MPHASIS SUBSIDIARIES FINANCIALS
FY 2023

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
Bengaluru 560 078 INDIA
T +91 80 4907 9600

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, 2023, 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, 2023, 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 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, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 June 13, 2017 issued by the Ministry of Corporate Affairs. Hence, we have not reported on the adequacy and operating effectiveness of internal financial control over financial reporting as per the requirements of section 143(3)(i) of the Act;

g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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

c) 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.

(v) The company did not declare/paid any dividend during the year.

(vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules , 2014 is applicable for the company only with effect from April 1,2023, reporting under clause (g) of the Rule 11 is not applicable.

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

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.19 20:44:47 +05'30'

Vinay K.S
Partner
Membership No. 223085
UDIN: 23223085BGVTYB2154

Place: Bangalore
Date: 19th June, 2023

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, 2023.

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

c) 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) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with the Section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(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 current year or 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 Accountant
Firm Registration No: 009571N/N500006

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.19 20:45:11 +05'30'

Vinay K.S
Partner
Membership No. 223085
UDIN: 23223085BGVTYB2154

Place: Bangalore
Date: 19th June, 2023

Mphasis Software and Services (India) Private Limited

Audited financial statements as at and for the year ended 31 March 2023

	Page
Balance sheet	1
Statement of profit and loss	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5

BALANCE SHEET **(₹ lakh)**

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Financial assets			
Investments	3	3,431.59	-
Income tax assets (net)	12	1,103.82	1,127.44
Total non-current assets		**4,535.41**	**1,127.44**
Current assets			
Financial assets			
Investments	4	15,197.77	11,507.74
Cash and cash equivalents	5	14.74	18.55
Bank balances other than cash and cash equivalents	6	-	5,934.00
Other financial assets	7	29.09	342.09
Other assets	8	41.28	40.70
Total current assets		**15,282.88**	**17,843.08**
TOTAL ASSETS		**19,818.29**	**18,970.52**
EQUITY AND LIABILITIES			
Equity			
Share capital	9	1,000.00	1,000.00
Other equity	10	18,443.06	17,622.23
Total equity		**19,443.06**	**18,622.23**
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	11		
outstanding dues of creditors other than micro and small enterprises		5.40	1.30
Income tax liabilities (net)	12	369.83	346.99
Total current liabilities		**375.23**	**348.29**
TOTAL EQUITY AND LIABILITIES		**19,818.29**	**18,970.52**
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

VINAY KAMALA SHIVAPRAKASH — Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2023.06.19 20:41:36 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
19 June 2023

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

MANIKANTAN THYAGARAJAN — Digitally signed by MANIKANTAN THYAGARAJAN Date: 2023.06.19 18:20:01 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
19 June 2023

BADRINARAYANAN RAJAGOPALAN — Digitally signed by BADRINARAYANAN RAJAGOPALAN Date: 2023.06.19 16:28:20 +05'30'

Badrinarayanan R
Director
DIN No. 06965494

P R KARTHIC — Digitally signed by P R KARTHIC Date: 2023.06.19 16:33:56 +05'30'

P R Karthic
Company Secretary
Membership No. A39225

(₹ lakh)

STATEMENT OF PROFIT AND LOSS	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Other income	13	1,060.96	796.50
Total income (I)		**1,060.96**	**796.50**
Expenses			
Other expenses	14	27.97	28.64
Total expenses (II)		**27.97**	**28.64**
Profit before tax (III) [(I)-(II)]		**1,032.99**	**767.86**
Tax expenses			
Current tax	12	212.07	160.88
Total tax expenses		**212.07**	**160.88**
Profit for the year (A)		**820.92**	**606.98**
Other comprehensive loss ('OCI')			
Items to be reclassified to profit or loss in subsequent periods			
Net change in fair value of investments in debt instruments carried at fair value through OCI		(0.09)	-
Other comprehensive loss (B)		**(0.09)**	**-**
Total comprehensive income for the year (A+B)		**820.83**	**606.98**
Earnings per equity share (par value ₹ 10 per share)	15		
Basic & Diluted (₹)		8.21	6.07

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

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.19 20:42:05 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
19 June 2023

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

MANIKANTAN THYAGARAJAN
Digitally signed by MANIKANTAN THYAGARAJAN
Date: 2023.06.19 18:22:19 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
19 June 2023

BADRINARAYANAN RAJAGOPALAN
Digitally signed by BADRINARAYANAN RAJAGOPALAN
Date: 2023.06.19 16:28:44 +05'30'

Badrinarayanan R
Director
DIN No. 06965494

P R KARTHIC
Digitally signed by P R KARTHIC
Date: 2023.06.19 16:35:13 +05'30'

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 2022	100.00	1,000.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2022	**100.00**	**1,000.00**
Issue of shares	-	-
As at 31 March 2023	**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 2022	**940.00**	**16,682.23**	**17,622.23**
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2022	**940.00**	**16,682.23**	**17,622.23**
Profit for the year	-	820.92	**820.92**
Investments in debt instruments	-	(0.09)	**(0.09)**
As at 31 March 2023	**940.00**	**17,503.06**	**18,443.06**
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 2022	**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: 2023.06.19 20:42:49 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
19 June 2023

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

MANIKANTAN THYAGARAJAN Digitally signed by MANIKANTAN THYAGARAJAN Date: 2023.06.19 18:24:45 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
19 June 2023

BADRINARAYANAN RAJAGOPALAN Digitally signed by BADRINARAYANAN RAJAGOPALAN Date: 2023.06.19 16:29:05 +05'30'

Badrinarayanan R
Director
DIN No. 06965494

P R KARTHIC Digitally signed by P R KARTHIC Date: 2023.06.19 16:35:42 +05'30'

P R Karthic
Company Secretary
Membership No. A39225

STATEMENT OF CASH FLOWS

(₹ lakh)

	Year ended 31 Mar 2023	Year ended 31 March 2022
Operating activities		
Profit before tax	**1,032.99**	**767.86**
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	(577.00)	(353.46)
Interest income	(483.96)	(443.04)
Operating loss before changes in operating assets and liabilities	**(27.97)**	**(28.64)**
Changes in operating assets and liabilities		
Other assets	(0.58)	(0.50)
Trade payables	4.10	(0.41)
Other liabilities	-	(0.69)
Total changes in operating assets and liabilities	**3.52**	**(1.60)**
Income tax paid (net of refunds)	(165.70)	(202.87)
Net cash flows used in from operating activities (A)	**(190.15)**	**(233.11)**
Investing activities		
Purchase of investments	(33,640.08)	(30,208.49)
Sale of investments	27,095.46	26,419.02
Interest received	796.96	233.24
Redemption / maturity of bank deposits	5,934.00	3,795.00
Net cash flows generated from investing activities (B)	**186.34**	**238.77**
Net (decrease)/increase in cash and cash equivalents (A+B)	**(3.81)**	**5.66**
Cash and cash equivalents at the beginning of the year	18.55	12.89
Cash and cash equivalents at the end of the year (refer note 5)	**14.74**	**18.55**

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

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.19 20:43:17 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
19 June 2023

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

MANIKANTAN THYAGARAJAN
Digitally signed by MANIKANTAN THYAGARAJAN
Date: 2023.06.19 18:27:17 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
19 June 2023

BADRINARAYANAN RAJAGOPALAN
Digitally signed by BADRINARAYANAN RAJAGOPALAN
Date: 2023.06.19 16:29:26 +05'30'

Badrinarayanan R
Director
DIN No. 06965494

P R KARTHIC
Digitally signed by P R KARTHIC
Date: 2023.06.19 16:36:14 +05'30'

P R Karthic
Company Secretary
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') /Fair Value Through Other Comprehensive Income ('FVTOCI').

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 Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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.

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 transaction price (net of variable consideration) allocated to a particular performance obligation.

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, fixed monthly billings and milestone-based fixed price contracts. Revenues from call center, business & knowledge process outsourcing operations and infrastructure outsourcing services arise from time-based, unit-priced, fixed monthly billings and milestone-based fixed priced 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 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 obtains control of the specified goods or services before it 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 incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the 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 to 7
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 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") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in its financial statements.

	As at 31 March 2023			As at 31 March 2022		
	Units	NAV (₹)	₹Lakhs	Units	NAV (₹)	₹ Lakhs
3. NON-CURRENT INVESTMENTS						
Investments measured at FVTOCI						
Quoted State Development Loans						
6.24% MH 11AUG26	200	967,347	1,934.69	-	-	-
7.05% GJ 14DEC26	50	990,922	495.46	-	-	-
7.37% MH14SEP2026	100	1,001,437	1,001.44	-	-	-
Total non-current investements			**3,431.59**	**-**	**-**	**-**
Aggregate value of quoted non-current investments			3,431.59			-
Market value of quoted non-current investments			3,431.59			-

	As at 31 March 2023			As at 31 March 2022		
	Units	NAV (₹)	₹lakh	Units	NAV (₹)	₹lakh
4. CURRENT INVESTMENTS						
Investments measured at FVTPL						
Quoted mutual funds						
Nippon India Arbitrage Advantage Fund-Direct Plan - Growth	32,353,461	24.14	7,809.74	18,119,952	22.83	4,136.42
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option	1,604	5,506.93	88.35	-	-	-
HDFC Overnight Fund - Direct Plan - Growth	2,674	3,328.46	89.01	106,659	3,157.46	3,367.71
HDFC Money Market - Direct Growth Plan	-	-	-	16,312	4,654.80	759.28
IDFC Cash fund - Direct Plan Growth	2,986	2,718.58	81.18	-	-	-
IDFC Low Duration Fund - Direct Plan - Growth	14,932,873	33.48	4,999.75	-	-	-
HDFC Ultra Short Term Fund - Direct Plan - Growth	16,250,164	13.11	2,129.74	-	-	-
UTI Money Market Fund - Direct Growth Plan	-	-	-	130,253	2,490.77	3,244.33
Total current investements			**15,197.77**			**11,507.74**
Aggregate value of quoted current investments			15,197.77			11,507.74
Market value of quoted current investments			15,197.77			11,507.74

(₹ lakh)

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
5. CASH AND CASH EQUIVALENTS				
Balances with banks:				
In current accounts	-	-	14.74	18.55
	-	**-**	**14.74**	**18.55**

(₹ Lakh)

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
6. Bank balances other than cash and cash equivalents				
Deposits with remaining maturity of more than 3 months and less than 12 months	-	-	-	5,934.00
	-	-	-	**5,934.00**
Disclosed under other non-current financial assets	-	-	-	-
	-	-	-	**5,934.00**

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
7. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Accrued interest	-	-	29.09	342.09
	-	-	**29.09**	**342.09**

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
8. OTHER ASSETS				
Unsecured - considered good				
Advances to suppliers	-	-	-	0.04
Indirect tax recoverable	-	-	41.28	40.66
	-	-	**41.28**	**40.70**

	As at 31 March 2023	As at 31 March 2022
9. EQUITY SHARE CAPITAL		
Authorised share capital		
10,000,000 (31 March 2022: 10,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00
1,000,000 (31 March 2022: 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 2022: 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 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
Mphasis Europe BV	1,000	1,000
9,999,999 (31 March 2022 : 9,999,999) equity shares of ₹ 10 each fully paid		

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 2023		As at 31 March 2022	
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

(₹ Lakh)

	As at 31 March 2023	As at 31 March 2022
10. 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	16,682.23	16,075.25
Profit for the year	820.92	606.98
Net surplus in the statement of profit and loss	**17,503.15**	**16,682.23**
Debt instruments through OCI		
Balance as per last financial statements	-	-
Transaction during the year	(0.09)	-
Closing balance	**(0.09)**	**-**
Total reserves and surplus	**18,443.06**	**17,622.23**

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

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
11. TRADE PAYABLES				
Outstanding dues of creditors other than micro and small enterprises	-	-	1.40	1.30
Trade payables with related parties	-	-	4.00	-
	-	**-**	**5.40**	**1.30**

Trade payables ageing schedule

Particulars (31 March 2023)	**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	4.00	-	-	-	-	1.40	**5.40**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	4.00	**-**	**-**	**-**	**-**	**1.40**	**5.40**

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**

12. TAXES

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

	Year ended 31 March 2023	Year ended 31 March 2022
Tax expenses		
Current taxes	212.07	160.88
Total tax expenses	**212.07**	**160.88**

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

(₹ Lakh)

	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	**1,032.99**	**767.86**
Applicable tax rates in India	25.170%	25.170%
Computed tax expenses (A)	**260.00**	**193.27**
Tax effect on exempted non- operating income	(45.37)	(32.39)
Tax effect on differential domestic/overseas tax rate and other disallowances	(3.08)	-
Tax (true up)/true down (pertains to earlier years)	0.52	-
Total adjustments (B)	**(47.93)**	**(32.39)**
Total tax expenses (A+B)	**212.07**	**160.88**

	As at 31 March 2023	As at 31 March 2022
Income tax assets (Net)		
Advance income-tax (net of provision for taxation)	1,103.82	1,127.44
	1,103.82	**1,127.44**
Income tax liabilities (Net)		
Provision for taxation	369.83	346.99
	369.83	**346.99**
Net income tax asset	**733.99**	**780.45**

	Year ended 31 March 2023	Year ended 31 March 2022
13. OTHER INCOME		
Interest income on		
Bank deposits	278.08	443.04
long term bonds	205.88	-
Net gain on investments carried at FVTPL *	577.00	353.46
	1,060.96	**796.50**

*Includes profit on sale of investments amounting to ₹ 419.31 lakh (31 March 2022; ₹ 229.64 lakh).

	Year ended 31 March 2023	Year ended 31 March 2022
14. OTHER EXPENSES		
Legal and professional charges	2.27	2.72
Auditor's remuneration	0.75	0.75
Rates & taxes	1.60	3.35
Corporate Social Responsibility expense (refer note 21)	23.20	21.80
Miscellaneous expenses	0.15	0.02
	27.97	**28.64**

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)	820.92	606.98
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 (₹)	8.21	6.07

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 2022: ₹ 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

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

	Year ended 31 March 2023	Year ended 31 March 2022
Expenses incurred by related parties on Company's behalf	**4.00**	**-**
Mphasis Limited	4.00	-

The balances receivable from and payable to related parties are as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Trade payables- entities where control exists	**4.00**	**-**
- Mphasis Limited	4.00	-

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:

Particulars (as at 31 March 2023)	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	14.74	14.74
Bank balances other than cash and cash equivalents	-	-	-	-
Investments	15,197.77	3,431.59	-	18,629.36
Other financial assets	-		29.09	29.09
Total	**15,197.77**	**3,431.59**	**43.83**	**18,673.19**
Financial liabilities				
Trade payables	-		5.40	5.40
Total	**-**	**-**	**5.40**	**5.40**

Particulars (as at 31 March 2022)	FVTPL	FVTOCI	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**

Fair value hierarchy:

(₹ lakh)

Particulars	As at 31 March 2023				As at 31 March 2022			
	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	**18,629.36**	18,629.36	-	-	**11,507.74**	11,507.74	-	-

20. ADDITIONAL REGULATORY INFORMATION

ANALYTICAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% Variance
Current ratio (in times)	Current assets	Current liabilities	40.73	51.23	-20.50%
Return on equity ratio (in %)*	Net Profit for the year	Average shareholders equity	4.31%	3.31%	30.31%
Trade payables turnover ratio**	Other expenses	Average trade payables	8.35	19.03	-56.13%
Return on investment (in %)***	Income generated from treasury investments	Average invested funds in treasury investments	6.19%	4.00%	54.75%

* Due to higher yield on investment.
**Trade payables turnover ratio has decreased on account of higher trade payables.
*** Due to higher yield on investment.

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 2023	Year ended 31 March 2022
Amount required to be spent by the company during the year	23.20	21.80
Amount of expenditure incurred on :		
Construction / acquisition of any asset	-	-
On purposes other than above	23.20	21.80
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	-	-
Nature of CSR activities	Promoting Education, Livelihood and Inclusion	COVID 19 relief

22. For the year ended 31 March 2023, 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

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

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.19 20:43:52 +05'30'

Vinay K S
Partner
Membership No. 223085
Bengaluru
19 June 2023

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

MANIKANTAN THYAGARAJAN
Digitally signed by MANIKANTAN THYAGARAJAN
Date: 2023.06.19 18:28:52 +05'30'

Manikantan T
Director
DIN No. 00451051
Bengaluru
19 June 2023

BADRINARAYANAN RAJAGOPALAN
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Date: 2023.06.19 16:29:57 +05'30'

Badrinarayanan R
Director
DIN No. 06965494

P R KARTHIC
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Date: 2023.06.19 16:37:02 +05'30'

P R Karthic
Company Secretary
Membership No. A39225

mazars
中 审 众 环

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 2022 TO 31 DECEMBER 2022
IF THERE IS ANY CONFLICT OF MEANING BETWEEN THE CHINESE AND ENGLISH VERSIONS, THE CHINESE VERSION WILL PREVAIL

mazars
中 审 众 环

上海玛泽会计师事务所（普通合伙）
中国上海市浦东新区
银城中路68号
时代金融中心8楼
邮政编码：200120
电话：+86 21 61681088
www.mazars.cn

Mazars Certified Public Accountants
8th Floor, One Lujiazui,
68 Middle Yin Cheng Road,
Pudong District,
Shanghai 200120, China
Tel: +86 21 61681088
www.mazars.cn

AUDITORS' REPORT

MAZARS-[A]-(2023)-AR-NO.00206

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 2022, 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 2022, 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.

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.

mazars
中 审 众 环

上海玛泽会计师事务所（普通合伙）
中国上海市浦东新区
银城中路68号
时代金融中心8楼
邮政编码：200120
电话：+86 21 61681088
www.mazars.cn

Mazars Certified Public Accountants
8th Floor, One Lujiazui,
68 Middle Yin Cheng Road,
Pudong District,
Shanghai 200120, China
Tel: +86 21 61681088
www.mazars.cn

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

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

27 May 2023

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Mphasis (Shanghai) Software & Services Co., Ltd.
Balance sheet as at 31 December 2022
(Expressed in Renminbi Yuan)

	Note	31/12/2022	31/12/2021
Assets			
Current assets			
Cash at bank and on hand	5	8,081,001.62	1,986,444.08
Accounts receivable	6	13,588,321.26	18,199,886.62
Other receivables	7	275,711.60	551,043.28
Payments in advance		11,000.08	32,434.38
Other current assets	8	22,620.46	1,299,914.19
Total current assets		21,978,655.02	22,069,722.55
Long-term investments			
Long-term equity investments	9	1,885,341.07	1,952,151.97
Total long-term investments		1,885,341.07	1,952,151.97
Fixed assets			
Cost		271,553.27	257,747.96
Less: Accumulated depreciation		(250,300.30)	(231,288.55)
Total fixed assets	10	21,252.97	26,459.41
Total assets		23,885,249.06	24,048,333.93

These financial statements on pages 1 to 16 were approved by the Board of Directors of the Company on 27 May 2023.

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Subramanian Narayan
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Subramanian Narayan
Director

(Signature and stamp)

DocuSigned by:
Manikantan T
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Manikantan T
Director

(Signature and stamp)

MPHASIS (SHANGHAI) SOFTWARE & SERVICES CO., LTD. 安复仕软件开发服务(上海)有限公司

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Mphasis (Shanghai) Software & Services Co., Ltd.
Balance sheet as at 31 December 2022 (continued)
(Expressed in Renminbi Yuan)

	Note	31/12/2022	31/12/2021
Liabilities and owners' equity			
Current liabilities			
Receipts in advance		1,628.05	1,628.05
Taxes payable	4(c)	49,308.80	42,755.37
Other payables		9,686,242.31	9,463,231.90
Accrued expenses		1,857,450.40	5,703,606.36
Total current liabilities		11,594,629.56	15,211,221.68
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		(42,491,300.39)	(45,944,807.64)
Total owners' equity		12,290,619.50	8,837,112.25
Total liabilities and owners' equity		23,885,249.06	24,048,333.93

These financial statements on pages 1 to 16 were approved by the Board of Directors of the Company on 27 May 2023.

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Subramanian Narayan
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Subramanian Narayan
Director

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Manikantan T
Director

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

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Mphasis (Shanghai) Software & Services Co., Ltd.
Income statement for the year ended 31 December 2022
(Expressed in Renminbi Yuan)

	Note	2022	2021
Sales from principal activities	13	39,019,097.94	31,361,064.26
Less: Cost of sales from principal activities		(33,118,305.61)	(32,849,063.59)
Taxes and surcharges		(19,568.76)	-
Profit/(Loss) from principal activities		5,881,223.57	(1,487,999.33)
Less: General and administrative expenses		(2,260,446.22)	(3,299,619.49)
Financial Expenses	14	(112,272.64)	(270,809.35)
Investment loss	15	(66,810.90)	(47,848.03)
Operating profit/(loss)		3,441,693.81	(5,106,276.20)
Add: Non-operating income		11,813.44	3,270.06
Profit/(Loss) before income tax		3,453,507.25	(5,103,006.14)
Less: Income tax	4(b)	-	-
Net profit/(loss) for the year		3,453,507.25	(5,103,006.14)
Add: Accumulated losses at the beginning of the year		(45,944,807.64)	(40,841,801.50)
Accumulated losses carried forward		(42,491,300.39)	(45,944,807.64)

These financial statements on pages 1 to 16 were approved by the Board of Directors of the Company on 27 May 2023.

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Subramanian Narayan
Director

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Manikantan T
Director

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MPHASIS (SHANGHAI) SOFTWARE & SERVICES CO., LTD. 安复仕(上海)软件开发有限公司

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Mphasis (Shanghai) Software & Services Co., Ltd.
Cash flow statement for the year ended 31 December 2022
(Expressed in Renminbi Yuan)

	Note to the Cash flow statement	2022	2021
Cash flows from operating activities:			
Cash received from rendering of services		46,653,683.68	40,287,578.81
Cash received relating to other operating activities		33,004.50	11,796.74
Sub-total of cash inflows		46,686,688.18	40,299,375.55
Cash paid for services		(19,085,331.59)	(28,134,400.91)
Cash paid to and for employees		(21,326,639.82)	(7,813,110.58)
Cash paid for all types of taxes		(12,250.13)	(97,907.88)
Cash paid relating to other operating activities		(154,103.79)	(769,645.18)
Sub-total of cash outflows		(40,578,325.33)	(36,815,064.55)
Net cash inflow from operating activities	i	6,108,362.85	3,484,311.00
Cash flows from investing activities:			
Cash paid for acquisition of fixed assets		(13,805.31)	(7,212.39)
Cash paid for acquisition of investments		-	(2,000,000.00)
Sub-total of cash outflows		(13,805.31)	(2,007,212.39)
Net cash outflow from investing activities		(13,805.31)	(2,007,212.39)
Net increase in cash and cash equivalents	ii	6,094,557.54	1,477,098.61

These financial statements on pages 1 to 16 were approved by the Board of Directors of the Company on 27 May 2023.

