
Dividend paid		-	**$**	**-**	$	(4,000,000)		(4,000,000)
Balance at March 31, 2022	**$**	**2,468,350**	**$**	**12,312,518**	**$**	**(8,815,139)**	**$**	**3,497,379**

The accompanying notes are an integral part of these financial statements

(Amounts expressed in $ except as otherwise stated)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2022

		March 31, 2022
Operating activities:		
Net profit	$	1,352,397
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation		226,582
Opreating lease expenses		985,934
Profit on sale of property and equipment		69
Interest expenses		3,027
Interest income		(255)
Deferred tax		(625,800)
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		(1,630,990)
Other assets		1,660,563
Accounts payable and accrued expenses		(40,792)
Repayment of operating lease liabilities		(833,346)
Income taxes payable		(358,533)
Deferred revenue		5,174
Other liabilities		3,039,841
Net cash flow generated from operating activities	**$**	**3,783,871**
Investing activities		
Purchase of property and equipment		(88,622)
Proceeds from sale of property and equipment		498
Net cash flow used in investing activities	**$**	**(88,124)**
Financing activities		
Interest paid		(3,027)
Dividends paid		(4,000,000)
Net cash flow used in financing activities	**$**	**(4,003,027)**
Net decrease in cash and cash equivalents	$	(307,280)
Cash and cash equivalents at the beginning of the year		2,699,628
Cash and cash equivalents, end of the year	**$**	**2,392,348**
Supplementry disclosure of cash flow information:		
Interest paid		3,027
Lease payments		833,346

The accompanying notes are an integral part of these financial statements

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR PERIOD ENDED MARCH 31, 2022

NOTE 1 – CORPORATE INFORMATION

Nature of Business

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

The acquisition was executed through a merger agreement for a consideration of USD 93.37 million including the fair value of earnout consideration payable amounting to USD 18.58 million.

The ultimate parent Company of the Group is BCP Asia (SG) Mirror Holding Pte Ltd.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

As required by its parent company, the special purpose financial statements are prepared by management in accordance with accounting principles generally accepted in the United States of America following the principles of new basis of accounting as given required under ASC 805 "Business Combination" except accounting for goodwill and intangibles identified during the acquisition which have been recognized in the consolidated books of Mphasis Group and the excess of total assets over liabilities, being the net assets acquired in the aforesaid transaction, has been recorded as Capital in the books of the Group. Accordingly, the financial statement do not purport to follow U.S. GAAP to this extent.
The financial statements have been prepared for the period 21 September 2021 to 31 March 2022.

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for costs and efforts expected to be incurred to complete performance under revenue recognition, allowance for doubtful accounts, the useful lives of plant and equipment and income taxes. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from estimates.

Cash and cash equivalents

For the purposes of the statement of cash flows, the Group considers all highly liquid instruments with maturities of three months or less at the date of purchase to be cash equivalents.

Revenue recognition

The Group recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from time and material, unit-priced contracts are recognized based on the number of hours worked at an agreed upon rate per hour and is recognized during the period in which the services are performed.

Revenue from fixed price software application development contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Revenue from license transactions is recognized upfront at the point in time when the license is delivered to the customer, simultaneously with the transfer of control.

Revenue from multiple elements arrangements is recognized separately for each performance obligation based on their allocated transaction price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for discounts and pricing incentives, if any, as specified in the contract with the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled account receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met. The Group does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. The Group has applied the practical expedient provided in ASC 606.

When there is a contract modification by change in the scope and/or price of a contract and the scope of service is not distinct from the original contract, the Group accounts for revenue on cumulative catchup basis, while those that are distinct are accounted for as a separate contract prospectively if priced at standalone selling price else as a termination of the existing contract and creation of a new contract. Contract fulfilment costs are generally expensed as incurred.

Concentration of credit risk

Financial instruments that potentially subject the Group to concentrations of credit risk consist principally of bank balance and accounts receivable. The Group believes it mitigates any risks by banking with major financial institutions.