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Subramanian Narayan
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Subramanian Narayan
Director

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Manikantan T
Director

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MPHASIS (SHANGHAI) SOFTWARE & SERVICES CO., LTD. 安复仕软件开发服务(上海)有限公司

(Company stamp)

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Mphasis (Shanghai) Software & Services Co., Ltd.
Cash flow statement for the year ended 31 December 2022 (continued)
(Expressed in Renminbi Yuan)

Notes to the cash flow statement

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

	2022	2021
Net profit/(loss)	3,453,507.25	(5,103,006.14)
Add: Accrual of provision for bad debt	5,633.97	-
Depreciation of fixed assets	19,011.75	13,791.33
Investment loss	66,810.90	47,848.03
(Decrease)/Increase in accrued expenses	(3,846,155.96)	999,496.36
Decrease in gross operating receivables	6,179,991.10	7,883,064.85
Increase/(Decrease) in operating payables	229,563.84	(356,883.43)
Net cash inflow from operating activities	6,108,362.85	3,484,311.00

ii Net increase in cash and cash equivalents

	2022	2021
Cash at the end of the year	8,081,001.62	1,986,444.08
Less: Cash at the beginning of the year	(1,986,444.08)	(509,345.47)
Net increase in cash and cash equivalents	6,094,557.54	1,477,098.61

These financial statements on pages 1 to 16 were approved by the Board of Directors of the Company on 27 May 2023.

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Subramanian Narayan
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Subramanian Narayan
Director

(Signature and stamp)

DocuSigned by:
Manikantan T
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Manikantan T
Director

(Signature and stamp)

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

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.

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:

	2022	2021
Provision for income tax for the year	-	-

The statutory income tax rate of the Company is 25%. (2021: 25%)

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

(c) Taxes payable

	31/12/2022	31/12/2021
Individual income tax payable	43,807.97	37,254.54
Others	5,500.83	5,500.83
Total	49,308.80	42,755.37

5 CASH AT BANK AND ON HAND

	31/12/2022	31/12/2021
Demand deposits	8,081,001.62	1,986,444.08

6 ACCOUNTS RECEIVABLE

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

	31/12/2022			31/12/2021		
	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	12,391,186.65	91%	(11,375.04)	10,323,160.92	54%	(5,741.07)
After 1 year but within 2 years	731,550.88	5%	-	3,610,318.21	19%	-
After 2 years	476,958.77	4%	-	5,152,471.39	27%	(880,322.83)
Total	13,599,696.30	100%	(11,375.04)	19,085,950.52	100%	(886,063.90)

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

(b) Provision for bad and doubtful debts:

	2022	2021
Opening balance as at 1 January	(886,063.90)	(886,063.90)
Charge for the year	(5,633.97)	-
Write off during the year	880,322.83	-
Closing balance as at 31 December	(11,375.04)	(886,063.90)

7 OTHER RECEIVABLES

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

	31/12/2022			31/12/2021		
	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	3,800.00	1.38%	-	2,909.36	0.53%	-
After 1 year but within 2 years	2,909.36	1.06%	-	18,342.76	3.33%	-
After 2 years but within 3 years	18,342.76	6.65%	-	20,408.68	3.70%	-
After 3 years	250,659.48	90.91%	-	509,382.48	92.44%	-
Total	275,711.60	100.00%	-	551,043.28	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

	31/12/2022	31/12/2021
VAT recoverable	22,620.46	1,299,914.19

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	1,952,151.97	-	(66,810.90)	1,885,341.07
Less: Provision for impairment	-	-	-	-
Total	1,952,151.97	-	(66,810.90)	1,885,341.07

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 2022, the ratio of the total carrying amount of the Company's long-term investments to its net asset was 15%. The deduction was from the subsidiaries operation losses.

10 FIXED ASSETS

	Office and other equipment
Cost:	
As at 1 January 2022	257,747.96
Additions	13,805.31
As at 31 December 2022	271,553.27
Accumulated depreciation	
As at 1 January 2022	(231,288.55)
Charge for the year	(19,011.75)
As at 31 December 2022	(250,300.30)
Carrying amounts:	
As at 31 December 2022	21,252.97
As at 31 December 2021	26,459.41

11 PAID-IN CAPITAL

Registered capital	31/12/2022		31/12/2021	
	Amount USD	%	Amount USD	%
Mphasis Limited	5,005,000.00	100	5,005,000.00	100

Paid-in capital	31/12/2022			31/12/2021		
	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

	2022	2021
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

	2022	2021
Revenue from rendering services	39,019,097.94	31,361,064.26

14 FINANCIAL EXPENSES

	2022	2021
Interest income	21,191.06	8,526.68
Net exchange losses	(129,921.73)	(275,649.08)
Other financial expenses	(3,541.97)	(3,686.95)
Total	(112,272.64)	(270,809.35)

15 INVESTMENT LOSS

	2022	2021
Investment loss in the subsidiary	(66,810.90)	(47,848.03)

16 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 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	2022	2021
Mphasis Corporation	399,726.32	175,024.77
Mphasis Limited	2,349,902.82	1,407,774.43
Mphasis Europe B.V	41,802.12	277,989.32
Mphasis Pte Limited	21,408.79	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	31/12/2022	31/12/2021
Accounts receivables	Mphasis Corporation	952,938.22	6,446,585.14
	Mphasis Limited	914,425.63	4,619,133.57
	Mphasis Pte Ltd	37,503.49	16,094.70
	Mphasis Europe BV	319,791.44	277,989.32
Other receivables	Mphasis Corporation	-	240,389.64
	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	5,068,648.67	2,787,306.10
	Mphasis UK Ltd.	1,967,052.85	1,745,065.24
	Mphasis Pte Ltd.	565,178.06	565,178.06

17 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:

	31/12/2022	31/12/2021
Within 1 year	344,540.00	233,300.00

18 COMPARATIVE FIGURES

The comparative figures of 2021 represent figures for the year from 1 January to 31 December 2021.

Mphasis (Shanghai) Software & Services Co., Ltd.
Statement of reconciliation of taxable income
For the year ended 31 December 2022
(Expressed in Renminbi)

	Amount	Tax adjustments	Adjusted amount	Remarks
Sales from principal activities	39,019,097.94	-	39,019,097.94	
Less: Cost of sales from principal activities	(33,118,305.61)	(2,086,871.48)	(35,205,177.09)	1
Taxes and surcharges	(19,568.76)	-	(19,568.76)	
Profit from principal activities	5,881,223.57	(2,086,871.48)	3,794,352.09	
Less: General and administrative expenses	(2,260,446.22)	(874,107.54)	(3,134,553.76)	2
Financial expenses	(112,272.64)	-	(112,272.64)	
Investment loss	(66,810.90)	66,810.90	-	3
Operating profit	3,441,693.81	(2,894,168.12)	547,525.69	
Add: Non-operating income	11,813.44	-	11,813.44	
Profit before income tax	3,453,507.25	(2,894,168.12)	559,339.13	4

Remarks:

1 The tax adjustment of RMB 2,086,871.48 in cost of sales are composed of the following items:

Items		Amount
i	Non-deductible entertainment expense	15,044.66
ii	Difference between the opening and closing balance of accrued expenses	(2,101,916.14)
Total		(2,086,871.48)

2 The tax adjustment of RMB 874,107.54 in general and administrative expenses are composed of the following items:

Items		Amount
i	Non-deductible entertainment expense	581.32
ii	Difference between the opening and closing balance of bad debt provosion	(874,688.86)
Total		(874,107.54)

3 The tax adjustment of RMB 66,810.90 in investment loss is tax free under equity method.

Mphasis (Shanghai) Software & Services Co., Ltd.
Statement of reconciliation of taxable income (continued)
For the year ended 31 December 2022
(Expressed in Renminbi)

4 Statement of accumulated losses:

	Taxable profits	Deductible taxable profits		Taxable losses
Year	(Taxable losses)	(Utilized taxable loss)	Expired taxable loss	brought forward
2021	(1,320,235.84)	559,339.13	-	(760,896.71)
2022	559,339.13	(559,339.13)	-	-
Total	(760,896.71)	-	-	(760,896.71)

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 2022. Accordingly, the above reconciliation is for the tax authority's reference only. This reconciliation does not form part of the audited financial statements.

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
Bengaluru 560 078 INDIA
T +91 80 4907 9600

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, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and 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, 2023 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 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: 2023.06.16 19:54:00 +05'30'

Vinay K S
Partner
Membership No: 223085

Place: Bangalore
Date: 16th June 2023

UDIN: 23223085BGVTXY3435

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Mphasis Europe BV

Audited Financial Statements as at and for the year ended 31 March 2023

	Page
Balance sheet	1
Statement of profit and loss	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5

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BALANCE SHEET	Notes	As at 31 March 2023	Amount in EUR As at 31 March 2022
ASSETS			
Non-current assets			
Financial assets			
Investments	3	167,140,440	167,041,978
Total non-current assets		**167,140,440**	**167,041,978**
Current assets			
Financial assets			
Trade receivables	4	1,121,904	2,632,650
Cash and cash equivalents	5	474,445	512,591
Loans	6	4,899,533	5,009,882
Other financial assets	7	247,602	209,160
Income tax assets (net)	19	69,031	-
Other assets	8	19,573	20,374
Total current assets		**6,832,088**	**8,384,657**
TOTAL ASSETS		**173,972,528**	**175,426,635**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	8,373,848	8,373,848
Other equity	10	162,575,375	162,692,085
Total equity		**170,949,223**	**171,065,933**
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	11	2,469,206	3,513,345
Other financial liabilities	12	116,458	92,066
Employee benefit obligations	13	176,821	168,128
Other liabilities	14	229,793	348,458
Income tax liabilities (net)	19	400	188,498
Deferred tax liabilities (net)	19	30,627	50,207
Total current liabilities		**3,023,305**	**4,360,702**
TOTAL EQUITY AND LIABILITIES		**173,972,528**	**175,426,635**

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: 2023.06.16 19:23:31 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 16 June 2023

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 16 June 2023

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STATEMENT OF PROFIT AND LOSS — **Amount in EUR**

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	15	4,738,023	9,335,035
Other income	16	217,598	160,628
Total income (I)		**4,955,621**	**9,495,663**
Expenses			
Employee benefits expense	17	2,083,712	2,539,862
Other expenses	18	3,008,199	6,510,364
Total expenses (II)		**5,091,911**	**9,050,226**
Profit / (loss) before tax (I) - (II)		**(136,290)**	**445,437**
Tax expenses	19		
Current tax		-	98,062
Deferred tax		(19,580)	17,892
Total tax expenses		**(19,580)**	**115,954**
Profit/(loss) for the year (A)		**(116,710)**	**329,483**
Other comprehensive income/loss (B)		-	-
Total comprehensive income / loss for the year (A+B)		**(116,710)**	**329,483**
Earnings per equity share (par value of EUR 1 per share)	20		
Basic and diluted (EUR)		(0.01)	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: 2023.06.16 19:23:57 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 16 June 2023

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 16 June 2023

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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 2022	8,373,848	8,373,848
As at 31 March 2023	**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 2022	**150,283,891**	**12,408,194**	**162,692,085**
Profit for the year	-	(116,710)	(116,710)
As at 31 March 2023	**150,283,891**	**12,291,484**	**162,575,375**
As at 1 April 2021	**150,283,891**	**12,078,711**	**162,362,602**
Loss 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: 2023.06.16 19:24:14 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 16 June 2023

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 16 June 2023

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STATEMENT OF CASH FLOWS		Amount in EUR
	Year ended 31 March 2023	Year ended 31 March 2022
Operating activities		
Profit/(loss) before tax	**(136,290)**	**445,437**
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Interest income	(217,598)	(160,628)
Provision for expected credit loss	49	(2,430)
Unrealized exchange loss / (gain), net	(175,780)	(24,597)
Operating profit before changes in operating assets and liabilities	**(529,619)**	**257,782**
Changes in operating assets and liabilities		
Trade receivables and unbilled receivables	1,510,697	27,904
Other assets	801	7,683
Loans	(9,533)	8,344
Other financial assets	1,228	15,593
Trade payables	(1,044,139)	1,002,289
Provisions and employee benefit obligations	8,693	(47,339)
Other financial liabilities	24,392	(42,197)
Other liabilities	(118,665)	(330,831)
Total changes in operating assets and liabilities	**373,474**	**641,446**
Income tax paid (net of refunds)	(257,129)	(107,525)
Net cash flows generated from operating activities (A)	**(413,274)**	**791,703**
Investing activities		
Purchase of investments	(98,462)	-
Interest received	177,928	114,008
Loans given to related parties	(1,500,000)	(5,106,327)
Loans repaid by related parties	1,795,662	4,176,602
Net cash flows used in investing activities (B)	**375,128**	**(815,717)**
Net cash flows from financing activities (C)	**-**	**-**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(38,146)**	**(24,014)**
Cash and cash equivalents at the beginning of the year	512,591	536,605
Cash and cash equivalents at the end of the year (refer note 5)	**474,445**	**512,591**

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: 2023.06.16 19:24:35 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 16 June 2023

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date :16 June 2023

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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 Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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.

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:

- **Taxes**

  The company's 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.

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Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price(net of variable consideration) allocated to a particular performance obligation.

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, fixed monthly billings and milestone-based fixed price contracts. Revenues from call center, business & knowledge process outsourcing operations and infrastructure outsourcing services arise from time-based, unit-priced, fixed monthly billings and milestone-based fixed priced 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 where customers are given a right to use intellectual property are 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 (net of variable consideration).
- 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 obtains control of the specified goods or services before it 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. 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 incremental costs of fulfilling the obligations under the contract and an allocation of other costs directly related to fulfilling the 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.

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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 consideration from the customer 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 standalone 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 a 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 revenue from fixed-price contracts requires the Company to exercise judgement in estimating the balance-to-go efforts or costs. Efforts or costs expended to date as a proportion of the total efforts or costs to be expended is used as a measure to determine the percentage-of completion. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

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.

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. Freehold land is not depreciated.

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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
Buildings	20 or remaining lease term whichever is less
Office equipment	5
Plant and equipment	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, the Company assesses at each balance sheet date 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 lifetime 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.

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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 (excluding trade receivables) 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. Trade receivables that do not contain a significant financing component are measured at transaction price.

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 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.

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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.

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 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 share price of 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 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

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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 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.

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") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

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Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in its financial statements.

	Amount in EUR	
	As at 31 March 2023	As at 31 March 2022
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 2022 : 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 2022 : 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 2022 : 3,107 shares) of common stock of £1 each fully paid-up		
Msource Mauritius Inc	11,233,861	11,135,399
325,001 stated shares (31 March 2022: 225,001 stated shares) of common stock of US $1 fully paid-up and 12,266,527 contributed shares (31 March 2022: 12,266,527 contributed shares) of common stock of US $1 each fully paid-up)		
	167,140,440	**167,041,978**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
4. TRADE RECEIVABLES				
Unsecured - considered good				
Trade receivables	-	-	686,160	2,088,963
Allowance for doubtful receivables	-	-	(9,905)	(9,954)
	-	-	**676,255**	**2,079,009**
Unbilled receivables	-	-	445,649	553,641
			1,121,904	**2,632,650**

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	Amount in EUR	
	As at 31 March 2023	As at 31 March 2022
5. CASH AND CASH EQUIVALENTS		
In current accounts	474,445	512,591
	474,445	**512,591**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
6. LOANS				
Unsecured - considered good				
Loans receivable	-	-	4,890,000	5,009,882
Employee advances	-	-	9,533	-
	-	-	**4,899,533**	**5,009,882**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
7. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Accrued interest	-	-	244,246	204,576
Deposits	-	-	3,356	3,356
Derivative assets	-	-	-	1,228
	-	-	**247,602**	**209,160**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
8. OTHER ASSETS				
Unsecured - considered good				
Contract acquisition cost	-	-	3,759	12,622
Less: Loss allowance	-	-	-	-
	-	-	3,759	12,622
Unsecured - considered good				
Prepaid expenses	-	-	1,743	1,834
Recoverable from related parties	-	-	-	62
Indirect tax recoverable	-	-	14,071	5,856
	-	-	**19,573**	**20,374**

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Amount in EUR

	As at 31 March 2023	As at 31 March 2022
9. EQUITY SHARE CAPITAL		
Authorised share capital		
24,950,000 (31 March 2022: 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 2022 : 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 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
Mphasis Corporation (Immediate holding company)*	4,992,194	4,992,194
4,992,194 (31 March 2022 : 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 2022 :3,381,654) equity shares of EUR 1 each		
Total shares	**8,373,848**	**8,373,848**

*The 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 March 2023		As at 31 March 2022	
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.

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Amount in EUR

	As at 31 March 2023	As at 31 March 2022
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	12,408,194	12,078,711
Profit /(Loss) for the year	(116,710)	329,483
Closing balance	**12,291,484**	**12,408,194**
Total other equity	**162,575,375**	**162,692,085**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
11. TRADE PAYABLES				
Trade payables	-	-	2,469,206	3,513,345
	-	**-**	**2,469,206**	**3,513,345**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
12. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	116,458	74,860
Derivative liabilities	-	-	-	17,206
	-	**-**	**116,458**	**92,066**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
13. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	176,821	168,128
	-	**-**	**176,821**	**168,128**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
14. OTHER LIABILITIES				
Statutory dues	-	-	229,793	348,458
	-	**-**	**229,793**	**348,458**

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Amount in EUR

	Year ended 31 March 2023	Year ended 31 March 2022
15. REVENUE FROM OPERATIONS		
Sale of services	4,738,023	9,335,035
	4,738,023	**9,335,035**

	Year ended 31 March 2023	Year ended 31 March 2022
16. OTHER INCOME		
Interest income - others	217,598	150,447
Foreign exchange gain/(loss) - net	-	10,181
	217,598	**160,628**

	Year ended 31 March 2023	Year ended 31 March 2022
17. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	1,852,658	2,288,023
Contribution to social security and other funds	169,597	219,834
Employee share based payments	58,945	30,911
Staff welfare expenses	2,512	1,094
	2,083,712	**2,539,862**

	Year ended 31 March 2023	Year ended 31 March 2022
18. OTHER EXPENSES		
Subcontracting charges	2,752,457	6,267,494
Travel	119,577	24,206
Communication expenses	4,283	3,476
Facility expenses	22,486	19,598
Professional charges	47,110	36,781
Rates and taxes	-	4,730
Software support & annual maintenance charges	5,964	5,591
Recruitment expenses	-	68,925
Insurance	9,483	-
Foreign exchange gain/(loss) - net	3,153	-
Provision for expected credit loss	(49)	2,430
Miscellaneous expenses	43,735	77,133
	3,008,199	**6,510,364**

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19. TAXES

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

	Year ended 31 March 2023	Year ended 31 March 2022
Taxes		
Current taxes	-	98,062
Deferred taxes	(19,580)	17,892
Total taxes	**(19,580)**	**115,954**

	As at 31 March 2023	As at 31 March 2022
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	69,031	-
	69,031	**-**
Income tax liabilities (net)		
Provision for taxation	400	188,498
Net income tax Asset / liability	**69,431**	**188,498**

	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities (net)	30,627	50,207
	30,627	**50,207**

	Year ended 31 March 2023	Year ended 31 March 2022
20. EARNINGS PER SHARE		
Profit after tax	(116,710)	329,483
Number of equity shares considered for calculation of earnings per share	8,373,848	8,373,848
Basic and Diluted (EUR)	**(0.01)**	**0.04**

21. 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

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c) Other related parties with which transactions have taken place:

Mphasis Deutschland GmbH
Mphasis Belgium BV
Mphasis Poland s.p.z.o.o
Mphasis (Shanghai) Software and Services

The following is the summary of significant transactions with related parties by the Company:

Amount in EUR

	Year ended 31 March 2023	Year ended 31 March 2022
Rendering of services to entities who have control over the company	**684,157**	**565,869**
Mphasis Limited	682,413	554,583
Mphasis Corporation	1,744	11,286
Rendering of services to other related parties	**225,804**	**631,722**
Mphasis Belgium BV	186,475	460,407
Mphasis UK Limited	39,060	171,315
Mphasis Deutschland GmbH	269	-
Subcontracting charges from entities who have control over the company	**1,276,744**	**4,446,413**
Mphasis Limited	1,234,939	4,029,199
Mphasis Corporation	41,805	417,214
Subcontracting charges from other related parties	**777,665**	**832,492**
Mphasis Belgium BV	501,297	417,040
Mphasis UK Limited	266,212	415,359
Msource (India) Private Limited	10,051	15,794
Mphasis Deutschland GmbH	-	(81,278)
Mphasis (Shanghai) Software and Services	105	43,979
Mphasis Poland z.o.o	-	21,598
Corporate support cost to entities who have control over the company	**40,021**	**76,922**
Mphasis Limited	33,055	66,562
Mphasis Corporation	6,966	10,360
Expenses incurred by entities who have control over the company on company's behalf	**61,244**	**30,911**
Mphasis Limited	61,244	30,911
Expenses incurred by other related parties on company's behalf	**3,767**	**3,278**
Mphasis UK Limited	3,739	3,278
Msource (India) Private Limited	28	-
Interest earned from unsecured loans given to entities who have control over the company	**40,286**	**58,685**
Mphasis Corporation	40,286	58,685
Interest earned from unsecured loans given to other related parties	**177,313**	**91,761**
Mphasis Deutschland GmbH	124,216	46,761
Mphasis Poland z.o.o	53,097	45,000
Unsecured loans given to entities who have control over the company	-	**3,546,327**
Mphasis Corporation	-	3,546,327
Unsecured loans given to other related parties	**1,500,000**	**1,560,000**
Mphasis Deutschland GmbH	1,500,000	1,560,000
Unsecured loans repaid by entities who have control over the company	**1,795,662**	**4,176,602**
Mphasis Corporation	1,795,662	4,176,602

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The balance receivable from and payable to related parties are as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables from entities who have control over the company	**142,316**	**440,590**
Mphasis Limited	142,316	440,590
Trade receivables from other related parties	**398,395**	**758,351**
Mphasis Deutschland GmbH	82,033	81,765
Mphasis UK Limited	106,383	71,064
Mphasis Belgium BV	209,979	605,522
Trade payables from entities who have control over the company	**680,111**	**2,263,124**
Mphasis Limited	637,918	2,253,793
Mphasis Corporation	42,193	9,331
Trade payables to other related parties	**1,301,274**	**635,597**
Mphasis Belgium BV	803,173	379,110
Mphasis UK Limited	453,229	195,511
Msource (India) Private Limited	28	15,944
Mphasis Poland z.o.o	-	786
Mphasis Ireland Limited	494	-
Mphasis (Shanghai) Software and Services	44,350	44,246
Mphasis Pte Limited	-	-
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**
Mphasis Corporation	-	13,092
Interest receivable from unsecured loans to other related parties	**244,245**	**191,484**
Mphasis Poland z.o.o	109,294	180,749
Mphasis Deutschland GmbH	134,951	10,735
Unsecured loans given to entities who have control over the company	**-**	**1,619,882**
Mphasis Corporation	-	1,619,882
Unsecured loans given to other related parties	**4,890,000**	**3,390,000**
Mphasis Poland z.o.o	900,000	900,000
Mphasis Deutschland GmbH	3,990,000	2,490,000

22. Certain employees of the company have received stock options and RSU's of the immediate 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 58,944.51 (31 March 2022: EUR 30,911) 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.