The Group maintained $ 2,392,384 in the bank accounts as at March 31, 2022. The Group does not expect the maintenance of cash reserves in foreign countries to be a risk.

The Group provides credit to customers in the normal course of business. Credit risk is affected by conditions or occurrences within the economy. Collateral is not required for accounts receivable, but ongoing credit evaluations of customers' financial condition are performed. Management provides for an allowance for doubtful accounts on a specifically identified basis, as well as through historical experience applied to an aging of accounts.

Fair value of financial instruments

ASC 825-10 requires certain disclosures regarding the fair value of financial instruments. Fair value is defined as 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. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximise the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1- Quoted prices in active markets for identical assets and liabilities.

Level 2- Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial Instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable input.

The Group considers the recorded value of its financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, accounts payable, and borrowings to approximate the fair value of the respective assets and liabilities at March 31, 2022 and upon the short-term nature of the assets and liabilities.

Accounts receivable

Accounts receivables are stated net of an allowance for doubtful accounts. On a periodic basis, the Group evaluates its receivables and establishes an allowance for doubtful accounts based on historical experience and other currently available information. Provision for expected credit loss as at March 31, 2022 is $ 30,000.

Deferred revenue

Deferred revenue consists of billings or payments received in advance of revenue recognition and it is recognised as the revenue recognition criteria are met. Deferred revenue includes certain professional services fees and licensing revenues where all the criteria for recognition were not met. Deferred revenue that will be recognised over the succeeding 12-month period is recorded as current and the remaining portion is recorded as non-current.

Foreign currency transaction

The Group's functional currency is the United States Dollar. The monetary assets and liabilities are translated at the year end exchange rate. Transactions are measured at rate prevailing on date of transaction. Transaction gains and loss are recognised in statement of comprehensive income.

Property and equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years. Leasehold improvements are amortised over the shorter of the asset life or the term of the applicable office lease. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalised. When assets are retired or otherwise disposed off, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Investments

Investments consist of equity investment in subsidiaries. Equity securities are measured at fair value with changes in fair value recognized in Statement of comprehensive income and other investments in equity securities that do not have readily determinable fair values are measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions.

Leases

The Group has operating leases for office spaces. The Group determines if a contract is, or contains, a lease at inception. A contract is, or contains, a lease if the contract conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration. The Group has the right to control the use of the identified asset when the Group has both of the following: the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. In making this determination, the Group considers all relevant facts and circumstances. Operating lease right-of-use ("ROU") assets are included in non-current assets and operating lease obligations are included in current liabilities on the accompanying balance sheet.

The Group 's ROU assets are recognized as the lease obligation, including any initial indirect costs and any prepaid lease payments, less any lease incentives. The Group 's lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Lease payments consist of amounts relating to the use of the underlying asset during the lease term, specifically fixed payments, payments to be made in optional periods when the Group is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease and the amounts probable of being owed by the Group under residual guarantees. Variable lease payments are excluded in measuring ROU assets and lease obligations because they do not depend on an index or a rate and are not in substance fixed payments. The Group excludes lease incentives and initial direct costs incurred from lease payments. The Group 's leases typically do not provide an implicit rate, the Group uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments.

(Amounts expressed in $ except as otherwise stated)

For operating leases, after lease commencement, the Group measures lease obligations for each period at the present value of any remaining lease payments, discounted by using the rate determined at lease commencement. The Group recognizes a single operating lease expense calculated on a straight-line basis over the remaining lease term. The depreciation of the ROU asset increases each year as a result of the declining lease obligation balance.

In the accompanying statement of comprehensive income, the Group recognizes lease expenses under operating lease expenses.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are tested for impairment, based on undiscounted cash flows, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable and, if impaired, written down to fair value.

Impairment of investments

Equity investments without readily determinable fair values are written down to fair value if a qualitative assessment indicates that the investment is impaired, and the fair value of the investment is less than carrying value.