23. 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: 2023.06.16 19:25:05 +05'30'

Vinay KS
Partner
Membership no 223085

Place : Bengaluru, India
Date : 16 June 2023

For and on behalf of the Board of Directors

DocuSigned by:
Subramanian Narayan
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Subramanian Narayan
Director

Place : Bengaluru, India
Date : 16 June 2023

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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 YEAR FROM 1 JANUARY 2022 TO 31 DECEMBER 2022
IF THERE IS ANY CONFLICT OF MEANING BETWEEN THE CHINESE AND ENGLISH VERSIONS, THE CHINESE VERSION WILL PREVAIL

mazars
中 审 众 环

上海玛泽会计师事务所（普通合伙）
中国上海市浦东新区
银城中路68号
时代金融中心8楼
邮政编码：200120
电话：+86 21 61681088
www.mazars.cn

Mazars Certified Public Accountants
8th Floor, One Lujiazui,
68 Middle Yin Cheng Road,
Pudong District,
Shanghai 200120, China
Tel: +86 21 61681088
www.mazars.cn

AUDITORS' REPORT

MAZARS-[A]-(2023)-AR-NO.00018

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 10, which comprise the balance sheet as at 31 December 2022, 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 2022, 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.

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.

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中 审 众 环

上海玛泽会计师事务所（普通合伙）
中国上海市浦东新区
银城中路68号
时代金融中心8楼
邮政编码：200120
电话：+86 21 61681088
www.mazars.cn

Mazars Certified Public Accountants
8th Floor, One Lujiazui,
68 Middle Yin Cheng Road,
Pudong District,
Shanghai 200120, China
Tel: +86 21 61681088
www.mazars.cn

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 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 express 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 management.

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中 审 众 环

上海玛泽会计师事务所（普通合伙）
中国上海市浦东新区
银城中路68号
时代金融中心8楼
邮政编码：200120
电话：+86 21 61681088
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Mazars Certified Public Accountants
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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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

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

27 March 2023

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.

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Mphasis Digi Information Technology Services (Shanghai) Limited
Balance sheet as at 31 December 2022
(Expressed in Renminbi Yuan)

	Note	31/12/2022	31/12/2021
Assets			
Current assets			
Cash at bank and on hand	5	1,923,505.71	2,004,501.03
Other receivables		1.00	-
Other current assets	6	3,724.36	330.00
Total current assets		1,927,231.07	2,004,831.03
Total assets		1,927,231.07	2,004,831.03
Liabilities and owners' equity			
Current liabilities			
Other payables		-	11,330.00
Accrued expenses		41,890.00	41,349.06
Total current liabilities		41,890.00	52,679.06
Owners' equity			
Paid-in capital	7	2,000,000.00	2,000,000.00
Accumulated losses		(114,658.93)	(47,848.03)
Total owners' equity		1,885,341.07	1,952,151.97
Total liabilities and owners' equity		1,927,231.07	2,004,831.03

These financial statements on pages 1 to 9 were approved by the Board of Directors of the Company on 27 March 2023.

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Subramanian Narayan
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Subramanian Narayan
Director
(Signature and stamp)

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Manikantan T
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Manikantan T
Director
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Mphasis Digi Information Technology Services (Shanghai) Limited
Income statement for the year ended 31 December 2022
(Expressed in Renminbi Yuan)

	Note	2022	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		(73,609.44)	(52,349.06)
Add: Net financial income	8	6,798.54	5,001.03
Operating loss and loss before tax		(66,810.90)	(47,848.03)
Less: Income tax	4(b)	-	-
Net loss for the year		(66,810.90)	(47,848.03)
Add: Accumulated losses at the beginning of the period		(47,848.03)	-
Accumulated losses carried forward		(114,658.93)	(47,848.03)

These financial statements on pages 1 to 9 were approved by the Board of Directors of the Company on 27 March 2023.

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Subramanian Narayan

Director
(Signature and stamp)

DocuSigned by: Manikantan T 2783A87FA2BC402...

Manikantan T

Director
(Signature and stamp)

(Company stamp)

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Mphasis Digi Information Technology Services (Shanghai) Limited
Cash flow statement for the year ended 31 December 2022
(Expressed in Renminbi Yuan)

	Note to the Cash flow statement	2022	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		6,798.54	5,001.03
Sub-total of cash inflows		6,798.54	5,001.03
Cash paid for all types of taxes		(3,394.36)	(500.00)
Cash paid relating to other operating activities		(84,399.50)	-
Sub-total of cash outflows		(87,793.86)	(500.00)
Net cash inflow from operating activities	i	(80,995.32)	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 (decrease)/increase in cash and cash equivalents	ii	(80,995.32)	2,004,501.03

These financial statements on pages 1 to 9 were approved by the Board of Directors of the Company on 27 March 2023.

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Subramanian Narayan
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Subramanian Narayan
Director
(Signature and stamp)

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Manikantan T
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Manikantan T
Director
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Mphasis Digi Information Technology Services (Shanghai) Limited
Cash flow statement for the year ended 31 December 2022 (continued)
(Expressed in Renminbi Yuan)

Notes to the cash flow statement

i Reconciliation of net loss to cash flows from operating activities

	2022	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Net loss	(66,810.90)	(47,848.03)
Increase in accrued expenses	540.94	41,349.06
Increase in gross operating receivables	(3,395.36)	(330.00)
(Decrease)/Increase in operating payables	(11,330.00)	11,330.00
Net cash inflow from operating activities	(80,995.32)	4,501.03

ii Net increase in cash and cash equivalents

	2022	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Cash at the end of the year/period	1,923,505.71	2,004,501.03
Less: Cash at the beginning of the year/period	(2,004,501.03)	-
Net (decrease)/increase in cash and cash equivalents	(80,995.32)	2,004,501.03

These financial statements on pages 1 to 9 were approved by the Board of Directors of the Company on 27 March 2023.

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Subramanian Narayan
Director
(Signature and stamp)

DocuSigned by: Manikantan T 2783A87FA2BC402...
Manikantan T
Director
(Signature and stamp)

(Company stamp)

Mphasis Digi Information Technology Services (Shanghai) Limited
Notes to the financial statements
(Expressed in Renminbi Yuan)

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 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(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:

	2022	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Provision for income tax for the year/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

	31/12/2022	31/12/2021
Demand deposits	1,923,505.71	2,004,501.03

6 OTHER CURRENT ASSETS

	31/12/2022	31/12/2021
VAT input tax	3,724.36	330.00

7 PAID-IN CAPITAL

	31/12/2022			31/12/2021		
	Amount in original currency	Amount in RMB equivalent		Amount in original currency	Amount in RMB equivalent	
	CNY		%	CNY		%
Mphasis (Shanghai) Software & Services Co., Ltd.	2,000,000.00	2,000,000.00	100	2,000,000.00	2,000,000.00	100

8 NET FINANCIAL INCOME

	2022	For the period from 26 May 2021 (date of establishment) to 31 December 2021
Interest income	(6,798.54)	(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.

Mphasis Digi Information Technology Services (Shanghai) Limited
Statement of reconciliation of taxable income

FY2022

(Expressed in Renminbi)

	Amount	Tax adjustments	Adjusted amount	Remarks
Sales from principal activities	-	-	-	
Less: Cost of sales from principal activities	-	-	-	
Taxes and surcharges	-	-	-	
Loss from principal activities	-	-	-	
Less: General and administrative expenses	(73,609.44)	540.94	(73,068.50)	1
Add: Net financial income	6,798.54	-	6,798.54	
Operating loss and loss before inco	(66,810.90)	540.94	(66,269.96)	

Remarks:

1 The tax adjustment of RMB 540.94 in general and administrative expenses is non-invoiced accrued expenses.

2 Statement of accumulated losses:

	Taxable profits	Deductible taxable profits		Taxable losses
Year	(Taxable losses)	(Utilized taxable loss)	Expired taxable loss	brought forward
2021	(6,498.97)	-	-	(6,498.97)
2022	(66,269.96)	-	-	(66,269.96)
Total	(72,768.93)	-	-	(72,768.93)

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 2022. Accordingly, the above reconciliation is for the tax authority's reference only. This reconciliation does not form part of the audited financial statements.

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SEMONA CONSULTANTS
CHARTERED ACCOUNTANTS, AUDITORS, ADVISORS

MPHASIS AUSTRALIA PTY LIMITED

ABN 39 095 809 699

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

OYSTER BAY: PO Box 189, Oyster Bay NSW 2225 (Tel.) 9521 4388

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Mphasis Australia Pty Limited ABN 39 095 809 699

Financial Statements

For the year ended 31 March 2023

Suresh Eswaran - Principal

Semona Consultants

Shop 5/17-19 East Parade, Sutherland NSW 2232 2225

Phone: 95214388 Fax: 95217488

Email: suresh@semona.com.au

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Mphasis Australia Pty Limited ACN 095 809 699

Contents

Directors' Report

Auditor's Independence Declaration

Auditor's Report

Directors' Declaration

Statement of Financial Performance - by Nature

Statement of Financial Position

Statement of Change in Equity

Cash Flow Statement

Notes to the Financial Statements

Detailed Statement of Financial Performance

Detailed Statement of Financial Position

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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 2023.

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 2023	Year ended 31 March 2022
$	$
(451,080)	(2,819,962)

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.

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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: 13 June 2023

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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 2023 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 : 13 June 2023

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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 2023, 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 2023 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.

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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: 13 June 2023

Suresh Eswaran - Principal,
SEMONA CONSULTANTS

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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 2023 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
864FB8DBEAE44A7...

Narayan Subramanian
Director

DocuSigned by:
Abhijit Abhyankar
81DCDD0D18CD44B...

Abhijit Abhyankar
Director

Dated: 13 June 2023

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Mphasis Australia Pty Limited ACN 095 809 699

Statement of Financial Performance - by Nature

For the year ended 31 March 2023

	Note	2023 $	2022 $
Classification of Expenses by Nature			
Revenues from ordinary activities	2	29,976,433	51,082,042
Borrowing costs expense		(181,322)	(46,079)
Depreciation and amortisation expenses		(28,029)	(33,066)
Other expenses from ordinary activities		(30,068,352)	(53,721,837)
Profit (loss) from ordinary activities before income tax	**2**	**(301,270)**	**(2,718,940)**
		-	-
Income tax expense relating to ordinary activities		(149,810)	(101,022)
Net profit (loss) attributable to members of the company		**(451,080)**	**(2,819,962)**
Total changes in equity other than those resulting from transactions with owners as owners		**(451,080)**	**(2,819,962)**
Opening retained profits		(2,474,367)	345,595
Net profit (loss) attributable to members of the company		(451,080)	(2,819,962)
Closing retained profits		**(2,925,447)**	**(2,474,367)**

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Mphasis Australia Pty Limited ACN 095 809 699
Statement of Financial Position as at 31 March 2023

	Note	2023 $	2022 $
Assets			
Current Assets			
Cash assets	3	1,569,581	2,780,458
Receivables		7,868,687	6,988,108
Current tax assets		1	1
Other		11,518	9,935
Total Current Assets		**9,449,787**	**9,778,502**
Non-Current Assets			
Other financial assets		972	972
Property, plant and equipment	4	17,003	37,531
Total Non-Current Assets		**17,975**	**38,503**
Total Assets		**9,467,762**	**9,817,005**
Liabilities			
Current Liabilities			
Payables		8,796,020	8,916,052
Current tax liabilities		906,100	923,140
Provisions		2,667,344	2,406,968
Total Current Liabilities		**12,369,464**	**12,246,160**
Non-Current Liabilities			
Deferred tax liabilities		3,358	26,781
Provisions		18,387	16,431
Total Non-Current Liabilities		**21,745**	**43,212**
Total Liabilities		**12,391,209**	**12,289,372**
Net Assets (Liabilities)		**(2,923,447)**	**(2,472,367)**
Equity			
Issued capital	5	2,000	2,000
Retained profits / (Accumulated losses)		(2,925,447)	(2,474,367)
Total Equity (Deficiency)		**(2,923,447)**	**(2,472,367)**

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Mphasis Australia Pty Limited ACN 095 809 699
Statement of Changes in Equity for the year ended 31/03/2023

	Notes	Retained Earnings	Issued & Paid Up Capital	Total
Balance at 31/03/2022		(2,474,367)	2,000	(2,472,367)
Comprehensive income				
Other comprehensive income for the year				
Total comprehensive income for the year attributable to members of the entity		(451,080)	-	(451,080)
Balance at 31/03/2023		(2,925,447)	2,000	(2,923,447)

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Mphasis Australia Pty Limited ACN 095 809 699

Cash Flow Statement

For the year ended 31 March 2023

	2023 $	2022 $
Cash Flow From Operating Activities		
Receipts from customers	29,189,408	61,603,812
Payments to Suppliers and employees	(30,137,332)	(60,008,296)
Interest received	5,649	19,990
Interest and other costs of finance	(181,322)	(46,079)
Income tax paid	(87,281)	(5,095)
Net cash provided by (used in) operating activities (note 2)	(1,210,877)	1,564,332
Net increase (decrease) in cash held	(1,210,877)	1,564,332
Cash at the beginning of the year	2,780,458	1,216,126
Cash at the end of the year (note 1)	1,569,581	2,780,458

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Mphasis Australia Pty Limited ACN 095 809 699

Cash Flow Statement

For the year ended 31 March 2023

	2023	2022

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:

Cash At Bank	1,483,741	2,589,387
Advance Tax with ATO	39,577	126,504
Other Current Assets- Deposits	46,263	64,567
	1,569,581	2,780,458

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	(451,080)	(2,819,962)
Depreciation	28,029	33,066
Increase/(decrease) in provision for income tax	85,953	59,628
Increase/(decrease) in provision for deferred income tax	(23,423)	26,781
Increase/(decrease) in future income tax benefit	-	9,518
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(781,376)	10,541,760
(Increase) decrease in prepayments	(1,583)	4,130
Increase (decrease) in other creditors	(226,736)	(6,422,347)
Increase (decrease) in employee entitlements	(30,883)	(48,057)
Increase (decrease) in sundry provisions	190,222	179,815
Net cash provided by (used in) operating activities	**(1,210,877)**	**1,564,332**

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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.

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(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.

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	2023	2022

Note 2: Revenue and Other Income

Revenue:

Interest revenue	5,649	19,990
Sales	30,018,361	51,288,253
Exchange Rate Fluctuation	(49,365)	(226,201)
Misc. Income	1,788	-
	29,976,433	**51,082,042**

Note 3: Cash assets

Bank accounts:		
Cash At Bank	1,483,741	2,589,387
Other cash items:		
Advance Tax with ATO	39,577	126,504
Other Current Assets- Deposits	46,263	64,567
	1,569,581	**2,780,458**

Note 4: Property, Plant and Equipment

Plant and equipment:		
- At cost	92,962	343,540
- Less: Accumulated depreciation	(75,959)	(306,009)
	17,003	37,531
	17,003	**37,531**

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	2023	2022

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	23,568	24,905
Other services	-	-
	23,568	**24,905**

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Mphasis Australia Pty Limited ACN 095 809 699

Detailed Statement of Financial Performance

For the year ended 31 March 2023

	2023 $	2022 $
Income		
Sales	30,018,361	51,288,253
Exchange Rate Fluctuation	(49,365)	(226,201)
Interest received	5,649	19,990
Misc. Income	1,788	-
Total income	29,976,433	51,082,042
Expenses		
Professional Charges	989,311	486,460
Audit fees - Current year	23,568	24,905
Bank Charges	8,490	10,482
Inter Co Consulting Charges	9,009,954	5,988,842
H O Expenses	464,368	735,548
Sub-Contracting Charges	1,599,526	26,623,036
Recruitment Expenses	101,988	193,567
Depreciation on Plant and Equipment	28,029	33,066
Fringe benefits tax	85,858	259,363
Insurance	109,924	112,420
Workers Compensation	40,874	54,216
Interest	181,322	46,079
Membership & Subscription	3,159	2,991
Payroll tax	387,768	529,725
Postage	9	-
Printing & stationery	422	707
Rates & Taxes	-	(32,417)
Conference Fess and Business Meeting	6,679	145
Rent on land & buildings	44,419	49,792
Repairs & maintenance	52,883	71,546
Salaries and Wages	15,863,431	17,185,551
Staff amenities	70,257	61,600
Sundry expenses	59,005	35,230
Superannuation	1,018,807	1,161,460
Telephone	27,952	26,725
Travel, Accommodation & Conference	99,700	139,943
Total expenses	30,277,703	53,800,982
Profit (Loss) from Ordinary Activities before income tax	**(301,270)**	**(2,718,940)**

The accompanying notes form part of these financial statements.

DocuSign Envelope ID: D239485D-399B-4E33-9916-55E379CEFD46

Mphasis Australia Pty Limited ACN 095 809 699

Detailed Statement of Financial Position as at 31 March 2023

	2023 $	2022 $
Current Assets		
Cash Assets		
Cash At Bank	1,483,741	2,589,387
Advance Tax with ATO	39,577	126,504
Other Current Assets- Deposits	46,263	64,567
	1,569,581	2,780,458
Receivables		
Mphasis Group- Receivables	904,229	980,662
Advance to employees	69,270	6,800
Unbilled Revenue	2,373,189	2,025,790
Sundry Debtors- Others	4,521,999	3,974,856
	7,868,687	6,988,108
Current Tax Assets		
Deferred Tax	1	1
	1	1
Other		
Prepayments	11,518	9,935
	11,518	9,935
Total Current Assets	**9,449,787**	**9,778,502**
Non-Current Assets		
Other Financial Assets		
Investment in PT Mphasis Indonesia	972	972
	972	972
Property, Plant and Equipment		
Plant and Equipment	92,962	343,540
Less: Accumulated depreciation	(75,959)	(306,009)
	17,003	37,531
Total Non-Current Assets	**17,975**	**38,503**
Total Assets	**9,467,762**	**9,817,005**

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Mphasis Australia Pty Limited ACN 095 809 699
Detailed Statement of Financial Position as at 31 March 2023

	2023 $	2022 $
Current Liabilities		
Payables		
Unsecured:		
Mphasis Group Payable	6,936,857	7,314,949
Mphasis Group - Expense Reimb Payable	940,977	733,064
Payable: Other Creditors	850,660	825,173
Derivative Liability	67,526	42,866
	8,796,020	8,916,052
Current Tax Liabilities		
GST payable control account	152,993	161,031
Input tax credit control account	(10,354)	(26,433)
GST clearing	617,878	726,535
Taxation	145,582	59,629
Fringe Benefit Tax Payable	1	2,378
	906,100	923,140
Provisions		
Superannuation Payable	124,748	155,631
Sundry Provisions	690,891	355,820
Incentive Payable	253,831	357,609
Auditor Remuneration payable	22,772	22,176
Leave Encashment Payable	1,575,102	1,515,732
	2,667,344	2,406,968
Total Current Liabilities	**12,369,464**	**12,246,160**

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Mphasis Australia Pty Limited ACN 095 809 699
Detailed Statement of Financial Position as at 31 March 2023

	2023 $	2022 $
Non-Current Liabilities		
Deferred Tax Liabilities		
Deferred income tax	3,358	26,781
	3,358	26,781
Provisions		
Incentive Payable - Non Current	18,387	16,431
	18,387	16,431
Total Non-Current Liabilities	**21,745**	**43,212**
Total Liabilities	**12,391,209**	**12,289,372**
Net Assets (Liabilities)	**(2,923,447)**	**(2,472,367)**
Equity		
Issued Capital		
Issued & paid up capital	2,000	2,000
Retained profits / (accumulated losses)	(2,925,447)	(2,474,367)
Total Equity	**(2,923,447)**	**(2,472,367)**

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RESOLUTION OF THE BOARD OF DIRECTORS OF
Mphasis Australia Pty. Limited

DIRECTORS' STATEMENT:

IT WAS RESOLVED that the draft Directors' Declaration for the year ended 31 March 2023, be approved and be signed on behalf of the board by Narayan Subramanian and Abhijit Abhyankar.

FINANCIAL REPORT:

All members agreed that the company is a Non-reporting Entity in that they receive, or can command the preparation of all the Management, Financial and Other Reports required to make informed decisions on their economic interest in the Company.

IT WAS FURTHER RESOLVED that the Financial Report comprising the Statement of Financial Position as at 31 March 2023, the Statement of Financial performance-by Nature, Statement of Change In Equity, Cash Flow Statement for the period ended that date, which were prepared on the basis that the Company is a Non-reporting Entity, together with the Notes to and forming part of the Financial Report and the Directors Declaration be received, approved and adopted.

AUDITOR'S REPORT:

IT WAS FURTHER RESOLVED that the Audit Report for the period ended 31 March 2023 be received and accepted.

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...
Narayan Subramanian
Director
Date: 13 June 2023

DocuSigned by:
Abhijit Abhyankar
81DCDD0D18CD44B...
Abhijit Abhyankar
Director
Date: 13 June 2023

DocuSigned by:
Eric Winston
3810F31B0FA54E1...
Eric Gordon Winston
Director
Date: 13 June 2023

DocuSigned by:
Damodaran Seshadri
FD550BACCAC8438...
Damodaran Seshadri
Director
Date: 13 June 2023

DS
kk

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, 2023 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, 2023 and for the year then ended have been prepared, in all material respects, in accordance with French accounting principles.

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, 2023. 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, 2023 and should not be used by (or distributed to) other parties.

June 7, 2023

Valérie Riou
MAZARS à Courbevoie

FINANCIAL STATEMENTS

in euros

MPHASIS WYDE

Year from 2022/4/1 to 2023/3/31

Past financial year : 2023/3/31

103-105 Rue Anatole France
92300 LEVALLOIS PERRET

SIRET : 41280003900056 NAF : 5829C

FP

Presentation Report

ANNUAL FINANCIAL STATEMENTS PRESENTATION ASSIGNMENT

Within the scope of our assignment to present the annual financial statements of MPHASIS WYDE for the financial year from 01/04/2022 to 31/03/2023, and in accordance with the agreements signed, we performed the due diligence specified by the standards of the French Order of Chartered Accountants.

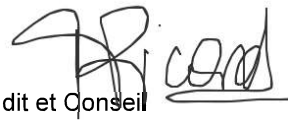
The attached annual financial statements contain the following data:

Balance sheet total	9,545,635	Euros
Turnover	8,349,385	Euros
Net book gain	567 687	Euros

Place: Paris.