Income taxes

The Company accounts for income taxes in accordance with ASC topic 740, “Income Taxes” (ASC No. 740). Under ASC No. 740, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax bases and all operating losses carried forward, if any. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which the applicable temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or tax status is recognized in the statement of income in the period in which the change is identified. Deferred tax assets are reduced by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company’s financial statements recognize the current and deferred income tax consequences that result from the Company’s activities during the current period pursuant to the provisions of ASC 740, Income Taxes as if the Company were a separate taxpayer rather than a member of the consolidated income tax return group.

ASC No. 740 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The guidance contains a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with ASC No. 740. The first step is to evaluate the tax position for recognition by determining, based on the technical merits, that the position will be more likely than not sustained upon examination. The second step is to measure the tax benefit as the largest amount of the tax benefit that is greater than 50% likely of being realized upon settlement. Interest and penalties related to unrecognized tax benefits are being included in provision for income-tax expense in the statements of income.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as at March 31, 2022:

	Estimated useful Lives		March 31, 2022
Office equipment	5 years	$	26,276
Computer equipment	3 years		670,585
Servers and networks	6 years		22,681
Furniture and fixtures	5 years		575,313
Leasehold improvements	Shorter of lease term or 10 years		853,002
Computer software	3 to 7 years		69,793
Total			**2,217,650**
Less: accumulated depreciation and amortisation			1,371,251
Property and equipment, net		**$**	**846,399**

Depreciation and amortization expense for the period ended March 31, 2022, is $ 226,582.

NOTE 4 – LEASES

Operating leases

The Group has non-cancelable operating leases, primarily for office space, that expire at various dates ranging from June 2025 to December 2027. Rental expense for operating leases for the period ended March 31, 2022, were $ 985,934 and is included in operating lease expenses in the accompanying statement of comprehensive income.

(Amounts expressed in $ except as otherwise stated)

Lease expense:		**March 31, 2022**
Operating lease expense	$	985,934
Short-term lease expense		130,147
Total	**$**	**1,116,081**

Cash paid for amounts included in the measurement of operating lease liabilities		**March 31, 2022**
Operating cash flows	$	833,346
Operating lease right-of-use obtained in exchange for operating lease liabilities		8,464,166
Weighted-average remaining lease term (in years) operating leases		5.28
Weighted-average discount rate operating leases		2.44%

Future minimum lease payments due under non-cancellable operating leases with initial or remaining lease term in excess of one year as of March 31, 2022, are as follows:

Years		**March 31, 2022**
2023	$	1,709,656
2024		1,757,193
2025		1,804,267
2026		1,586,851
2027		1,305,036
Thereafter		978,912
Total minimum payments		**9,141,916**
Less:Present value of discount		(566,279)
Operating lease liabilities	**$**	**8,575,637**

NOTE 5 – INCOME TAXES

Income tax expense comprises:

Taxes:		**March 31, 2022**
Current taxes	$	-
Deferred tax		(625,800)
Total taxes	**$**	**(625,800)**

NOTE 6 – EMPLOYEE BENEFIT PLANS:

The Group contributed $ 1,620,491 towards social security that has been recognized as an expense in the statement of comprehensive income for the period ended March 31, 2022.

NOTE 7 – RELATED PARTY

As at March 31, 2022, the Group has $ 1,812,247 as balance receivable including trade receivables from its parent company Mphasis Corporation USA.

Dividend

During the period ended March 31, 2022, the Group has paid dividend amounting to $ 4,000,000 to its parent Company Mphasis Corporation USA.

NOTE 8 -COMMITMENTS AND CONTINGENCIES

Legal Claims

The Group is subject to legal claims in the normal course of business. Management believes that there are no such claims that would be material to the financial condition or results of operations.

NOTE 9 - IMPACT OF THE GLOBAL PANDEMIC (‘Covid-19’)

The Group is continuously monitoring the situation due to the unprecedented nature of COVID -19 (global pandemic) and its impact on the Group, if any. Management has considered all available information and concluded that no adjustments to the financial statements are required as at March 31, 2022.

NOTE 10 - SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, the Group evaluated subsequent events and there are no such events that would require recognition or additional disclosure in these financial statements.