Date: PICARD Fabienne

le 15/06/2023 à 11:08



F2P Audit et Conseil

Fabienne Picard
Chartered
Accountant

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Summary

File - Flyleaf	1
Summary	2
BALANCE SHEET	
Assets	3
Equity and liabilities	4
INCOME STATEMENT	
Income Statement	5
Income Statement (2)	6
ANNEXE	
Fixed assets	7
Depreciation	8
Provisions	9
Receivables	10
Payables	11
Accrued receivables	12
Accrued payables	13
Prepayments and deferred income	14
Unrealized exchange gains and losses	15
Capital	16
Tax corporation breakdown	17
Increase and relief in future tax debt	18
Sales breakdown	19
Average Manpower	20

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Assets

Assets	At 2023/3/31			At 2022/3/31
	Gross	Depr. Prov.	Net	Net
Uncalled capital				
Fixed assets				
Intangible assets				
Set-up costs				
Research and development costs				
Concessions, patents, licences and similar rights	3 125 225	913 715	2 211 509	2 657 970
Goodwill				
Other intangible assets	3 173 083		3 173 083	
Payments on account				
Tangible assets				
Land				
Buildings				
Plant and machinery, fixtures, fitting, tools and equipments				
Other tangible assets	543 002	424 645	118 357	151 078
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	258 836		258 836	243 216
Other financial assets	89 026		89 026	84 830
TOTAL I	**7 189 172**	**1 338 360**	**5 850 812**	**3 137 094**
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	13 116		13 116	
Debtors				
Trade debtors	2 058 231		2 058 231	939 165
Other debtors	469 387		469 387	289 372
Unpaid called up share capital				
Securities				
Own shares				
Other securities				
Financial future market securities				
Cash at bank and in hand	437 640		437 640	845 909
Prepaid expenses	**169 063**		**169 063**	**53 877**
TOTAL II	**3 147 437**		**3 147 437**	**2 128 323**
Deffered charges **III**				
Redemption bond premium **IV**				
Unrealized exchange losses **V**	**547 386**		**547 386**	**377 747**
TOTAL ASSETS (I + II + III + IV + V)	**10 883 995**	**1 338 360**	**9 545 635**	**5 643 164**

Equity and liabilities

Equity and liabilities			At 2023/3/31	At 2022/3/31
			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			-11 448 806	-10 574 612
Profit / Loss of the period			**567 687**	**-874 250**
Grants for capital expenditures				
Tax regulated provisions				
TOTAL I			**-10 839 195**	**-11 406 938**
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		547 385	377 747
	- Liabilities			
TOTAL II			**547 385**	**377 747**
Creditors				
Convertible debenture loans				
Other debenture loans				
Bank loans and overdrafts				
Other loans and financial liabilities				
Payments received on account				
Trade creditors			2 465 066	141 894
Tax and social creditors			1 319 647	1 292 736
Fixed assets creditors				
Other creditors			14 283 094	13 386 799
Financial future market securities				
Deferred income			1 706 465	1 850 925
TOTAL III			**19 774 272**	**16 672 354**
Unrealized exchange gains		**IV**	**63 174**	
GRAND TOTAL (I + I bis + II + III + IV)			**9 545 635**	**5 643 164**

Income Statement

Income statement		At 2023/3/31			At 2022/3/31
		France	Export	Total	Total
Operating income					
Sales of :	- Goods				
	- Processed goods				
	- Services	5 994 150	2 355 235	8 349 385	8 105 955
Turnover		**5 994 150**	**2 355 235**	**8 349 385**	**8 105 955**
Change in stocks of finished goods					
Own work capitalised				3 173 083	
Operating grants				29 333	
Reversal of provisions and cost recharge				20 744	74 701
Other operating incomes				64 489	31 750
TOTAL I				**11 637 034**	**8 212 406**
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				4 267 536	2 065 683
Taxes				135 187	130 059
Wages and salaries				3 592 391	3 922 553
Social contributions				1 624 714	1 812 818
Amortization and depreciation increase on fixed assets				493 112	497 073
Provision increase :	- On fixed assets				
	- On current assets				
	- For contingencies and liabilities				
Other operating expenses				380 720	307 043
TOTAL II				**10 493 661**	**8 735 229**
* Including :	- Equipment leasing				
	- Real property leasing				
OPERATING INCOME (I - II)				**1 143 373**	**-522 823**
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				377 747	65 465
Gains on exchange adjustments				101 311	40 871
Income from disposals of securities					
TOTAL V				**479 058**	**106 336**
Financial expenses					
Depreciation and provision expenses				547 385	377 747
Interests and other financial expenses				463 133	456 086
Losses on exchange adjustments				47 251	37 328
Losses from disposals of securities					
TOTAL VI				**1 057 769**	**871 161**
FINANCIAL INCOME (V - VI)				**-578 711**	**-764 825**
INCOME BEFORE TAX AND EXTRAORDINARY ITEMS (I - II + III - IV + V - VI)				**564 662**	**-1 287 649**

Income Statement (2)

Income statement (2)		At 2023/3/31	At 2022/3/31
Extraordinary income			
On operating activities		3 024	220 407
On investing activities			
Reversal of provisions and cost recharge			
TOTAL VII		**3 024**	**220 407**
Extraordinary expenses			
On operating activities			145
On investing activities			
Depreciation and provision expenses			
TOTAL VIII			**145**
EXTRAORDINARY INCOME (VII - VIII)		**3 024**	**220 262**
Employee profit sharing	**IX**		
Corporation tax	**X**		**-193 136**
TOTAL INCOME (I + IV + VII)		**12 119 116**	**8 539 149**
TOTAL EXPENSES (II + V + VIII + X)		**11 551 430**	**9 413 399**
PROFIT OR LOSS (Total income - Total expenses)		**567 687**	**-874 250**

Annexe

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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		3 173 083
TOTAL	**3 136 490**		**3 173 083**
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	513 876		13 931
Returnable containers and miscellaneous			
Tangible assets in progress			
Payment on account			
TOTAL	**666 827**		**13 931**
Financial assets			
Investments in subsidiaries assessed by the equity method			
Other investments in subsidiaries			
Other long term investments			
Loans and other financial assets	328 046		19 816
TOTAL	**328 046**		**19 816**
GRAND TOTAL	**4 131 363**		**3 206 830**

Schedule B	Reductions		Gross amount closing balance	Revaluation
	Reclassification	Disposals		Original value
Set-up and research and development costs				
Other intangible assets		11 265	6 298 308	
TOTAL		**11 265**	**6 298 308**	
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		137 756	390 050	
Returnable containers and others				
Tangible assets in progress				
Payment on account				
TOTAL		**137 756**	**543 002**	
Investments in subsidiaries assessed by the equity method				
Other investments in subsidiaries				
Other long term investments				
Loans and other financial assets			347 862	
TOTAL			**347 862**	
GRAND TOTAL		**149 020**	**7 189 172**	

Comments : nil

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	478 519	446 461	11 265	913 715
TOTAL	**478 519**	**446 461**	**11 265**	**913 715**
Tangible assets				
Land				
Buildings				
Buildings on other people's lands				
Building fixtures and fittings				
Plant, machinery and equipment				
Other fixtures and fittings	73 402	15 295		88 697
Vehicles				
Office equipment, computer hardware, furniture	442 347	31 357	137 757	335 948
Returnable containers and others				
TOTAL	**515 750**	**46 652**	**137 757**	**424 645**
GRAND TOTAL	**994 269**	**493 113**	**149 022**	**1 338 360**

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				

Commentaires : néant

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	377 747	547 385	377 747	547 385
	- Pension and similar commitments				
	- Taxes				
	- Assets renewals				
	- Important repairs				
	- Social contributions and taxes due on vacation				
Other provisions for contingencies and liabilities					
TOTAL		**377 747**	**547 385**	**377 747**	**547 385**

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	**377 747**	**547 385**	**377 747**	**547 385**
Including operating allowances and reversals				
Including financial allowances and reversals		547 385	377 747	
Including exceptional allowances and reversals				
Investments assessed on the equity method : allowances for the period				

Comments : nil

Receivables

Receivables	Gross amount	Liquidity of the asset	
		Within 1 year	After 1 year
Fixed Assets			
Amount receivable from subsidiaries			
Loans (1) (2)	258 836		258 836
Other financial assets	89 026		89 026
Current Assets			
Doubtful and in dispute trade debtors			
Other trade debtors	2 058 231	2 058 231	
Receivables representing borrowed securities			
Employees	2 128	2 128	
Social contributions	3 936	3 936	
Corporation tax	193 136	193 136	
Value-added tax	106 305	106 305	
Other taxes			
Sundries	25 330	25 330	
Intercompany and current accounts (2)			
Other debtors	138 551	138 551	
Prepaid expenses	169 063	169 063	
TOTAL	**3 044 543**	**2 696 681**	**347 862**
(1) Including loans granted within the period	17 566		
(1) Including redemptions received within the period			
(2) Loans and advances granted to partners			

Payables

Payables		Gross amount	Callability of the liabilities		
			Within 1 year	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		2 465 066	2 465 066		
Personnel		512 615	512 615		
Social contributions		442 609	442 609		
Corporation tax					
Value-added tax		285 888	285 888		
Guaranted bonds					
Other taxes		78 535	78 535		
Fixed assets creditors					
Intercompany and current accounts (2)					
Other creditors		14 283 094	363 382	13 919 712	
Liabilities representing borrowed securities					
Deferred income		1 706 465	1 706 465		
TOTAL		**19 774 272**	**5 854 560**	**13 919 712**	
(1) Loans raised within the period					
(1) Loans redeemed within the period					
(2) Loans and liabilities raised from partners					

FP

Accrued receivables

Accrued receivables included in Balance Sheet	At 2023/3/31	At 2022/3/31
Amounts receivable from subsidiaries		
Other long-term investments		
Loans		
Other financial assets		
Trade debtors	485 448	599 334
Other debtors	30 274	28 671
Securities		
Other receivables		
TOTAL	**515 722**	**628 006**

Accrued receivables details

Accrued receivables included in Balance Sheet	At 2023/3/31	At 2022/3/31
Amounts receivable from subsidiaries		
Other long-term investments		
Loans		
Other financial assets		
Trade debtors	485 447.84	599 334.48
418100000 CLIENTS FACT. A ETABLIR	398 448.28	418 918.00
418111000 CLIENTS INTERCOS FAE EXO	86 999.56	180 416.48
Other debtors	30 274.19	28 671.49
438762100 Subvention CE	3 936.19	4 211.94
448700000 ETAT PRODUITS A RECEVOIR	25 330.00	24 459.13
448710000 ETAT Produits Ã recevoir		0.42
468700000 Débiteurs et créditeurs	1 008.00	
Securities		
Other receivables		
TOTAL	**515 722.03**	**628 005.97**

F2P

Accrued payables

Accrued payables included in Balance Sheet	At 2023/3/31	At 2022/3/31
Convertible debenture loans		
Other debenture loans		
Bank loans and overdrafts		
Other loans and financial liabilities		
Trade creditors	766 070	136 901
Social contributions	829 472	828 677
Fixed assets creditors		
Other creditors	307 004	301 942
TOTAL	**1 902 546**	**1 267 520**

Accrued payables details

Accrued payables included in Balance Sheet	At 2023/3/31	At 2022/3/31
Convertible debenture loans		
Other debenture loans		
Bank loans and overdrafts		
Other loans and financial liabilities		
Trade creditors	766 070.47	136 901.21
408100000 FOURNIS.FACT.NON PARVENUE	389 819.47	117 001.21
408110000 FRS GROUPE FACT.NON PARVENUES	376 251.00	19 900.00
Social contributions	829 471.57	828 677.38
428200000 CONGES A PAYER	379 356.66	426 315.00
428600000 AUTRES CHARG.PERS.A PAYER	133 258.60	47 265.84
438200000 ORG.SOC. CH./CONGES PAYES	177 023.16	201 576.00
438600000 ORG.SOC. CHARGES A PAYER	61 298.05	21 741.11
448600000 ETAT AUTRES CH. A PAYER	78 535.10	131 779.43
Fixed assets creditors		
Other creditors	307 003.55	301 941.69
419800000 CLIENTS RRR&AV.A ACCORD.	307 003.55	301 941.69
TOTAL	**1 902 545.59**	**1 267 520.28**

Prepayments and deferred income

Deferred income	At 2023/3/31	At 2022/3/31
Operating incomes	1 706 465	1 850 925
Financial incomes		
Extraordinary incomes		
TOTAL	**1 706 465**	**1 850 925**

Prepaid expenses	At 2023/3/31	At 2022/3/31
Operating expenses	169 063	53 877
Financial expenses		
Extraordinary expenses		
TOTAL	**169 063**	**53 877**

FP

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	7 056		7 056	6 054
Financial creditors	469 867		469 867	
Operating creditors	70 462		70 462	57 119
Fixed assets creditors				
TOTAL	**547 385**		**547 385**	**63 173**

FP

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

FP

Tax corporation breakdown

	Before tax	Corporation tax	After tax
+ Profit or loss before tax and extraordinary items	564 662		564 662
+ Extraordinary profit or loss	3 024		3 024
- Employee profit-sharing			
= Profit or loss	**567 687**		**567 687**

FP

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		
		547 385	86 896
Others			
Fiscal losses carryforward		15 076 618	3 769 154
TOTAL		**15 624 003**	**3 856 050**

FP

Sales breakdown

Sales breakdown	France	Export	Total
Finished goods			
Semi-finished goods			
Waste products			
Works			
Surveys			
Services	5 994 150	2 355 235	8 349 385
Goods			
Incomes from other activities			
TOTAL	**5 994 150**	**2 355 235**	**8 349 385**

FP

Average Manpower

Workers categories	Salaried staff	Staff at company's disposal
Executives	53	
Supervisors and technicians		
Employees	1	
Workers		
Apprentice under contract		
TOTAL	**54**	

FP

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Registered number: 407167

MPHASIS IRELAND LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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MPHASIS IRELAND LIMITED

CONTENTS

	Page
Company information	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12 - 17

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MPHASIS IRELAND LIMITED

COMPANY INFORMATION

Directors	Subramanian Narayan Venkata Suresh Ayapati
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 Termini 3 Arkle Road Sandyford Dublin 18 D18 T6T7
Bankers	Citibank 1 North Wall Quay Dublin 1 D01 T8Y1

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and the audited financial statements for the year ended 31 March 2023.

Principal activities

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 €47,110 *(2022 - €65,083)*.

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 2023 were as follows:

	Ordinary shares of €1 each	
	31/3/23	*1/4/22*
Subramanian Narayan	-	-
Venkata Suresh Ayapati	-	-

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.

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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: 19 June 2023

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DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

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 judgements 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: 19 June 2023

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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 2023, which comprise the Statement of comprehensive income, 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 financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2023 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 for Auditors (Ireland) 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 the date 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

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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

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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 requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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.

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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 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 judgement 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.

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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
for and on behalf of
RBK Business Advisers
Chartered Accountants & Statutory Audit Firm
Termini
3 Arkle Road
Sandyford
Dublin 18
D18 T6T7
Date: 19 June 2023

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MPHASIS IRELAND LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 €	2022 €
Turnover		**434,947**	*542,158*
Cost of sales		**(359,661)**	*(467,849)*
Gross profit		**75,286**	*74,309*
Administrative expenses		**(31,802)**	*(7,227)*
Operating profit		**43,484**	*67,082*
Other interest receivable and similar income	4	**11,629**	*9,000*
Profit before taxation		**55,113**	*76,082*
Tax on profit on ordinary activities		**(8,003)**	*(10,999)*
Profit for the financial year		**47,110**	*65,083*
Other comprehensive income			
Other comprehensive income		**-**	-
Other comprehensive income for the financial year		**-**	-
Total comprehensive income for the financial year		**47,110**	*65,083*

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

The notes on pages 12 to 17 form part of these financial statements.

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MPHASIS IRELAND LIMITED

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 €	2022 €
Current assets			
Debtors: amounts falling due within one year	5	**695,440**	*800,562*
Cash at bank and in hand		**138,209**	*74,118*
		833,649	*874,680*
Creditors: amounts falling due within one year	6	**(55,597)**	*(143,738)*
Net current assets		**778,052**	*730,942*
Total assets less current liabilities		**778,052**	*730,942*
Net assets		**778,052**	*730,942*
Capital and reserves			
Called up share capital presented as equity		**10,000**	*10,000*
Profit and loss account		**768,052**	*720,942*
Shareholders' funds		**778,052**	*730,942*

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: 19 June 2023

The notes on pages 12 to 17 form part of these financial statements.

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MPHASIS IRELAND LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital	Profit and loss account	Total equity
	€	€	€
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 1 April 2022	**10,000**	**720,942**	**730,942**
Comprehensive income for the year			
Profit for the year	-	47,110	47,110
Total comprehensive income for the year	-	47,110	47,110
At 31 March 2023	**10,000**	**768,052**	**778,052**

The notes on pages 12 to 17 form part of these financial statements.

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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

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 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euro.

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 or loss 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 Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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2. Accounting policies (continued)

2.3 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.

2.4 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.

2.5 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.

2.6 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.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

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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 or loss 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 for liabilities

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.

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.

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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

Staff costs were as follows:

	2023 €	*2022* *€*
Wages and salaries	**90,020**	-
Social insurance costs	**9,391**	-
	99,411	-

The average monthly number of employees, including directors, during the year was 2 *(2022 - 0)*.

4. Interest receivable

	2023 €	*2022* *€*
Interest receivable from group companies	**11,629**	*9,000*
	11,629	*9,000*

5. Debtors

	2023 €	*2022* *€*
Amounts owed by group undertakings	**666,714**	*800,190*
Other debtors	**21,571**	*212*
Prepayments	**337**	-
Tax recoverable	**6,816**	*158*
Deferred taxation	**2**	*2*
	695,440	*800,562*

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6. Creditors: Amounts falling due within one year

	2023 €	2022 €
Amounts owed to group undertakings	36	488
Corporation tax	365	6,356
Taxation and social insurance	3,281	-
Other creditors	5,027	-
Accruals	46,888	136,894
	55,597	143,738

7. Deferred taxation

	2023 €	2022 €
At beginning of year	2	2
At end of year	2	2

The deferred tax asset is made up as follows:

	2023 €	2022 €
Provisions	2	2
	2	2

8. Contingent liabilities

There were no contingent liabilities at the year end 31 March 2023.

9. Capital commitments

There were no capital commitments at the year end 31 March 2023.

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.

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11. 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.

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 19-6-2023

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Registered number: 407167

MPHASIS IRELAND LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

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MPHASIS IRELAND LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 €	2022 €
Turnover		**434,947**	*542,158*
Cost Of Sales		**(359,661)**	*(467,849)*
Gross profit		**75,286**	*74,309*
Gross profit %		**17.3 %**	*13.7 %*
Less: overheads			
Administration expenses		**(31,802)**	*(7,227)*
Operating profit		**43,484**	*67,082*
Interest receivable		**11,629**	*9,000*
Tax on profit on ordinary activities		**(8,003)**	*(10,999)*
Profit for the year		**47,110**	*65,083*

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MPHASIS IRELAND LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 €	2022 €
Turnover		
Sales	**434,947**	*542,158*
	434,947	*542,158*

	2023 €	2022 €
Cost of sales		
Wages and salaries	**90,020**	-
Social insurance costs	**9,391**	-
Subcontract labour	**260,250**	*467,849*
	359,661	*467,849*

	2023 €	2022 €
Administration expenses		
Consultancy	**4,125**	-
Telephone and fax	**60**	-
Computer costs	**14**	-
Legal and professional	**19,204**	*16,510*
Auditors' remuneration - non-audit	**5,196**	*5,696*
Bank charges	**213**	*174*
Difference on foreign exchange	**(1,631)**	*(16,175)*
Insurances	**3,435**	*670*
Software and licences	**676**	*322*
G&A expenses allocation - Inter company	**510**	*30*
	31,802	*7,227*

	2023 €	2022 €
Interest receivable		
Group interest receivable	**11,629**	*9,000*
	11,629	*9,000*

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ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
Bengaluru 560 078 INDIA
T +91 80 4907 9600

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, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and 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, 2023 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.22 to the financial statements, as at 31st March 2023, 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: 2023.06.15 21:54:52 +05'30'

Vinay K S
Partner
Membership No: 223085

Place: Bengaluru
Date: 15th June,2023
UDIN: 23223085BGVTXX5816

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Wyde Solutions Canada Inc.

Audited financial statements
as at and for the year ended 31 March 2023

	Page
Balance sheet	1
Statement of profit and loss	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5

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BALANCE SHEET	Notes	As at 31 March 2023	Amount in CAD As at 31 March 2022
ASSETS			
Current assets			
Financial assets			
Trade receivables	3	96,813	31,306
Cash and cash equivalents	4	297,482	255,768
Loans	5	13,991	2,730
Deferred tax asset (net)	13	148,229	252,289
Other assets	6	1,727	1,727
Total current assets		**558,242**	**543,820**
TOTAL ASSETS		**558,242**	**543,820**
EQUITY AND LIABILITIES			
Equity			
Share capital	7	1,000	1,000
Other equity	8	(1,170,359)	(1,267,785)
Total equity		**(1,169,359)**	**(1,266,785)**
LIABILITIES			
Current liabilities			
Financial liabilities			
Borrowings	9	704,304	651,547
Trade payables	10	978,009	1,127,223
Other financial liabilities	11	31,321	30,400
Other liabilities	12	13,967	1,435
Total current liabilities		**1,727,601**	**1,810,605**
TOTAL EQUITY AND LIABILITIES		**558,242**	**543,820**
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
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.15 20:57:17 +05'30'

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 15 June 2023

Wyde Solutions Canada Inc.

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Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 15 June 2023

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STATEMENT OF PROFIT AND LOSS — **Amount in CAD**

	Notes	As at 31 March 2023	As at 31 March 2022
Income			
Revenue from operations	14	419,697	2,060,917
Other income	15	1,870	2,691
Total income (I)		**421,567**	**2,063,608**
Expenses			
Employee benefits expense	16	-	80,598
Finance costs	17	42,867	22,285
Other expenses	18	177,214	1,367,546
Total expenses (II)		**220,081**	**1,470,429**
Profit before tax (III) [(I)-(II)]		**201,486**	**593,179**
Tax expenses	13		
Deferred tax		104,060	169,871
Total tax expenses		**104,060**	**169,871**
Profit for the year (A)		**97,426**	**423,308**
Other Comprehensive Income (B)		**-**	**-**
Total Comprehensive Income for the year (A+B)		**97,426**	**423,308**
Earnings per equity share (par value CAD 10 per share)			
Basic and Diluted (CAD)	19	974.26	4,233.08
Summary of significant accounting policies.	2		

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

For ASA & Associates LLP
Firm registration number: 009571N/N500006
Chartered Accountants

VINAY KAMALA SHIVAPRAKASH
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.15 20:58:37 +05'30'

Vinay K S
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Date: 15 June 2023

Wyde Solutions Canada Inc.

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Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 15 June 2023

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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 2022	**100**	**1,000**
Issue of share capital	-	-
As at 31 March 2023	**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 April 2022	**(1,267,785)**	**(1,267,785)**
Profit for the year	97,426	97,426
As at 31 March 2023	**(1,170,359)**	**(1,170,359)**
As at 1 Apr 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 Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2023.06.15 20:59:45 +05'30'

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Membership No.: 223085

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Wyde Solutions Canada Inc.

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Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 15 June 2023

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STATEMENT OF CASH FLOWS

Amount in CAD

Particulars	As at 31 March 2023	As at 31 March 2022
Operating activities		
Profit before tax	**201,486**	**593,179**
Adjustment to reconcile profit before tax to net cashflows provided by operating activities:		
Interest expense	42,867	22,285
Unrealized exchange loss /(gain), net	51,764	(4,845)
Operating profit before changes in operating assets and liabilities	**296,117**	**610,619**
Changes in operating assets and liabilities		
Trade receivables & unbilled receivables	(65,507)	433,762
Loans	(11,261)	882
Other assets	-	1,872
Other financial liabilities	(17,732)	17,549
Trade payables	(149,214)	(916,719)
Provisions and employee benefit obligations	-	(2,159)
Other liabilities	12,532	(14,560)
Total changes in operating assets and liabilities	**(231,182)**	**(479,373)**
Income tax paid (net of refunds)	-	-
Net cash flows generated from operating activities (A)	**64,935**	**131,246**
Investing activities		
Net cash flows generated from investing activities (B)	**-**	**-**
Financing activities		
Interest paid	(23,221)	(19,591)
Net cash flows used in financing activities (C)	**(23,221)**	**(19,591)**
Net increase / (decrease) in cash and cash equivalent (A+B+C)	**41,714**	**111,655**
Cash and cash equivalents at the beginning of the year	255,768	144,113
Cash and cash equivalents at the end of the year (refer note 4)	**297,482**	**255,768**

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
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.15 21:00:10 +05'30'

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052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 15 June 2023

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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 eroded as on 31 March 2023. 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 Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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 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 transaction price (net of variable consideration) allocated to particular performance obligation.

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, fixed monthly billings and milestone-based fixed price contracts. Revenues from call center, business & knowledge process outsourcing operations and infrastructure outsourcing services arise from time-based, unit-priced, fixed monthly billings and milestone-based fixed priced 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 efforts incurred up to the reporting date to estimated cost of total efforts.
- 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 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 (net of variable consideration).
- 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 efforts.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

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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 incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the 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 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 based on 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.

- 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.

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.

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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 (excluding trade receivables) 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. Trade receivables that do not contain a significant financing component are measured at transaction price.

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 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.

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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 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.

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.

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Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in its financial statements.

Amount in CAD

	Non-Current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
3. TRADE RECEIVABLES - BILLED				
Unsecured - considered good				
Trade receivables	-	-	96,884	25,984
Allowance for doubtful receivables			(71)	(296)
	-	-	**96,813**	**25,688**
Unbilled receivables	-	-	-	5,618
	-	-	**96,813**	**31,306**

	Current	
	As at 31 March 2023	**As at 31 March 2022**
4. CASH AND CASH EQUIVALENTS		
Balances with banks:		
In current accounts	297,482	255,768
	297,482	**255,768**

	Non-Current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
5. LOANS				
Carried at amortized cost				
Unsecured - considered good				
Recoverable from related parties	-	-	13,991	2,730
	-	-	**13,991**	**2,730**

	Non-Current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
6. OTHER ASSETS				
Unsecured - considered good				
Indirect tax recoverable	-	-	1,565	1,565
Other assets	-	-	162	162
	-	-	**1,727**	**1,727**

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	As at 31 March 2023	As at 31 March 2022
7. EQUITY SHARE CAPITAL		
Authorised share capital		
100 (31 March 2022: 100) equity shares of CAD 10 each	1,000	1,000
Issued, subscribed and fully paid-up shares		
100 (31 March 2022: 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 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
Wyde Corporation (the holding Company)*		
100 (31 March 2022: 100) equity shares of CAD 10 each	1,000	1,000

* The ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

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

Name of the Shareholder	As at 31 March 2023		As at 31 March 2022	
	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
	As at 31 March 2023	As at 31 March 2022
8. OTHER EQUITY		
Retained Earnings		
Balance as per previous financial statements	(1,267,785)	(1,691,093)
Profit for the year	97,426	423,308
Closing Balance	**(1,170,359)**	**(1,267,785)**

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
9. BORROWINGS				
Unsecured				
Loan from Mphasis Wyde Inc.	-	-	704,304	651,547
	-	-	**704,304**	**651,547**

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
10. TRADE PAYABLES				
Trade payables	-	-	978,009	1,127,223
	-	-	**978,009**	**1,127,223**

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Amount in CAD

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
11. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	-	38
Derivative liabilities	-	-	7,747	25,441
Interest payable on borrowings	-	-	23,574	4,921
	-	**-**	**31,321**	**30,400**

	Non-Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
12. OTHER LIABILITIES				
Statutory dues	-	-	13,967	1,214
Other payables	-	-	-	221
	-	**-**	**13,967**	**1,435**

13. TAXES

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

	As at 31 March 2023	As at 31 March 2022
Taxes		
Deferred taxes	104,060	169,871
Total taxes	**104,060**	**169,871**

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (net)		
Deferred tax assets (net)	148,229	252,289
	148,229	**252,289**

Amount in CAD

	Year ended 31 March 2023	Year ended 31 March 2022
14. REVENUE FROM OPERATIONS		
Sale of services	419,697	2,060,917
	419,697	**2,060,917**

	Year ended 31 March 2023	Year ended 31 March 2022
15. OTHER INCOME		
Miscellaneous income	1,870	-
Foreign exchange gain, net	-	2,691
	1,870	**2,691**

	Year ended 31 March 2023	Year ended 31 March 2022
16. EMPLOYEE BENEFITS EXPENSES		
Salaries and bonus	-	76,037
Contribution to social security and other funds	-	4,561
	-	**80,598**

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		Amount in CAD
	Year ended 31 March 2023	**Year ended 31 March 2022**
17. FINANCE COSTS		
Interest on borrowings	42,867	22,285
	42,867	**22,285**

	Year ended 31 March 2023	**Year ended 31 March 2022**
18. OTHER EXPENSES		
Subcontracting charges	78,858	1,270,261
Travel	7,441	490
Facility expenses	-	7,950
Professional charges	77,681	66,210
Provision for expected credit loss	(225)	(4,049)
Software support and annual maintenance charges	34	454
Rates and taxes	1,000	4,094
Audit fees	2,581	2,614
Insurance	-	1,283
Miscellaneous expenses	5,599	18,239
Foreign exchange loss, net	4,245	-
	177,214	**1,367,546**

	Year ended 31 March 2023	**Year ended 31 March 2022**
19. EARNINGS PER SHARE		
Profit for the year	97,426	423,308
Number of equity shares considered for calculation of earnings per share	100	100
Basic and Diluted (CAD)	**974.26**	**4,233.08**

20. No specific contingent liabilities exist as on balance sheet date.

21. 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

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The following is a summary of significant transactions with related parties by the Company:

(Amount in CAD)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rendering of services to related parties where control exists	**8,185**	**120,015**
Mphasis Limited	8,370	119,476
Wyde Corporation	(185)	539
Subcontracting charges from entities where control exists	**7,360**	**152,933**
Wyde Corporation	7,360	49,006
Mphasis Corporation	-	60,943
Mphasis Limited	-	42,984
Subcontracting charges from other related parties	**71,498**	**1,117,328**
Mphasis Wyde SASU	71,498	1,107,045
Mphasis Poland Z.o.o	-	10,283
Software support and annual maintenance charges from related parties where control exists	**33**	**436**
Mphasis Limited	10	128
Mphasis Corporation	23	308
Cost Allocation from related parties where control exists	**2,498**	**14,948**
Mphasis Limited	2,201	13,061
Mphasis Corporation	297	1,887
Interest expenses from related parties where control exists	**42,867**	**22,285**
Mphasis Wyde Inc	42,867	22,285

The balances receivable from and payable to related parties are as follows:

	As at 31 March 2023	As at 31 March 2022
Trade Receivable from related parties where control exists	**-**	**26,140**
Mphasis Limited	-	25,610
Wyde Corporation	-	530
Other receivables from related parties where control exists	**14,153**	**18,563**
Mphasis Limited	162	5,620
Wyde Corporation	13,991	12,943
Trade payables to related parties where control exists	**4,742**	**730**
Mphasis Corporation	-	426
Mphasis Limited	2,490	304
Wyde Corporation	2,252	-
Trade payables to other related parties	**7,596**	**252,820**
Mphasis Wyde SASU	7,596	252,820
Other payables to related parties where control exists	**901,093**	**834,619**
Wyde Corporation	901,093	833,595
Mphasis Limited	-	808
Mphasis Corporation	-	216
Interest payable to related parties where control exists	**23,574**	**4,921**
Mphasis Wyde Inc.	23,574	4,921
Intercompany borrowings from related parties where control exists	**704,304**	**651,547**
Mphasis Wyde Inc	704,304	651,547

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22. Going Concern

As at the year ended 31 March 2023, 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: 2023.06.15 21:00:42 +05'30'

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru, India
Date: 15 June 2023

Wyde Solutions Canada Inc.

DocuSigned by:
052D97AA0163454...

Sivaramakrishnan P
Director

Place: Bengaluru, India
Date: 15 June 2023

DS

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
Bengaluru 560 078 INDIA
T +91 80 4907 9600

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, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and 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, 2023 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 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: 2023.06.15 21:53:31 +05'30'

Vinay K S
Partner
Membership No: 223085

Place: Bangalore
Date: 15th June,2023
UDIN: 23223085BGVTXW6008

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Mphasis Poland Sp. z o.o.

Audited Financial Statements as at and for the year ended 31 March 2023

	Page
Balance Sheet	1
Statement of Profit and Loss	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the financial statements	5

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Mphasis Poland Sp. Z.o.o
Financial Statements

BALANCE SHEET	Notes	As at 31 March 2023	Amount in PLN As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	171,379	252,389
Total non-current assets		**171,379**	**252,389**
Current assets			
Financial assets			
Trade receivables	4	3,884,889	2,496,623
Cash and cash equivalents	5	623,297	1,477,158
Loans	6	-	4,820
Other financial assets	7	797,632	784,525
Other assets	8	1,635,346	1,322,260
Income tax assets (net)	16	116,219	-
Deferred tax assets (net)	16	319,810	489,190
Total current assets		**7,377,193**	**6,574,576**
TOTAL ASSETS		**7,548,572**	**6,826,965**
		As at 31 March 2023	**As at 31 March 2022**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	100,000	100,000
Other equity	10	117,656	(252,452)
Total equity		**217,656**	**(152,452)**
LIABILITIES			
Borrowings	11	4,207,950	4,187,250
Trade payables	12	981,362	992,196
Other financial liabilities	13	1,082,145	1,128,115
Employee benefit obligations	14	446,580	286,624
Other liabilities	15	612,879	346,232
Income tax liabilities (net)	16	-	39,000
Total current liabilities		**7,330,916**	**6,979,417**
TOTAL EQUITY AND LIABILITIES		**7,548,572**	**6,826,965**
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

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Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.15 21:30:35 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 15 June 2023

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Place : Bengaluru, India
Date : 15 June 2023

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STATEMENT OF PROFIT AND LOSS — **Amount in PLN**

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	17	12,150,082	7,047,675
Total income (I)		**12,150,082**	**7,047,675**
Expenses			
Employee benefits expense	18	7,233,679	4,970,222
Finance costs	19	248,956	206,337
Depreciation and amortization expense	3	81,010	110,228
Other expenses	20	4,041,599	1,686,946
Total expenses (II)		**11,605,244**	**6,973,733**
Profit/(loss) before tax (I) - (II)		**544,838**	**73,942**
Tax expenses	16		
Current tax		5,350	39,000
Deferred tax		169,380	(8,175)
Total tax expenses		**174,730**	**30,825**
Profit/(loss) for the year (A)		**370,108**	**43,117**
Other comprehensive income (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**370,108**	**43,117**
Earnings per share (Par value of PLN 500 per share)	21		
Basic & Diluted (PLN)		1,850.54	215.59
Summary of significant accounting policies.	2		

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Subramanian Narayan
Director

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Date : 15 June 2023

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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 2022	200	100,000
Issue of share capital	-	-
As at 31 March 2023	200	100,000
As at 1 April 2021	200	100,000
Issue of share capital	-	-
As at 31 March 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 2022	**(252,452)**	**(252,452)**
Profit for the year	**370,108**	**370,108**
As at 31 March 2023	**117,656**	**117,656**
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.
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STATEMENT OF CASH FLOWS		Amount in PLN
	Year ended 31 March 2023	Year ended 31 March 2022
Operating activities		
Profit/(loss) before tax	**544,838**	**73,942**
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Depreciation and amortization expense	81,010	110,228
Interest Expense	248,956	206,337
Unrealized exchange loss	(26,121)	6,010
Operating profit/(loss) before changes in operating assets and liabilities	**848,683**	**396,517**
Changes in Operating assets and liabilities		
Trade receivables and unbilled receivables	(1,388,266)	(46,708)
Loans	4,820	(4,820)
Other financial assets	(13,107)	(32,154)
Other assets	(313,086)	(186,880)
Trade payables	(10,834)	610,411
Other financial liabilities	292,580	(47,624)
Provisions and Employee benefit obligation	159,956	(63,437)
Other liabilities	266,647	(47,884)
Total changes in operating assets and liabilities	**(1,001,290)**	**180,904**
Income tax paid (net of refunds)	(160,569)	(255)
Net cash flow generated from operating activities (A)	**(313,176)**	**577,166**
Investing activities		
Purchase of Property, Plant and Equipment	-	(154,907)
Net Cash flow used in investing activities (B)	**-**	**(154,907)**
Financing activities		
Interest paid	(540,685)	-
Net Cash Flow used in financing activities (C)	(540,685)	-
Net increase in cash and cash equivalents (A+B+C)	**(853,861)**	**422,259**
Cash and cash equivalents at the beginning of the year	1,477,158	1,054,899
Cash and cash equivalents at the end of the year (refer note 5)	**623,297**	**1,477,158**

Summary of significant accounting policies. 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

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Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.15 21:31:47 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 15 June 2023

For and on behalf of the Board of Directors

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864FB8DBFAE44A7...

Subramanian Narayan
Director

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Date : 15 June 2023

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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.

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 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.

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Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation.

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 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 (net of variable consideration).
- 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 recognises an onerous contract provision when it is probable that the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the 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.

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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.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

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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	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.

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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 (excluding trade receivables) 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. Trade receivables that do not contain a significant financing component are measured at transaction price.

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 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.

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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.

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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 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.

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") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in its financial statements.

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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 2021	**105,242**	**21,691**	**98,292**	**270,745**	**317,770**	**37,959**	**851,699**
Additions	-	-	-	71,751	-	83,156	**154,907**
Disposals/written off	-	-	-	-	-	-	-
At 31 March 2022	**105,242**	**21,691**	**98,292**	**342,496**	**317,770**	**121,115**	**1,006,606**
Additions	-	-	-	-	-	-	-
Disposals/written off	(85,122)	-	-	(54,548)	-	-	**(139,670)**
At 31 March 2023	**20,120**	**21,691**	**98,292**	**287,948**	**317,770**	**121,115**	**866,936**
Depreciation							
At 1 April 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/written off	-	-	-	-	-	-	-
At 31 March 2022	**103,759**	**21,691**	**93,163**	**268,944**	**219,912**	**46,747**	**754,217**
Charge for the year	983	-	2,642	38,941	26,565	11,879	**81,010**
Disposals/written off	(85,122)	-	-	(54,548)	-	-	**(139,670)**
As at 31 March 2023	**19,619**	**21,691**	**95,805**	**253,337**	**246,477**	**58,627**	**695,557**
Net Block							
At 31 March 2022	**1,483**	**-**	**5,129**	**73,552**	**97,858**	**74,368**	**252,389**
As at 31 March 2023	**500**	**-**	**2,487**	**34,611**	**71,293**	**62,488**	**171,379**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
4. TRADE RECEIVABLES				
Unsecured-considered good				
Trade receivables	-	-	3,560,263	2,403,646
Allowance for doubtful receivables	-	-	(2,839)	(353)
	-	-	**3,557,424**	**2,403,293**
Unbilled receivables	-	-	327,465	93,330
	-	-	**3,884,889**	**2,496,623**

Amount in PLN

	As at 31 March 2023	**As at 31 March 2022**
5. CASH AND CASH EQUIVALENTS		
Balances with banks:		
In current accounts	-	-	623,297	1,477,158
	-	-	**623,297**	**1,477,158**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
6. LOANS				
Unsecured - considered good				
Employee advances	-	-	-	4,820
	-	-	-	**4,820**

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Amount in PLN

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
7. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Deposits	-	-	68,393	68,393
Foreign exchange derivative assets	-	-	-	9,661
Recoverable from related parties	-	-	729,239	706,471
	-	-	**797,632**	**784,525**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
8. OTHER ASSETS				
Unsecured - considered good				
Prepaid expenses	-	-	39,109	23,800
Indirect tax recoverable	-	-	1,596,237	1,298,460
	-	-	**1,635,346**	**1,322,260**

Particulars	As at 31 March 2023	As at 31 March 2022
9. EQUITY SHARE CAPITAL		
Authorised share capital		
200 (31 March 2022: 200) equity shares of PLN 500 each	100,000	100,000
Issued, subscribed and fully paid up shares		
200 (31 March 2022: 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 March 2023		As at 31 March 2022	
	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 March 2023	As at 31 March 2022
Mphasis Limited (immediate holding Company)*		
200 (31 March 2022: 200) equity shares of PLN 500 each fully paid	100,000	100,000

*The ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd

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

	As at 31 March 2023		As at 31 March 2022	
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 March 2023	As at 31 March 2022
10. OTHER EQUITY		
Retained Earnings		
Balance as per previous financial statement	(252,452)	(295,569)
Profit/(loss) for the year	370,108	43,117
Closing Balance	**117,656**	**(252,452)**
Total other equity	**117,656**	**(252,452)**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
11. BORROWINGS				
Unsecured				
Loan from Mphasis Europe BV	-	-	4,207,950	4,187,250
	-	**-**	**4,207,950**	**4,187,250**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
12. TRADE PAYABLES				
Trade payables	-	-	981,362	992,196
	-	**-**	**981,362**	**992,196**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
13. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	421,949	279,034
Foreign exchange derivative liabilities	-	-	149,665	-
Interest on loan payable	-	-	510,531	849,081
	-	**-**	**1,082,145**	**1,128,115**

	Non current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2023**
14. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	446,580	286,624
	-	**-**	**446,580**	**286,624**

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Amount in PLN

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
15. OTHER LIABILITIES				
Statutory dues	-	-	612,879	346,232

16. TAXES

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

	As at 31 March 2023	As at 31 March 2022
Taxes		
Current taxes	5,350	39,000
Deferred taxes	169,380	(8,175)
Total taxes	**174,730**	**30,825**

	As at 31 March 2023	As at 31 March 2022
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	116,219	-
	116,219	-
Income tax liabilities (net)		
Provision for taxation	-	39,000
Net income tax asset	**116,219**	**39,000**

	As at 31 March 2023	As at 31 March 2022
Deferred Tax Assets (net)		
Deferred tax assets (net)	319,810	489,190

	Year ended 31 March 2023	Year ended 31 March 2022
17. REVENUE FROM OPERATIONS		
Sale of services	12,150,082	7,047,675
	12,150,082	**7,047,675**

	Year ended 31 March 2023	Year ended 31 March 2022
18. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	5,970,028	4,088,792
Contribution to social security and other funds	1,136,239	780,750
Staff welfare expenses	127,412	100,680
	7,233,679	**4,970,222**

	Year ended 31 March 2023	Year ended 31 March 2022
19. FINANCE COSTS		
Interest expense	248,956	206,337
	248,956	**206,337**

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		Amount in PLN
	Year ended 31 March 2023	**Year ended 31 March 2022**
20. OTHER EXPENSES		
Subcontracting charges	1,802,242	532,334
Software support and annual maintenance charges	476,660	51,462
Communication expenses	149,494	154,093
Facility expenses	301,803	285,192
Corporate support cost	200,672	140,612
Professional charges	156,934	72,745
Travel	46,019	26,220
Repairs and maintenance	14,868	28,496
Recruitment expenses	173,582	46,544
Insurance	1,388	15,700
Foreign exchange loss, net	611,476	226,461
Power and fuel	79,920	26,247
Expected credit loss	2,497	397
Miscelleanous expenses	24,044	80,443
	4,041,599	**1,686,946**

	Year ended 31 March 2023	**Year ended 31 March 2022**
21. EARNINGS PER SHARE ('EPS')		
Profit for the year	370,108	43,115
Number of weighted average shares considered for calculation of basic earnings per share (par value PLN 500 per share)	200	200
Basic/Dilutive (PLN)	**1,850.54**	**215.58**

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.

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The following is the summary of significant transactions with related parties by the Company:		Amount in PLN
Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Rendering of services to entities where control exists	**1,762,499**	**202,522**
Mphasis Limited	1,762,499	202,522
Rendering of services to other related parties	**7,927,879**	**5,914,102**
Mphasis USA	181,715	427,145
Wyde Canada	-	31,534
Stelligent Systems LLC	558,537	553,899
Mphasis Belgium	220,480	59,687
Msource India	1,641,117	1,752,638
Wyde Corporation Inc.	445,109	7,507
Mphasis GmbH	-	-
Mphasis UK	277,128	-
Mphasis Europe	-	98,272
Wyde Inc, France	4,603,793	2,983,420
Subcontracting charges from other related parties	**379,706**	**1,504**
Mphasis Limited	379,706	1,504
Corporate support cost	**200,672**	**140,612**
Mphasis Limited	198,534	140,199
Mphasis USA	2,138	413
Interest expense on inter corporate deposits received from related parties	**248,956**	**206,337**
Mphasis Europe	248,956	206,337
Interest paid on inter corporate deposits received from related parties	**540,685**	**-**
Mphasis Europe	540,685	-
Expenses incurred by related parties where control exists on Company's behalf	**32,539**	**21,209**
Mphasis Limited	32,539	21,209
Expenses incurred by other related parties on Company's behalf	**54,166**	**29,852**
Msource India Private Limited	502	-
Mphasis UK	53,664	29,852

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The balances receivable from and payable to related parties are as follows: **Amount in PLN**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables - entities where control exists	**274,509**	**201,329**
Mphasis Limited	274,509	201,329
Trade receivable - other related parties	**2,608,329**	**2,171,174**
Mphasis USA	3,409	237,174
Wyde Corporation	192,492	5,138
Stelligent Systems LLC	76,019	686,378
Mphasis Europe	-	3,688
Mphasis UK	13,044	-
Wyde Inc, France	2,063,338	645,572
Mphasis Belgium	3,984	4,461
Msource India	256,043	588,763
Trade payables - entities where control exists	**285,065**	**109,464**
Mphasis Limited	285,065	109,464
Trade payables - other related parties	**12,627**	**15,460**
Mphasis USA	470	1,894
Msource India Private Limited	446	-
Mphasis UK	11,711	13,566
Inter-corporate deposits placed with other related parties	**4,207,950**	**4,187,250**
Mphasis Europe	4,207,950	4,187,250
Advances recoverable in cash or in kind or for value to be received, included in Loans and Advances from entities where control exists	**729,237**	**706,471**
Wyde Inc, France	727,127	704,376
Mphasis Belgium	2,024	2,095
Mphasis Ireland	86	-
Interest payable on inter corporate deposits received from related parties	**510,530**	**849,082**
Mphasis Europe	510,530	849,082

23. 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: 2023.06.15 21:32:20 +05'30'

Vinay KS
Partner
Membership No. 223085

Place : Bengaluru, India
Date : 15 June 2023

For and on behalf of Mphasis Poland Sp. Z.o.o

DocuSigned by:
Subramanian Narayan
864FB8DBFAE44A7...

Subramanian Narayan
Director

Place : Bengaluru,
Date : 15 June 2023

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
Bengaluru 560 078 INDIA
T +91 80 4907 9600

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, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and 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, 2023 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 2023, 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 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: 2023.06.16 21:44:34 +05'30'

Vinay K S
Partner
Membership No: 223085

Place: Bangalore
Date: 16th June,2023
UDIN: 23223085BGVTYA7374

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Mphasis Deutschland GMBH

Audited Financial Statements as at and for the period ended 31 March 2023

	Page
Balance sheet	1
Statement of profit and loss	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5

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BALANCE SHEET	Notes	As at 31 March 2023	As at 31 March 2022
			Amount in EUR
ASSETS			
Non-current assets			
Property, plant and equipment	3	261,370	345,247
Right-of-use assets	4	601,756	1,083,425
Other assets	9	3,291	-
Total non-current assets		**866,417**	**1,428,672**
Current assets			
Financial assets			
Trade receivables	5	1,079,518	1,550,273
Cash and cash equivalents	6	514,400	1,522,262
Loans	7	30,888	8,400
Other financial assets	8	190,341	190,341
Deferred tax assets (net)	22	2,525,683	989,489
Income tax assets (net)	22	3,942	3,738
Other assets	9	261,131	311,146
Total current assets		**4,605,903**	**4,575,649**
TOTAL ASSETS		**5,472,320**	**6,004,321**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	51,130	51,130
Other equity	11	(5,625,609)	(4,138,129)
Total equity		**(5,574,479)**	**(4,086,999)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		145,284	712,699
Total non-current liabilities		**145,284**	**712,699**
Current liabilities			
Financial liabilities			
Borrowings	12	8,610,000	5,610,000
Lease liabilities		567,476	530,575
Trade payables	13	1,043,921	2,614,816
Other financial liabilities	14	111,269	100,441
Other liabilities	15	441,447	406,832
Employee benefit obligations	16	127,387	115,942
Income tax liabilities (net)	22	15	15
Total current liabilities		**10,901,515**	**9,378,621**
TOTAL EQUITY AND LIABILITIES		**5,472,320**	**6,004,321**

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: 2023.06.16 21:29:06 +05'30'

Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 16 June 2023

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
38DB074723844F7...

Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date : 16 June 2023

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STATEMENT OF PROFIT AND LOSS	Notes	Year ended 31 March 2023	Amount in EUR Year ended 31 March 2022
Income			
Revenue from operations	17	3,954,614	3,462,265
Total income (I)		**3,954,614**	**3,462,265**
Expenses			
Employee benefits expense	18	4,527,535	3,564,993
Finance costs	19	278,418	120,150
Depreciation and amortization expense	20	597,245	427,667
Other expenses	21	1,575,089	1,830,181
Total expenses (II)		**6,978,287**	**5,942,991**
Loss before tax (I) - (II)		**(3,023,673)**	**(2,480,726)**
Tax expenses	22		
Deferred tax		(1,536,193)	(989,489)
Total tax expenses		**(1,536,193)**	**(989,489)**
Loss for the year (A)		**(1,487,480)**	**(1,491,237)**
Other comprehensive income (B)		**-**	**-**
Total comprehensive loss for the year (A+B)		**(1,487,480)**	**(1,491,237)**
Earnings per share (nominal value of share EUR 51.13)			
Basic & diluted (EUR)	23	(1,487.48)	(1,491.24)

Summary of significant accounting policies. 2

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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 2022	1,000	51,130
Issue of shares	-	-
As at 31 March 2023	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 2022	**228,829**	**(4,366,958)**	**(4,138,129)**
Loss for the year	-	(1,487,480)	**(1,487,480)**
As at 31 March 2023	**228,829**	**(5,854,438)**	**(5,625,609)**
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.

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Date: 2023.06.16 21:29:56 +05'30'

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STATEMENT OF CASH FLOWS		Amount in EUR
Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Operating activities		
Loss before tax	**(3,023,673)**	**(2,480,726)**
Adjustments to reconcile loss before tax to net cash provided by operating activities:		
Depreciation and amortization expense	597,245	427,667
Interest expense	278,418	120,150
Operating loss before changes in operating assets and liabilities	**(2,148,010)**	**(1,932,909)**
Changes in operating assets and liabilities		
Trade receivables	470,755	(1,457,611)
Loans	(22,488)	(1,900)
Other financial assets	-	(187,513)
Other assets	46,723	(126,563)
Trade payables	(1,570,895)	1,616,667
Other financial liabilities	10,828	20,710
Other liabilities	(219,130)	281,961
Provisions and employee benefit obligations	11,445	94,276
Total changes in operating assets and liabilities	**(1,272,763)**	**240,027**
Income tax paid (net of refunds)	(204)	(2,087)
Net cash flow generated from / (used in) operating activities (A)	**(3,420,977)**	**(1,694,969)**
Investing activities		
Purchase of property plant and equipement	(31,698)	(399,356)
Proceeds from sale of property plant and equipement	-	7,326
Net cash flow used in investing activities (B)	**(31,698)**	**(392,030)**
Financing activities		
Availment of borrowings	3,000,000	3,880,000
Interest paid	(24,673)	(96,440)
Repayment of lease liabilities	(530,514)	(201,733)
Net cash flow (used in) / from financing activities (C)	**2,444,813**	**3,581,827**
Net decrease in cash and cash equivalents (A+B+C)	**(1,007,862)**	**1,494,828**
Cash and cash equivalents at the beginning of the year	1,522,262	27,434
Cash and cash equivalents at the end of the year (note 6)	**514,400**	**1,522,262**

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
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VINAY KAMALA SHIVAPRAKASH Digitally signed by VINAY KAMALA SHIVAPRAKASH Date: 2023.06.16 21:30:10 +05'30'

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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 Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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.

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 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.

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Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price(net of variable consideration) allocated to a particular performance obligation.

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, fixed monthly billings and milestone-based fixed price contracts. Revenues from call center, business & knowledge process outsourcing operations and infrastructure outsourcing services arise from time-based, unit-priced, fixed monthly billings and milestone-based fixed priced 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 where customers are given a right to use intellectual property are 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 (net of variable consideration)
- 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 obtains control of the specified goods or services before it 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. 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 incremental costs of fulfilling the obligations under the contract and an allocation of other costs directly related to fulfilling the 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.

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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 consideration from the customer 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 standalone 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 a 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 revenue from fixed-price contracts requires the Company to exercise judgement in estimating the balance-to-go efforts or costs. Efforts or costs expended to date as a proportion of the total efforts or costs to be expended is used as a measure to determine the percentage-of completion. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

- 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.

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. 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.

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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
Buildings	20 or remaining lease term whichever is less
Office equipment	5
Plant and equipment	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.

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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, the Company assesses at each balance sheet date 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 lifetime 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 recognized when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets (excluding trade receivables) 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. Trade receivables that do not contain a significant financing component are measured at transaction price.

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 overdrafts that are repayable on demand and are considered part of the Company's cash management system.

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.

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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 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 the share price of 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 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.

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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 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.

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") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

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Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in 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 2021	**37,189**	**-**	**-**	**-**	**-**	**37,189**
Additions	231,343	17,453	64,987	21,135	64,438	399,356
Deletions/written off	14,736	-	-	-	-	14,736
At 31 March 2022	**253,796**	**17,453**	**64,987**	**21,135**	**64,438**	**421,809**
Additions	9,550	-	22,149	-	-	31,699
Deletions/written off	5,144	-	-	-	-	5,144
At 31 March 2023	**258,202**	**17,453**	**87,136**	**21,135**	**64,438**	**448,364**
Depreciation						
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/written off	7,410	-	-	-	-	7,410
At 31 March 2022	**65,608**	**1,237**	**4,031**	**1,365**	**4,321**	**76,562**
Charge for the year	84,060	3,151	13,398	4,227	10,740	**115,576**
Deletions/written off	5,144	-	-	-	-	5,144
At 31 March 2023	**144,524**	**4,388**	**17,429**	**5,592**	**15,061**	**186,994**
Net Block						
At 31 March 2022	**188,188**	**16,216**	**60,956**	**19,770**	**60,117**	**345,247**
At 31 March 2023	**113,678**	**13,065**	**69,707**	**15,543**	**49,377**	**261,370**

4. RIGHT-OF-USE ASSETS

	As at 31 March 2023	As at 31 March 2022
Cost		
Balance as per previous financial statements	**1,445,007**	**-**
Additions	-	1,445,007
Disposals	-	-
Total	**1,445,007**	**1,445,007**
Accumulated depreciation		
Balance as per previous financial statements	**361,582**	**-**
Depreciations	481,669	361,582
Disposals	-	-
	843,251	**361,582**
Net block	**601,756**	**1,083,425**

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Amount in EUR

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
5. TRADE RECEIVABLES				
Considered good	-	-	749,497	1,187,385
Allowance for doubtful receivables	-	-	(481)	(2,236)
	-	-	**749,016**	**1,185,149**
Unbilled receivables	-	-	330,502	365,124
	-	-	**1,079,518**	**1,550,273**

	As at 31 March 2023	As at 31 March 2022
6. CASH AND CASH EQUIVALENTS		
In current accounts	514,400	1,522,262
	514,400	**1,522,262**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
7. LOANS				
Unsecured - considered good				
Employee advances	-	-	30,888	8,400
	-	-	**30,888**	**8,400**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
8. OTHER FINANCIAL ASSETS				
Deposits	-	-	190,341	190,341
	-	-	**190,341**	**190,341**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
9. OTHER ASSETS				
Unsecured - considered good				
Prepaid expenses	3,291	-	57,796	56,004
Indirect tax recoverable	-	-	203,335	255,142
	3,291	-	**261,131**	**311,146**

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	Amount in EUR	
	As at 31 March 2023	As at 31 March 2022
10. EQUITY SHARE CAPITAL		
Authorised share capital		
[1,000 (31 March 2022: 1,000) equity shares of EUR 51.13 each]	51,130	51,130
Issued, subscribed and paid up		
[1,000 (31 March 2022: 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 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
Mphasis Limited (Immediate holding company)*	910	910
910 (31 March 2022 : 910) equity shares of EUR 51.13 each		
Total shares	**910**	**910**

*The 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 March 2023		As at 31 March 2022	
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.

	As at 31 March 2023	As at 31 March 2022
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	(4,366,958)	(2,875,721)
Loss for the year	(1,487,480)	(1,491,237)
Closing balance	**(5,854,438)**	**(4,366,958)**
Total other equity	**(5,625,609)**	**(4,138,129)**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
12. BORROWINGS				
Unsecured				
Loan from related party	-	-	8,610,000	5,610,000
	-	**-**	**8,610,000**	**5,610,000**

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Amount in EUR

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
13. TRADE PAYABLES				
Trade payables	-	-	1,043,921	2,614,816
	-	**-**	**1,043,921**	**2,614,816**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
14. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	83,399	81,793
Capital creditors	-	-	27,870	18,648
	-	**-**	**111,269**	**100,441**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
15. OTHER LIABILITIES				
Payable to related parties	-	-	20,273	13,687
Statutory dues	-	-	135,330	361,046
Interest payable	-	-	285,844	32,099
	-	**-**	**441,447**	**406,832**

	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
16. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for employee compensated absences	-	-	127,387	115,942
	-	**-**	**127,387**	**115,942**

	Year ended 31 March 2023	Year ended 31 March 2022
17. REVENUE FROM OPERATIONS		
Sale of services	3,954,614	3,462,265
	3,954,614	**3,462,265**

	Year ended 31 March 2023	Year ended 31 March 2022
18. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	3,794,739	3,029,097
Contribution to social security and other funds	635,924	490,367
Employee share based payments	48,401	23,815
Staff welfare expenses	48,471	21,714
	4,527,535	**3,564,993**

	Year ended 31 March 2023	Year ended 31 March 2022
19. FINANCE COSTS		
Interest expense	278,418	120,150
	278,418	**120,150**

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Amount in EUR

	Year ended 31 March 2023	Year ended 31 March 2022
20. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property plant and equipment (refer note 3)	115,576	66,085
Depreciation of right-of-use assets	481,669	361,582
	597,245	**427,667**

	Year ended 31 March 2023	Year ended 31 March 2022
21. OTHER EXPENSES		
Subcontracting charges	456,584	346,518
Travel	48,257	41,484
Communication expenses	35,109	12,939
Facility expenses	334,145	161,385
Legal and professional charges	253,872	259,886
Recruitment expenses	243,431	663,434
Power and fuel	18,019	10,797
Software support & annual maintenance charges	43,030	29,516
Foreign exchange loss (net)	689	1,435
Provision for expected credit loss	(2,292)	2,701
Miscellaneous expenses	142,195	297,941
Auditor's remuneration	2,050	2,145
	1,575,089	**1,830,181**

22. TAXES

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

	Year ended 31 March 2023	Year ended 31 March 2022
Taxes		
Current taxes	-	-
Deferred taxes	(1,536,193)	(989,489)
Total taxes	**(1,536,193)**	**(989,489)**

	As at 31 March 2023	As at 31 March 2022
Income tax assets (net)		
Advance income-tax (net of provision for taxation)	3,942	3,738
	3,942	**3,738**
Income tax liabilities (net)		
Provision for taxation	15	15
	15	**15**
Net income tax (asset) / liability	**(3,927)**	**(3,723)**

	As at 31 March 2023	As at 31 March 2022
Deferred tax asset (net)	2,525,683	989,489
	2,525,683	**989,489**

	Year ended 31 March 2023	Year ended 31 March 2022
23. EARNINGS PER SHARE		
Loss after tax	(1,487,480)	(1,491,237)
Number of equity shares considered for calculation of earnings per share	1,000	1,000
Basic & diluted (EUR)	**(1,487.48)**	**(1,491.24)**

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24. 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 Limited
Msource India Private Limited	

The following is a summary of significant transactions with related parties by the Company: **Amount in EUR**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rendering of services to entities who have control over the company	**282,439**	**939,890**
Mphasis Limited	282,439	939,890
Rendering of services to other related parties	**319,626**	**219,611**
Wyde Corporation	31,708	8,323
Mphasis Europe BV	-	(81,278)
Mphasis UK Limited	62,289	138,304
Mphasis Belgium BV	224,610	154,262
'Mphasis Australia Pty Limited	1,019	-
Subcontracting charges from other related parties	**73,028**	**56,623**
Mphasis Corporation	130	(263)
Mphasis Europe BV	269	-
Mphasis UK Limited	72,629	56,886
Mphasis Poland z.o.o	-	-
Mphasis Belgium BV	-	-
Corporate support cost from entities who have control over the company	**103,814**	**61,979**
Mphasis Limited	103,814	61,979
Corporate support cost from other related parties	**32,460**	**16,996**
Mphasis Corporation	5,825	6,148
Mphasis UK Limited	26,404	10,848
Msource India Private Limited	231	-
Interest expense on unsecured loans given to other related parties	**261,730**	**102,122**
Mphasis Ireland Limited	11,629	9,000
Mphasis Europe BV	124,216	46,761
Mphasis Belgium BV	125,885	46,361
Expenses incurred by related parties where control exists	**64,238**	**23,816**
Mphasis Limited	64,238	23,816
Unsecured loans received from other related parties	**3,000,000**	**3,880,000**
Mphasis Europe BV	1,500,000	1,560,000
Mphasis Belgium BV	1,500,000	2,320,000

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The balances receivable from and payable to related parties are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables from entities who have control over the company	**27,863**	**61,012**
Mphasis Limited	27,863	61,012
Trade receivables from other related parties	**105,909**	**209,724**
Wyde Corporation	-	6,262
Mphasis UK Limited	-	154,280
Mphasis Belgium BV	105,909	49,182
Trade payables to entities who have control over the company	**79,599**	**1,494,002**
Mphasis Limited	79,599	1,494,002
Trade payables to other related parties	**396,777**	**311,842**
Mphasis Corporation	1,710	6,278
Mphasis Europe BV	82,033	81,765
Mphasis UK Limited	312,308	223,758
Mphasis Poland z.o.o	1	41
Mphasis Ireland Limited	494	-
Msource India Private Limited	231	-
Unsecured loans payable to other related parties	**8,610,000**	**5,610,000**
Mphasis Ireland Limited	300,000	300,000
Mphasis Europe BV	3,990,000	2,490,000
Mphasis Belgium BV	4,320,000	2,820,000
Interest payable on unsecured loans from other related parties	**285,844**	**32,099**
Mphasis Ireland Limited	5,098	1,455
Mphasis Europe BV	134,951	10,735
Mphasis Belgium BV	145,795	19,909

25. Certain employees of the company have received stock options and RSU's of the immediate 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 48,401 (31 March 2022: EUR 23,815) 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.

26. No specific contingent liability exist as on the balance sheet date.

27. Going Concern - As at the year ended 31 March 2023, 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
Digitally signed by VINAY KAMALA SHIVAPRAKASH
Date: 2023.06.16 21:30:35 +05'30'

Vinay KS
Partner
Membership No 223085

Place : Bengaluru
Date : 16 June 2023

For and on behalf of Mphasis Deutschland GmbH

DocuSigned by:
Badrinarayanan
38DB074723844F7...

Badrinarayanan R
Senior Vice President and Head Controllership

Place : Bengaluru
Date : 16 June 2023

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COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	2	1	3	4	2	8

COMPANY NAME

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of
Mphasis PTE Ltd.)

PRINCIPAL OFFICE *(No./Street/Barangay/City/Town/Province)*

20th Floor, Picadilly Star Building,
4th Avenue corner 27th Street,
Bonifacio Global City, Taguig City

Form Type	Department Requiring the Report	Secondary License Type, If Applicable
AAFS	CRMD	Not Applicable

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
c.golimlim@amicorp.com	–	+63 977 847 8219

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
6	July 27	March 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number	Mobile Number
Hanna Escalera	hanna.escalera@amicorp.com	+63 082 221 5487	–

CONTACT PERSON'S ADDRESS

2nd Floor, DGGG Y10 Building corner C. Bangoy & J. Rizal Streets, Davao City

NOTE 1: *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2: *All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.*

REYES TACANDONG & CO.
FIRM PRINCIPLES. WISE SOLUTIONS.

BOA/PRC Accreditation No. 4782
August 16, 2021, valid until April 13, 2024
SEC Accreditation No. 4782 SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

BDO Towers Valero
8741 Paseo de Roxas
Makati City 1226 Philippines
Phone : +632 8 982 9100
Fax : +632 8 982 9111
Website : www.reyestacandong.com

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

Opinion

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd. (the Intermediate Holding Company), which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of income and changes in deficit, and statements of cash flows for the years then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SE).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). 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 Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the financial statements in the Philippines, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to financial statements, which disclose that on January 23, 2015, the Board of Directors approved a formal plan to ramp down the Company's operations. On April 28, 2015, the Board of the Philippine Economic Zone Authority (PEZA) approved the cancellation of the Company's PEZA registration. The Company incurred recurring net loss amounting to ₱617,458 and ₱4.0 million in 2023 and 2022, respectively, which resulted to a deficit of ₱5.7 million and ₱5.1 million as at March 31, 2023 and 2022, respectively. These conditions indicate that a material uncertainty exists about the Company's ability to continue as a going concern. Management is exploring local business opportunities that would generate revenues and profit for the Company. The Intermediate Holding Company is also committed to provide financial support to enable the Company to explore business opportunities. The management's plan has been subjected to the auditing procedures applied in our audits of the financial statements. Our opinion is not modified in respect of this matter.

Reyes Tacandong & Co. is a member of the RSM network. Each member of the RSM network is an independent accounting and consulting firm, and practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

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 PFRS for SE, and for such internal control as management determines 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, 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 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 PSA 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, these could reasonably be expected to influence the economic decisions of users taken on the basis of financial statements.

As part of an audit in accordance with PSA, 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 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 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 auditors' 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 auditors' 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 audits.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
CPA Certificate No. 100039
Tax Identification No. 206-551-995-000
BOA Accreditation No. 4782; Valid until April 13, 2024
SEC Accreditation No. 100039-SEC Group A
Issued August 3, 2021
Valid for Financial Periods 2021 to 2025
BIR Accreditation No. 08-005144-018-2021
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PTR No. 9564576
Issued January 3, 2023, Makati City

June 21, 2023
Makati City, Metro Manila

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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
BUREAU OF INTERNAL REVENUE

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd., as at and for the years ended March 31, 2023 and 2022, on which we have rendered our report dated June 21, 2023.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholder of the Company.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
CPA Certificate No. 100039
Tax Identification No. 206-551-995-000
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THE POWER OF BEING UNDERSTOOD
AUDIT TAX CONSULTING

RSM

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MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF FINANCIAL POSITION

	Note	March 31 **2023**	2022
ASSETS			
Current Assets			
Cash in banks	3	**₱1,283,796**	₱1,787,300
Other current assets	4	**330,287**	355,214
		1,614,083	2,142,514
Noncurrent Asset			
Input value-added tax		**2,653,697**	2,653,697
		₱4,267,780	₱4,796,211
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other liabilities	5	**₱1,460,582**	₱1,379,937
Noncurrent Liability			
Deferred tax liability	8	**8,382**	–
Total Liabilities		**1,468,964**	1,379,937
Equity			
Capital stock - ₱1 par value			
Authorized, issued and outstanding - 8,500,000 shares		**8,500,000**	8,500,000
Deficit		**(5,701,184)**	(5,083,726)
Total Equity		**2,798,816**	3,416,274
		₱4,267,780	₱4,796,211

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF INCOME AND CHANGES IN DEFICIT

		Years Ended March 31	
	Note	**2023**	2022
EXPENSES			
Professional fees		**₱570,982**	₱4,237,209
Rent	7	**59,400**	59,402
Taxes and licenses		**–**	140,800
Others		**4,771**	6,946
		635,153	4,444,357
OTHER INCOME (CHARGES) - Net			
Net foreign exchange gain (loss)		**26,077**	(49,064)
Reversal of provision for probable loss	5	**–**	497,096
Interest income	3	**–**	96
		26,077	448,128
LOSS BEFORE INCOME TAX		**(609,076)**	(3,996,229)
PROVISION FOR INCOME TAX	8		
Current		**–**	5,919
Deferred		**8,382**	–
		8,382	5,919
NET LOSS		**(617,458)**	(4,002,148)
DEFICIT AT BEGINNING OF YEAR		**(5,083,726)**	(1,081,578)
DEFICIT AT END OF YEAR		**(₱5,701,184)**	(₱5,083,726)

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF CASH FLOWS

	Note	Years Ended March 31 **2023**	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		**(₱609,076)**	(₱3,996,229)
Adjustments for:			
Unrealized foreign exchange loss (gain)		**(41,911)**	49,064
Reversal of provision for probable loss	5	**–**	(497,096)
Interest income	3	**–**	(96)
Operating loss before working capital changes		**(650,987)**	(4,444,357)
Decrease (increase) in other current assets		**24,927**	(74,036)
Increase (decrease) in accrued expenses and other liabilities		**80,645**	(824,981)
Net cash used in operations		**(545,415)**	(5,343,374)
Income tax paid		**–**	(5,919)
Interest received		**–**	96
Net cash used in operating activities		**(545,415)**	(5,349,197)
DECREASE IN CASH IN BANKS		**(545,415)**	(5,349,197)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH IN BANKS		**41,911**	(49,064)
CASH IN BANKS AT BEGINNING OF YEAR		**1,787,300**	7,185,561
CASH IN BANKS AT END OF YEAR	3	**₱1,283,796**	₱1,787,300

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

NOTES TO 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 Intermediate Holding Company is a subsidiary of Mphasis Limited (the Ultimate Parent), an entity incorporated and registered in India.

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. On April 28, 2015, the Board of the Philippine Economic Zone Authority (PEZA) approved the cancellation of the Company's PEZA registration. The Company incurred recurring net loss amounting to ₱617,458 and ₱4.0 million in 2023 and 2022, respectively, which resulted to a deficit of ₱5.7 million and ₱5.1 million as at March 31, 2023 and 2022, respectively. These conditions indicate that a material uncertainty exists about the Company's ability to continue as a going concern. Management is exploring local business opportunities that would generate revenues and profit for the Company. The Intermediate Holding Company is also committed to provide financial support to enable the Company to explore business opportunities.

The accompanying financial statements of the Company as at and for the years ended March 31, 2023 and 2022 were approved and authorized for issuance by the BOD on June 21, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation and Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SEs) as approved by the Philippine Financial & Sustainability Reporting Standards Council (formerly 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 are measured initially at transaction cost.

Prepayments. These represent prepayments for rentals and advance 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.

Input Value-added Tax

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.

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. Non-monetary 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. Non-monetary 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 minimum corporate income tax (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 amounted to ₱1.3 million and ₱1.8 million as at March 31, 2023 and 2022, respectively. The Company's cash in banks earn interest at the prevailing bank deposit rates. Dollar denominated cash in banks amounted to $1,459 and $6,443 as at March 31, 2023 and 2022, respectively.

Interest income earned from cash in banks amounted to ₱96 in 2022.

4. Other Current Assets

This account consists of:

	2023	2022
Prepayments	**₱278,437**	₱303,364
Creditable withholding tax	**51,850**	51,850
	₱330,287	₱355,214

Prepayments pertain to advance payment for rental and advance taxes paid.

5. Accrued Expenses and Other Liabilities

This account consists of:

	2023	2022
Accrued expenses	**₱1,460,582**	₱1,376,968
Statutory payables	**–**	2,969
	₱1,460,582	₱1,379,937

Accrued expenses are normally settled within the next financial year.

Statutory payables are normally settled within the subsequent month.

As at March 31, 2021, the Company has provision for probable loss pertaining to liabilities that may arise from potential claims against the Company amounting to ₱2.2 million. Under PFRS for SE Section 16, *Provisions and Contingencies,* the Company is allowed not to disclose information that may compromise the Company's position on these potential claims. In 2022, actual settlement of claims amounted to ₱1.7 million. The remaining balance of ₱497,096 was reversed and recognized as "other income" in the statements of income and changes in deficit.

6. Related Party Transactions and Balances

Compensation of Key Management Personnel

Compensation of key management personnel are shouldered by the Intermediate Holding Company at no cost to the Company.

7. Lease Commitment

The Company entered into a lease agreement for an office space, renewable annually by mutual agreement of the parties.

Rent expense amounted to ₱59,400 and ₱59,402 in 2023 and 2022, respectively.

8. Income Taxes

The Company has no current income tax in 2023 since the Company is at taxable loss and gross loss position. In 2022, current income tax pertains to regular corporate income tax.

A reconciliation of income tax benefit computed at statutory rate and provision for income tax as shown in the statements of income follows:

	2023	2022
Income tax benefit at statutory tax rate	**(₱121,815)**	(₱799,246)
Expired NOLCO	**259,748**	280,837
Movement in unrecognized net deferred tax assets	**(129,551)**	623,767
Tax effects of:		
Nontaxable income	**–**	(99,420)
Interest income subjected to final tax	**–**	(19)
	₱8,382	₱5,919

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 deferred tax assets represents the tax effect on the following:

	2023	2022
NOLCO	**₱1,210,130**	₱1,329,868
MCIT	**5,919**	5,919
Unrealized foreign exchange loss	**–**	9,813
	₱1,216,049	₱1,345,600

The deferred tax liability amounting to ₱8,382 as at March 31, 2023 pertains to unrealized foreign exchange gain.

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
2023	₱–	₱700,051	₱–	₱700,051	2026
2022	3,852,501	–	–	3,852,501	2027
2021	1,498,099	–	–	1,498,099	2026
2020	1,298,738	–	(1,298,738)	–	2023
	₱6,649,338	₱700,051	(₱1,298,738)	₱6,050,651	

MCIT incurred in 2022 amounting to ₱5,919 will expire in 2025.

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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd., as at and for the years ended March 31, 2023 and 2022, on which we have rendered our report dated June 21, 2023.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has one stockholder owning at least 100 shares as at March 31, 2023 and 2022.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
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Makati City, Metro Manila

THE POWER OF BEING UNDERSTOOD
AUDIT TAX CONSULTING

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MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

Financial Statements
March 31, 2023 and 2022

With independent auditors' report provided by

REYES TACANDONG & CO.
FIRM PRINCIPLES. WISE SOLUTIONS.

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	2	1	3	4	2	8

COMPANY NAME

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of

Mphasis PTE Ltd.)

PRINCIPAL OFFICE *(No./Street/Barangay/City/Town/Province)*

20th Floor, Picadilly Star Building,

4th Avenue corner 27th Street,

Bonifacio Global City, Taguig City

Form Type	Department Requiring the Report	Secondary License Type, If Applicable
AAFS	CRMD	Not Applicable

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
c.golimlim@amicorp.com	–	+63 977 847 8219

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
6	July 27	March 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number	Mobile Number
Hanna Escalera	hanna.escalera@amicorp.com	+63 082 221 5487	–

CONTACT PERSON'S ADDRESS

2nd Floor, DGGG Y10 Building corner C. Bangoy & J. Rizal Streets, Davao City

NOTE 1: *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2: *All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.*

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FIRM PRINCIPLES. WISE SOLUTIONS.

BOA/PRC Accreditation No. 4782
August 16, 2021, valid until April 13, 2024
SEC Accreditation No. 4782 SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

BDO Towers Valero
8741 Paseo de Roxas
Makati City 1226 Philippines
Phone : +632 8 982 9100
Fax : +632 8 982 9111
Website : www.reyestacandong.com

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd. (the Intermediate Holding Company), which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of income and changes in deficit, and statements of cash flows for the years then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SE).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). 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 Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the financial statements in the Philippines, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to financial statements, which disclose that on January 23, 2015, the Board of Directors approved a formal plan to ramp down the Company's operations. On April 28, 2015, the Board of the Philippine Economic Zone Authority (PEZA) approved the cancellation of the Company's PEZA registration. The Company incurred recurring net loss amounting to ₱617,458 and ₱4.0 million in 2023 and 2022, respectively, which resulted to a deficit of ₱5.7 million and ₱5.1 million as at March 31, 2023 and 2022, respectively. These conditions indicate that a material uncertainty exists about the Company's ability to continue as a going concern. Management is exploring local business opportunities that would generate revenues and profit for the Company. The Intermediate Holding Company is also committed to provide financial support to enable the Company to meet its maturing obligations. The management's plan has been subjected to the auditing procedures applied in our audits of the financial statements. 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 PFRS for SE, and for such internal control as management determines 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, 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 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 PSA 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, these could reasonably be expected to influence the economic decisions of users taken on the basis of financial statements.

As part of an audit in accordance with PSA, 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 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 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 auditors' 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 auditors' 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 audits.

Report on the Supplementary Information Required under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes and licenses in Note 9 to financial statements is presented for purpose of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of MPHASIS PHILIPPINES, INC. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements and in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
CPA Certificate No. 100039
Tax Identification No. 206-551-995-000
BOA Accreditation No. 4782; Valid until April 13, 2024
SEC Accreditation No. 100039-SEC Group A
Issued August 3, 2021
Valid for Financial Periods 2021 to 2025
BIR Accreditation No. 08-005144-018-2021
Valid until July 1, 2024
PTR No. 9564576
Issued January 3, 2023, Makati City

June 21, 2023
Makati City, Metro Manila

REYES TACANDONG & CO.
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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
BUREAU OF INTERNAL REVENUE

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd., as at and for the years ended March 31, 2023 and 2022, on which we have rendered our report dated June 21, 2023.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholder of the Company.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
CPA Certificate No. 100039
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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION

The Stockholders and the Board of Directors
MPHASIS PHILIPPINES, INC.
20th Floor, Picadilly Star Building
4th Avenue corner 27th Street
Bonifacio Global City, Taguig City

We have audited the accompanying financial statements of MPHASIS PHILIPPINES, INC. (the Company), a wholly-owned subsidiary of Mphasis PTE Ltd., as at and for the years ended March 31, 2023 and 2022, on which we have rendered our report dated June 21, 2023.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has one stockholder owning at least 100 shares as at March 31, 2023 and 2022.

REYES TACANDONG & CO.

DAPHNE A. JAMOTILLO
Partner
CPA Certificate No. 100039
Tax Identification No. 206-551-995-000
BOA Accreditation No. 4782; Valid until April 13, 2024
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Issued January 3, 2023, Makati City

June 21, 2023
Makati City, Metro Manila

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF FINANCIAL POSITION

	Note	March 31 **2023**	2022
ASSETS			
Current Assets			
Cash in banks	3	**₱1,283,796**	₱1,787,300
Other current assets	4	**214,589**	3,008,911
		1,498,385	4,796,211
Noncurrent Asset			
Input value-added tax		**2,769,395**	–
		₱4,267,780	₱4,796,211
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other liabilities	5	**₱1,460,582**	₱1,379,937
Noncurrent Liability			
Deferred tax liability	8	**8,382**	–
Total Liabilities		**1,468,964**	1,379,937
Equity			
Capital stock - ₱1 par value			
Authorized, issued and outstanding - 8,500,000 shares		**8,500,000**	8,500,000
Deficit		**(5,701,184)**	(5,083,726)
Total Equity		**2,798,816**	3,416,274
		₱4,267,780	₱4,796,211

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF INCOME AND CHANGES IN DEFICIT

		Years Ended March 31	
	Note	**2023**	2022
EXPENSES			
Professional fees		**₱570,982**	₱4,237,209
Rent	7	**59,400**	59,402
Taxes and licenses		**–**	140,800
Others		**4,771**	6,946
		635,153	4,444,357
OTHER INCOME (CHARGES) - Net			
Net foreign exchange gain (loss)		**26,077**	(49,064)
Reversal of provision for probable loss	5	**–**	497,096
Interest income	3	**–**	96
		26,077	448,128
LOSS BEFORE INCOME TAX		**(609,076)**	(3,996,229)
PROVISION FOR INCOME TAX	8		
Current		**–**	5,919
Deferred		**8,382**	–
		8,382	5,919
NET LOSS		**(617,458)**	(4,002,148)
DEFICIT AT BEGINNING OF YEAR		**(5,083,726)**	(1,081,578)
DEFICIT AT END OF YEAR		**(₱5,701,184)**	(₱5,083,726)

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.

(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

STATEMENTS OF CASH FLOWS

	Note	Years Ended March 31 **2023**	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		**(₱609,076)**	(₱3,996,229)
Adjustments for:			
Unrealized foreign exchange loss (gain)		**(41,911)**	49,064
Reversal of provision for probable loss	5	**–**	(497,096)
Interest income	3	**–**	(96)
Operating loss before working capital changes		**(650,987)**	(4,444,357)
Decrease (increase) in other current assets		**24,927**	(74,036)
Increase (decrease) in accrued expenses and other liabilities		**80,645**	(824,981)
Net cash used in operations		**(545,415)**	(5,343,374)
Income tax paid		**–**	(5,919)
Interest received		**–**	96
Net cash used in operating activities		**(545,415)**	(5,349,197)
DECREASE IN CASH IN BANKS		**(545,415)**	(5,349,197)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH IN BANKS		**41,911**	(49,064)
CASH IN BANKS AT BEGINNING OF YEAR		**1,787,300**	7,185,561
CASH IN BANKS AT END OF YEAR	3	**₱1,283,796**	₱1,787,300

See accompanying Notes to Financial Statements.

MPHASIS PHILIPPINES, INC.
(A Wholly-owned Subsidiary of Mphasis PTE Ltd.)

NOTES TO 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 Intermediate Holding Company is a subsidiary of Mphasis Limited (the Ultimate Parent), an entity incorporated and registered in India.

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. On April 28, 2015, the Board of the Philippine Economic Zone Authority (PEZA) approved the cancellation of the Company's PEZA registration. The Company incurred recurring net loss amounting to ₱617,458 and ₱4.0 million in 2023 and 2022, respectively, which resulted to a deficit of ₱5.7 million and ₱5.1 million as at March 31, 2023 and 2022, respectively. These conditions indicate that a material uncertainty exists about the Company's ability to continue as a going concern. Management is exploring local business opportunities that would generate revenues and profit for the Company. The Intermediate Holding Company is also committed to provide financial support to enable the Company to meet its maturing obligations.

The accompanying financial statements of the Company as at and for the years ended March 31, 2023 and 2022 were approved and authorized for issuance by the BOD on June 21, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation and Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SEs) as approved by the Philippine Financial & Sustainability Reporting Standards Council (formerly 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 for rentals and advance 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. Non-monetary 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. Non-monetary 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 minimum corporate income tax (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 amounted to ₱1.3 million and ₱1.8 million as at March 31, 2023 and 2022, respectively. The Company's cash in banks earn interest at the prevailing bank deposit rates. Dollar denominated cash in banks amounted to $1,459 and $6,443 as at March 31, 2023 and 2022, respectively.

Interest income earned from cash in banks amounted to ₱96 in 2022.

4. Other Current Assets

This account consists of:

	2023	2022
Prepayments	**₱162,739**	₱207,289
Creditable withholding tax	**51,850**	51,850
Input VAT	**–**	2,749,772
	₱214,589	₱3,008,911

Prepayments pertain to advance payment for rental and advance taxes paid.

5. Accrued Expenses and Other Liabilities

This account consists of:

	2023	2022
Accrued expenses	**₱1,460,582**	₱1,376,968
Statutory payables	**–**	2,969
	₱1,460,582	₱1,379,937

Accrued expenses are normally settled within the next financial year.

Statutory payables are normally settled within the subsequent month.

As at March 31, 2021, the Company has provision for probable loss pertaining to liabilities that may arise from potential claims against the Company amounting to ₱2.2 million. Under PFRS for SE Section 16, *Provisions and Contingencies,* the Company is allowed not to disclose information that may compromise the Company's position on these potential claims. In 2022, actual settlement of claims amounted to ₱1.7 million. The remaining balance of ₱497,096 was reversed and recognized as "other income" in the statements of income and changes in deficit.

6. Related Party Transactions and Balances

Compensation of Key Management Personnel
Compensation of key management personnel are shouldered by the Intermediate Holding Company at no cost to the Company.

7. Lease Commitment

The Company entered into a lease agreement for an office space, renewable annually by mutual agreement of the parties.

Rent expense amounted to ₱59,400 and ₱59,402 in 2023 and 2022, respectively.

8. Income Taxes

The Company has no current income tax in 2023 since the Company is at taxable loss and gross loss position. In 2022, current income tax pertains to regular corporate income tax.

A reconciliation of income tax benefit computed at statutory rate and provision for income tax as shown in the statements of income follows:

	2023	2022
Income tax benefit at statutory tax rate	**(₱121,815)**	(₱799,246)
Expired NOLCO	**259,748**	280,837
Movement in unrecognized net deferred tax assets	**(129,551)**	623,767
Tax effects of:		
Nontaxable income	**–**	(99,420)
Interest income subjected to final tax	**–**	(19)
	₱8,382	₱5,919

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 deferred tax assets represents the tax effect on the following:

	2023	2022
NOLCO	**₱1,210,130**	₱1,329,868
MCIT	**5,919**	5,919
Unrealized foreign exchange loss	**–**	9,813
	₱1,216,049	₱1,345,600

The deferred tax liability amounting to ₱8,382 as at March 31, 2023 pertains to unrealized foreign exchange gain.

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
2023	₱–	₱700,051	₱–	₱700,051	2026
2022	3,852,501	–	–	3,852,501	2027
2021	1,498,099	–	–	1,498,099	2026
2020	1,298,738	–	(1,298,738)	–	2023
	₱6,649,338	₱700,051	(₱1,298,738)	₱6,050,651	

MCIT incurred in 2022 amounting to ₱5,919 will expire in 2025.

9. **Supplementary Information Required by Bureau of Internal Revenue (BIR) under Revenue Regulations No. 15-2010**

The information for the year 2023 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, 2023.

Input VAT

The movements in the input VAT paid for by the Company for the year ended March 31, 2023 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 paid local and national taxes, which pertain to business permits amounting to ₱27,660.

Tax Assessment and Case

The Company has no pending tax assessments and tax cases as at March 31, 2023.

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Msource (India) Private Limited

Unaudited financial statements as at and for the year ended 31 March 2023

	Page
Unaudited Balance sheet	1
Unaudited Statement of profit and loss	2
Unaudited Statement of changes in equity	3
Unaudited Statement of cash flows	4
Notes to the unaudited financial statements	5

UNAUDITED BALANCE SHEET **(₹ lakh)**

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	932.02	872.78
Capital work-in-progress	3	-	6.60
Right-of-use assets	4	2,333.58	3,317.10
Other intangible assets	5	66.48	22.63
Financial assets			
Investments	6	29,718.95	25,881.61
Other financial assets	8	425.74	400.21
Deferred tax assets (net)	21	99.65	397.67
Income tax assets (net)	21	5,742.67	5,191.05
Other assets	9	108.04	101.15
Total non-current assets		**39,427.13**	**36,190.80**
Current assets			
Financial assets			
Investments	10	58,600.99	56,074.24
Trade receivables	11	1,648.40	2,439.97
Cash and cash equivalents	12	565.90	713.01
Bank balances other than cash and cash equivalents	13	2.12	1,640.00
Loans	7	10,173.97	9,929.57
Other financial assets	8	640.15	1,191.04
Other assets	9	546.53	517.36
Total current assets		**72,178.06**	**72,505.19**
TOTAL ASSETS		**111,605.19**	**108,695.99**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	668.53	668.53
Other equity	15	103,163.86	98,529.26
Total equity		**103,832.39**	**99,197.79**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		1,673.70	2,544.71
Other financial liabilities	18	0.25	0.25
Employee benefit obligations	16	330.70	266.51
Deferred tax liabilities (net)	21	-	-
Total non-current liabilities		**2,004.65**	**2,811.47**
Current liabilities			
Financial liabilities			
Lease liabilities		952.50	972.45
Trade payables	17		
- outstanding dues to micro and small enterprises		0.99	7.79
- outstanding dues to creditors other than micro and small enterprises		1,234.16	1,433.16
Other financial liabilities	18	288.17	395.28
Other liabilities	19	23.24	88.14
Provisions			
Employee benefit obligations	16	54.30	61.30
Others	20	3,115.17	3,509.52
Income tax liabilities (net)	21	99.62	219.09
Total current liabilities		**5,768.15**	**6,686.73**
TOTAL EQUITY AND LIABILITIES		**111,605.19**	**108,695.99**

Summary of significant accounting policies 2

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

UNAUDITED STATEMENT OF PROFIT AND LOSS **(₹ lakh)**

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	22	10,456.11	10,147.77
Other income	23	5,325.02	4,899.07
Total income (I)		**15,781.13**	**15,046.84**
Expenses			
Employee benefits expense	24	3,232.54	3,467.66
Finance costs	25	174.44	235.48
Depreciation and amortization expense	26	1,451.94	1,563.55
Other expenses	27	5,377.88	4,929.99
Total expenses (II)		**10,236.80**	**10,196.68**
Profit before exceptional item and tax (III) [(I)-(II)]		**5,544.33**	**4,850.16**
Exceptional item	38	-	3,115.17
Profit after exceptional item and before tax		**5,544.33**	**1,734.99**
Tax expenses	21		
Current tax		369.93	810.95
Deferred tax		358.87	(502.63)
Total tax expenses		**728.80**	**308.32**
Profit for the year before exceptional item		**4,815.53**	**4,541.84**
Profit for the year after exceptional item (A)		**4,815.53**	**1,426.67**
Other comprehensive income ('OCI')			
Items not to be reclassified to profit or loss in subsequent years			
Re-measurement losses on defined employee benefit plans		(18.85)	(53.82)
Income tax effect on the above		4.74	13.55
Items to be reclassified to profit or loss in subsequent years			
Net change in fair value of derivatives designated as cash flow hedges		(204.08)	51.76
Income tax effect on cash flow hedges		51.37	(13.03)
Net change in fair values of investments in debt instruments carried at fair value through OCI		(18.85)	-
Income tax effect on fair values of investments in debt instruments		4.74	-
Total other comprehensive losses for the year, net of tax (B)		**(180.93)**	**(1.54)**
Total comprehensive income for the year (A+B)		**4,634.60**	**1,425.13**
Earnings per equity share (par value ₹ 10 per share)	28		
Basic and Diluted (₹) before exceptional items		72.03	67.94
Basic and Diluted (₹) after exceptional items		72.03	21.34

Summary of significant accounting policies 2

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

Unaudited 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 2022	66.85	668.53
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2022	**66.85**	**668.53**
Issue of shares	-	-
As at 31 March 2023	**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	e	
	Securities Premium	**Retained earnings**	**Capital redemption reserve**	**Cash flow hedging reserve**	**Investments in debt instruments**	**Total**
As at 1 April 2022	**5,653.02**	**92,723.72**	**47.55**	**104.97**	**-**	**98,529.26**
Changes in accounting policy or prior period errors	-	-	-	-		-
Restated balance as at 1 April 2022	**5,653.02**	**92,723.72**	**47.55**	**104.97**	**-**	**98,529.26**
Profit for the year	-	4,815.53	-	-		**4,815.53**
Other comprehensive losses, net of tax	-	(14.11)	-	(152.71)	(14.11)	**(180.93)**
As at 31 March 2023	**5,653.02**	**97,525.14**	**47.55**	**(47.74)**	**(14.11)**	**103,163.86**
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 ₹14.11 and ₹40.27 on re-measurement of defined employee benefit plans (net of tax) is recognised as part of retained earnings for the years ended 31 March 2023 and 31 March 2022, 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. Cash flow 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.

e. Investments in debt instruments - This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments (excluding interest income recognized in the statement of profit and loss) on the balance sheet date measured at fair value through OCI (net of taxes). The reserves accumulated will be reclassified to profit and loss when such instruments are disposed.

Summary of significant accounting policies (note 2)

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

UNAUDITED STATEMENT OF CASH FLOWS		(₹ lakh)
	Year ended 31 March 2023	**Year ended 31 March 2022**
Operating activities		
Profit before tax after exceptional item	**5,544.33**	**1,734.99**
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	1,451.94	1,563.55
Profit on sale of property, plant and equipment and intangible assets	(4.46)	-
Net gain on investments carried at fair value through profit and loss	(3,482.94)	(3,706.98)
Provision for expected credit loss	(6.60)	1.14
Finance costs	174.44	235.48
Interest income	(1,812.25)	(1,110.28)
Unrealized exchange (gain)/loss, net	11.15	(1.90)
Operating profit before changes in operating assets and liabilities	**1,875.61**	**(1,284.00)**
Changes in operating assets and liabilities		
Trade receivables	787.02	(118.09)
Loans	(4.01)	56.23
Other financial assets	227.53	(382.63)
Other assets	(36.06)	56.66
Trade payables	(205.80)	184.97
Other financial liabilities	(79.91)	200.12
Other liabilities	(64.90)	17.29
Provisions and employee benefit obligations	(356.01)	3,178.90
Total changes in operating assets and liabilities	**267.86**	**3,193.45**
Income tax paid (net of refunds)	(1,041.02)	(748.80)
Net cash flows generated from operating activities (A)	**1,102.45**	**1,160.65**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(657.87)	(301.09)
Proceeds from sale of property, plant and equipment and intangible assets	8.75	-
Loans given to related party	(30,000.00)	(20,000.00)
Loans repaid by related party	29,900.00	10,100.00
Purchase of investments	(166,015.54)	(104,545.01)
Sale of investments	163,115.54	107,178.06
Interest received	1,673.93	1,117.12
Investments in bank deposits	(0.96)	(842.40)
Redemption / maturity of bank deposits	1,791.99	7,898.97
Net cash flows generated from/(used in) investing activities (B)	**(184.16)**	**605.65**
Financing activities		
Interest paid	-	(0.27)
Repayment of lease liabilities	(890.96)	(1,256.42)
Interest on repayment of lease liabilities	(174.44)	(235.21)
Net cash flows used in financing activities (C)	**(1,065.40)**	**(1,491.90)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(147.11)**	**274.40**
Cash and cash equivalents at the beginning of the year	713.01	438.61
Cash and cash equivalents at the end of the year (refer note 12)	**565.90**	**713.01**

Summary of significant accounting policies (note 2)

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

NOTES TO THE UNAUDITED 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.

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

These 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 Through Other Comprehensive Income ('FVTOCI').
- 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 Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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 has been prepared under the indirect method.

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 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 sole tax jurisdiction is in 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 of the Company's operations in India. 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 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, 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 sources 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.

- **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.

- **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 judgement. 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 transaction price (net of variable consideration) allocated to a particular performance obligation.

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

- Revenue from rendering application development and maintenance services comprise income from time-and-material contracts. Revenues from call center and business & knowledge process outsourcing operations arise from time-based and unit-priced contracts. 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 (net of variable consideration).
- 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 efforts.
- 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 is recognized on the basis of "cost plus mark-up" or other models, determined in accordance with terms of the contract entered with related parties.

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 obtains control of the specified goods or services before it 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. 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 incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the 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 consideration from the customer 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 standalone 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. 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 amortization of 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
Buildings	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 Company for nature of assets 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 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 the 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.

Impairment

a. Financial assets (other than at fair value)

For financial assets measured at amortised cost, 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 Company 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 mutual funds and debt securities and eligible current and non-current assets;
- financial liabilities, which include finance lease liabilities, 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 (excluding trade receivables) 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. Trade receivables that do not contain a significant financing component are measured at transaction price.

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 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 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 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 Company 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 and are eligible to receive 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 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 are 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 in the future 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 to allow in the future 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.

  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.

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 expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling 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") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been 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 Company does not expect this amendment to have any significant impact in 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 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/written off	-	-	(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**
Additions	59.99	140.40	289.00	2.44	-	-	-	**491.83**
Disposals/written off	(14.32)	(163.66)	(12.39)	(2.03)	(0.10)	-	-	**(192.50)**
At 31 March 2023	**265.47**	**1,299.91**	**2,197.55**	**162.79**	**95.41**	**1.32**	**395.96**	**4,418.41**
Depreciation								
At 1 April 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/written off	-	-	(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**
Charge for the year	16.96	237.45	154.53	11.76	7.60	-	-	**428.30**
Disposals/written off	(14.32)	(163.66)	(8.10)	(2.03)	(0.10)	-	-	**(188.21)**
At 31 March 2023	**178.49**	**1,038.25**	**1,642.80**	**143.89**	**85.68**	**1.32**	**395.96**	**3,486.39**
Net block								
At 31 March 2022	**43.95**	**358.71**	**424.57**	**28.22**	**17.33**	**-**	**-**	**872.78**
At 31 March 2023	**86.98**	**261.66**	**554.75**	**18.90**	**9.73**	**-**	**-**	**932.02**

Capital work-in-progress *	
At 31 March 2023	-
At 31 March 2022	6.60

* ₹ 6.60 lakh (31 March 2022: nil) has been capitalised and transferred to Property, Plant & Equipment.

4.RIGHT-OF-USE ASSETS		**(₹ lakh)**
	As at 31 March 2023	**As at 31 March 2022**
Buildings		
Cost		
Balance as per previous financial statements	**5,082.33**	**5,063.30**
Additions	-	19.03
	5,082.33	**5,082.33**
Depreciation		
Balance as per previous financial statements	**1,765.23**	**725.06**
Charge for the year	983.52	1,040.17
	2,748.75	**1,765.23**
Net block	**2,333.58**	**3,317.10**

During the year ended 31 March 2023, the Company incurred expenses amounting to ₹28.03 lakh (31 March 2022: ₹ nil) towards short-term leases and leases of low-value assets. For the year ended 31 March 2023, the total cash outflows for leases, amounted to ₹ 1,065.40 lakh (31 March 2022: ₹1,491.63 lakh).

There are no leases not yet commenced as at 31 March 2023 to which the Company is committed as a lease (31 March 2022: nil)

Lease contracts entered into by the Company pertains to buildings taken on lease to conduct its business in the ordinary course.

The following table presents the various components of lease costs:

	As at 31 March 2023	**As at 31 March 2022**
Depreciation	983.52	1,040.17
Interest on lease liabilities	174.44	235.21
	1,157.96	**1,275.38**

5.OTHER INTANGIBLE ASSETS		
	As at 31 March 2023	**As at 31 March 2022**
Computer Software		
Cost		
Balance as per previous financial statements	**651.78**	**650.20**
Additions	83.97	1.58
Disposals	(8.79)	-
	726.96	**651.78**
Amortization		
Balance as per previous financial statements	**629.15**	**527.98**
Amortization	40.12	101.17
Disposals	(8.79)	-
	660.48	**629.15**
Net block	**66.48**	**22.63**

	As at 31 March 2023			**As at 31 March 2022**		
	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	1,114.01	12,478.35	1,120,130	1,084.16	12,143.96
Bharat Bond FOF – April 2025	79,637,328	11.10	8,841.42	79,637,328	10.82	8,619.15
Quoted debentures						
HDB Financial Services Limited	-	-	-	500	1,023,700.00	5,118.50
Kotak Mahindra Prime Limited	2,500	101,140.00	2,528.50	-	-	-
Investments measured at FVTOCI						
Quoted State Development Loans						
8.05% GUJ 31JAN28	100	1,023,758.00	1,023.76	-	-	-
7.21% GUJ 09AUG27	150	995,670.00	1,493.51	-	-	-
7.16% MH 28SEP26	83	996,199.00	823.06	-	-	-
7.62% GJ 01NOV27	150	1,011,235.00	1,516.85	-	-	-
7.69% GJ 20DEC27	100	1,013,501.00	1,013.50	-	-	-
Total non-current investments			**29,718.95**			**25,881.61**
Aggregate value of quoted non-current investments			29,718.95			25,881.61
Market value of quoted non-current investments			29,718.95			25,881.61

(₹ lakh)

	Non-current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
7. LOANS				
Unsecured - considered good				
Loans given to related party*	-	-	10,140.39	9,900.00
Employee advances	-	-	33.58	29.57
	-	-	**10,173.97**	**9,929.57**
Less: Loss allowance	-	-	-	-
	-	-	**10,173.97**	**9,929.57**

* Loan given to related party carries interest @ 6 months State Bank of India MCLR (Marginal cost of funds Lending Rate) + 1.75% (31 March 2022: MCLR (Marginal cost of funds Lending Rate) + 1.75%). The loan outstanding as at 31 March 2023 is repayable on or before 31 July 2023. The loan outstanding as at 31 March 2022 was fully repaid during the current year(refer note 30).

	Non-current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
8. OTHER FINANCIAL ASSETS				
Unsecured - considered good				
Bank balances (refer note 13)*	5.74	1.57	107.82	262.82
Accrued interest	-	-	99.13	124.89
Recoverable from related parties (refer note 30)	-	-	29.35	6.90
Foreign exchange derivative assets	-	-	2.89	146.89
Deposits	420.00	398.64	400.96	628.46
Others	-	-	-	21.08
	425.74	**400.21**	**640.15**	**1,191.04**

*Includes restricted deposits of ₹ 113.56 lakh (31 March 2022: ₹ 264.39 lakh) placed as a lien against bank guarantees/ statutory registration purposes/ claims.

	Non-current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
9. OTHER ASSETS				
Unsecured - considered good				
Travel advances	-	-	2.74	4.75
Prepaid expenses	55.24	48.27	260.77	250.80
Advances to suppliers	-	-	2.79	8.49
Indirect tax recoverable	52.80	52.88	280.23	253.32
	108.04	**101.15**	**546.53**	**517.36**

	As at 31 March 2023			As at 31 March 2022		
	Units	**NAV (₹)**	**₹ lakh**	**Units**	**NAV (₹)**	**₹ lakh**
10. CURRENT INVESTMENTS						
Investments measured at FVTPL						
Quoted mutual funds						
Kotak Equity Arbitrage Fund Direct growth	53,046,355	33.55	17,796.27	35,878,408	31.67	11,362.33
HDFC Overnight Fund - Direct Plan - Growth	22,536	3,328.44	750.11	186,128	3,157.45	5,876.89
Nippon India Arbitrage Advantage Fund-Direct Plan - Growth	79,509,796	24.14	19,192.71	82,187,848	22.83	18,761.84
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	10,174.01
IDFC Low Duration Fund - Direct Plan Growth	4,479,862	33.48	1,499.93	-	-	-
Kotak Money Market Fund - Direct Plan Growth	136,974	3,828.34	5,243.81	-	-	-
SBI Magnum Ultra Short term Fund - Direct Plan - Growth	43,773	5,158.42	2,257.98	-	-	-
Invesco India Money Market Fund - Direct Plan - Growth	243,507	2,669.19	6,499.68	-	-	-
Quoted debentures						
HDB Financial Services Limited	500	1,072,100.00	5,360.50	-	-	-
Kotak Mahindra Prime Limited	-	-	-	500	1,193,000.00	5,965.00
			58,600.99			**56,074.24**
Aggregate value of quoted current investments			58,600.99			56,074.24
Market value of quoted current investments			58,600.99			56,074.24

(₹ lakh)

	Non-current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
11. TRADE RECEIVABLES				
Unsecured - considered good				
Trade receivables*	-	-	755.40	1,118.92
Allowance for doubtful receivables	-	-	(0.98)	(1.97)
	-	**-**	**754.42**	**1,116.95**
Credit impaired				
Trade receivables	-	-	64.91	63.51
Allowance for doubtful receivables	-	-	(64.91)	(63.51)
	-	**-**	**-**	**-**
Unbilled receivables			893.98	1,323.02
	-	**-**	**1,648.40**	**2,439.97**

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

Information about the Company's exposure to credit and market risks and impairment losses for trade receivables is included in note 36.

Trade receivables ageing schedule

Particulars (31 March 2023)	**Outstanding for following periods from due date of payment**							
	Not Due	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Unbilled receivables**	**Total**
Undisputed Trade receivables – considered good	688.64	66.76	-	-	-	-	893.98	**1,649.38**
Undisputed Trade receivables – credit impaired	-	-	-	-	-	64.91	-	**64.91**
Disputed Trade receivables considered good	-	-	-	-	-	-	-	**-**
Disputed Trade receivables credit impaired	-	-	-	-	-	-	-	**-**
	688.64	**66.76**	**-**	**-**	**-**	**64.91**	**893.98**	**1,714.29**
Allowance for doubtful receivables								(65.89)
	688.64	**66.76**	**-**	**-**	**-**	**64.91**	**893.98**	**1,648.40**
Particulars (31 March 2022)								
Undisputed Trade receivables – considered good	174.81	941.39	2.72	-	-	-	1,323.02	**2,441.94**
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**	**1,323.02**	**2,505.45**
Allowance for doubtful receivables								(65.48)
	174.81	**941.39**	**2.72**	**-**	**-**	**63.51**	**1,323.02**	**2,439.97**

	As at 31 March 2023	**As at 31 March 2022**
12. CASH AND CASH EQUIVALENTS		
In current accounts	455.90	443.01
Deposits with original maturity of less than 3 months	110.00	270.00
	565.90	**713.01**

	Non-current		Current	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS				
Deposits with remaining maturity of more than 12 months	5.74	1.57	-	-
Deposits with remaining maturity of more than 3 months and less than 12 months	-	-	109.94	1,902.82
	5.74	**1.57**	**109.94**	**1,902.82**
Disclosed under other financial assets (refer note 8)	(5.74)	(1.57)	(107.82)	(262.82)
	-	**-**	**2.12**	**1,640.00**

	As at 31 March 2023	**As at 31 March 2022**
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 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
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 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 2023		As at 31 March 2022	
	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.

	As at 31 March 2023	As at 31 March 2022
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	92,723.72	91,337.32
Re-measurement gains / (losses) on defined benefit plans	(14.11)	(40.27)
Profit for the year	4,815.53	1,426.67
Closing balance	**97,525.14**	**92,723.72**
Capital redemption reserve		
Balance as per previous financial statements	47.55	47.55
Closing balance	**47.55**	**47.55**
Cash flow hedging reserve		
Balance as per previous financial statements	104.97	66.24
Changes in fair value during the year, (net)	(204.08)	51.76
Income tax effect on the above	51.37	(13.03)
Closing balance	**(47.74)**	**104.97**
Debt instruments through OCI		
Balance as per previous financial statements	-	-
Transactions during the year	(18.85)	-
Income tax effect on the above	4.74	-
Closing balance	**(14.11)**	**-**
Total other equity	**103,163.86**	**98,529.26**

	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
16. EMPLOYEE BENEFIT OBLIGATIONS				
Provision for gratuity [refer note 34 (a)]	330.70	266.51	-	-
Provision for employee compensated absences	-	-	54.30	61.30
	330.70	**266.51**	**54.30**	**61.30**

(₹ lakh)

	As at 31 March 2023	As at 31 March 2022
17. TRADE PAYABLES		
Outstanding dues of micro and small enterprises ('MSME')	0.99	7.79
Outstanding dues to creditors other than micro and small enterprises*	1,234.16	1,433.16
	1,235.15	**1,440.95**

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

Trade payables ageing schedule

Particulars	**Outstanding for following periods from due date of payment**						
(31 March 2023)	**Not Due**	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Accrued expenses**	**Total**
MSME	0.07	0.92	-	-	-	-	**0.99**
Others	253.91	16.22	0.06	0.01	3.69	960.27	**1,234.16**
Disputed dues MSME	-	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-	-
	253.98	**17.14**	**0.06**	**0.01**	**3.69**	**960.27**	**1,235.15**
Particulars (31 March 2022)							
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**

Relationship with struck off companies

Name of struck off company (31 March 2023)	**Transactions during the year**	**Balance outstanding**	**Relationship**
Webaxyz IT Consulting (Opc) Private Limited	-	0.14	Vendor
Name of struck off company (31 March 2022)			
Webaxyz IT Consulting (Opc) Private Limited	-	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 2023 and 31 March 2022. The details in respect of such dues are as follows:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount	0.99	7.79
- 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	0.53	0.08
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	29.28	28.75

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 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
18. OTHER FINANCIAL LIABILITIES				
Salary related costs	-	-	208.89	288.76
Capital creditors	-	-	13.40	102.07
Other payables	0.25	0.25	-	0.07
Foreign exchange derivative liabilities	-	-	65.88	4.38
	0.25	**0.25**	**288.17**	**395.28**

	Non-current		**Current**	
	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
19. OTHER LIABILITIES				
Statutory dues	-	-	23.24	88.14
	-	**-**	**23.24**	**88.14**

(₹ lakh)

	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
20. PROVISIONS				
Provisions	-	-	3,115.17	3,509.52
	-	-	**3,115.17**	**3,509.52**

	As at 31 March 2023	As at 31 March 2022
Balance as per previous financial statements	**3,509.52**	**376.15**
Additions	-	3,133.37
Utilised / paid	(394.35)	-
Closing Balance	**3,115.17**	**3,509.52**
Current	3,115.17	3,509.52
Non-current	-	-

21. TAXES

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

	Year ended 31 March 2023	Year ended 31 March 2022
Taxes		
Current taxes	369.93	810.95
Deferred taxes	358.87	(502.63)
Total taxes	**728.80**	**308.32**

The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to tax effect of allowances/disallowances, income chargeable at differential tax rate and reversal of tax expenses pertaining to prior period.

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.

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 2023 and 31 March 2022 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 2023	Year ended 31 March 2022
Profit before tax after exceptional item	**5,544.33**	**1,734.99**
Applicable tax rates in India	25.170%	25.170%
Computed tax charge (A)	**1,395.51**	**436.70**
Tax effect of income chargeable at a differential tax rate	(324.01)	(193.19)
Tax effect on non - deductible expenses	23.51	26.00
Reversal of tax expenses pertaining to prior period	(712.58)	(18.14)
Others, net*	346.37	56.95
Total adjustments (B)	**(666.71)**	**(128.38)**
Total tax expenses (A+B)	**728.80**	**308.32**

*Others mainly includes DTA reversal of ₹ 307 lakh on account of changes carried out in Sec 43B adjustment due to P2R effect of FY 21-22.

	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Income tax assets (net)				
Advance income-tax (net of provision for taxation)	5,742.67	5,191.05	-	-
	5,742.67	**5,191.05**	-	-
Income tax liabilities (net)				
Provision for taxation	-	-	99.62	219.09
	-	-	**99.62**	**219.09**
Net income tax asset			**5,643.05**	**4,971.96**

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

	As at 31 March 2023	As at 31 March 2022
Deferred tax (liability) / asset (net)		
Property, plant and equipment and other intangible assets	279.68	328.89
Provision for expected credit loss and others	16.70	117.27
Provision for employee benefits	110.76	403.35
Derivative (assets) / liabilities	16.06	(35.31)
Investment in debt instruments	4.74	-
Unrealised gain on investments	(417.73)	(460.69)
Others	89.44	44.16
	99.65	**397.67**

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

	As at 1 April 2022	Statement of Profit and loss	OCI	As at 31 March 2023
Deferred tax (liability) / asset (net)				
Property, plant and equipment and other intangible assets	328.89	(49.21)	-	279.68
Provision for expected credit loss and others	117.27	(100.57)	-	16.70
Provision for employee benefits	403.35	(297.33)	4.74	110.76
Derivative (assets) / liabilities	(35.31)	-	51.37	16.06
Investment in debt instruments	-	-	4.74	4.74
Unrealised gain on investments	(460.69)	42.96	-	(417.73)
Others	44.16	45.28	-	89.44
Total	**397.67**	**(358.87)**	**60.85**	**99.65**

	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) / liabilities	(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**

	Year ended 31 March 2023	Year ended 31 March 2022
22. REVENUE FROM OPERATIONS		
Sale of services (refer note 30)	10,224.62	9,974.37
Profit on cash flow hedges reclassified to revenue	231.49	173.40
	10,456.11	**10,147.77**

*Includes transactions with related parties (refer Note 30)

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 2023	Year ended 31 March 2022
Contracted price	10,250.06	10,060.07
Reductions towards variable consideration components *	(25.44)	(85.70)
Revenue as per statement of profit and loss	**10,224.62**	**9,974.37**

* 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 2023 and 31 March 2022.

	Year ended 31 March 2023	Year ended 31 March 2022
23. OTHER INCOME		
Interest income on		
Bank deposits	38.32	352.29
Long term bonds	364.78	91.57
Loan to related party*	1,387.79	647.09
Others	21.36	19.33
Net gain on investments measured at FVTPL **	3,482.94	3,706.98
Foreign exchange gain/(loss), (net)	24.63	81.43
Profit on sale of fixed assets, (net)	4.46	-
Miscellaneous income	0.74	0.38
	5,325.02	**4,899.07**

* Interest income from related parties (refer note 30).

** Includes profit on sale of investments amounting to ₹ 3,534.35 lakh (31 March 2022: ₹ 5,791.98 lakh).

(₹ lakh)

	Year ended 31 March 2023	Year ended 31 March 2022
24. EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus	2,866.19	3,132.77
Contribution to provident and other funds	246.20	272.21
Employee share based payments (refer note 42)	64.97	24.71
Staff welfare expenses	55.18	37.97
	3,232.54	**3,467.66**

	Year ended 31 March 2023	Year ended 31 March 2022
25. FINANCE COSTS		
Interest expense	-	0.27
Interest expense on lease liabilities	174.44	235.21
	174.44	**235.48**

	Year ended 31 March 2023	Year ended 31 March 2022
26. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of property, plant and equipment (refer note 3)	428.30	422.21
Amortization of intangible assets (refer note 5)	40.12	101.17
Depreciation of right-of-use assets (refer note 4)	983.52	1,040.17
	1,451.94	**1,563.55**

(₹ lakh)

	Year ended 31 March 2023	Year ended 31 March 2022
27. OTHER EXPENSES		
Subcontracting charges	1,249.59	1,288.47
Legal and professional charges	669.50	909.21
Facility expenses	295.53	177.63
Travel	53.55	16.98
Software support and annual maintenance charges	766.09	832.72
Communication expenses	446.26	419.06
Power and fuel	290.68	254.63
Rates and taxes	32.13	8.15
Repairs and maintenance - others	390.85	115.35
Provision for expected credit loss	(6.60)	1.14
Corporate support cost	459.51	448.79
Corporate Social Responsibility expense (refer note 41)	93.40	103.30
Security charges	352.73	292.24
Miscellaneous expenses	274.85	52.39
Auditor's remuneration (refer details below)	9.81	9.93
	5,377.88	**4,929.99**
Auditor's remuneration *		
Statutory audit fee	8.00	8.00
Other services (certification fees)	1.70	1.70
Reimbursement of expenses	0.11	0.23
	9.81	**9.93**

* 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 2023	Year ended 31 March 2022
Profit for the year before exceptional item (₹ in lakh)	4,815.53	4,541.84
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 (₹)	72.03	67.94
Profit for the year after exceptional item (₹ in lakh)	4,815.53	1,426.67
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 (₹)	72.03	21.34

29. CONTINGENT LIABILITIES AND COMMITMENTS

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, characterization of fees for services paid and applicability of withholding taxes. Claims against the Company in relation to direct taxes, indirect taxes and transfer pricing matters not acknowledged as debts amount to ₹ 4,953.86 lakh (31 March 2022: ₹ 4,907.28 lakh).

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.

a. Outstanding bank guarantees as at 31 March 2023: ₹ 387.91 lakh (31 March 2022: ₹ 387.91 lakh); pertains to guarantees on behalf of the Company to regulatory authorities.

b. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2023: ₹ 275.85 lakh (31 March 2022: ₹ 176.36 lakh).

30. RELATED PARTY TRANSACTIONS

In accordance with the requirements of Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balances are given below.

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.

Non-executive directors on the board of the Company

- Ajit Kumar Gopala Krishna Kurup — Director
- Manish Dugar — Director
- Ganesh Vembu — Director

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:

Digital Risk, LLC	Mphasis Belgium BV ('Mphasis Belgium')
Wyde Corporation	Mphasis Poland s.p.z.o.o
Digital Risk Mortgage Services, LLC	Mphasis Wyde SASU
Stelligent Systems LLC	Datalytyx Limited
Mphasis Deutschland GmbH ('Mphasis GmbH')	Mrald Services Limited
Mphasis Ireland Limited ('Mphasis Ireland')	Mphasis (Shanghai) Software & Services Company Limited ('Mphasis China')
Mphasis Europe BV ('Mphasis Europe')	Mphasis Pte Limited ('Mphasis Singapore')
Mphasis UK Limited ('Mphasis UK')	Mphasis Australia Pty Limited ('Mphasis Australia')

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

	Year ended 31 March 2023	Year ended 31 March 2022
Rendering of services to entities who have control over the Company	**4,385.80**	**4,281.71**
- Mphasis Limited	4,360.28	4,230.75
- Mphasis USA	17.28	37.67
- Mphasis Europe	8.24	13.29
Rendering of services to fellow subsidiaries	**8.29**	**10.04**
-Mphasis Australia	8.29	9.98
- Others	-	0.06
Sub-lease rent paid to entities who have control over the Company	**364.60**	**343.89**
- Mphasis Limited	364.60	343.89
Subcontracting charges to entities who have control over the Company	**953.22**	**959.54**
- Mphasis Limited	923.09	955.06
- Mphasis USA	30.13	4.48
Subcontracting charges to fellow subsidiaries	**293.18**	**328.92**
- Mphasis Poland s.p.z.o.o	293.07	329.31
- Mphasis UK	-	(0.39)
- Others	0.11	-
Sale of property, plant and equipment to the entities who have control over the Company	**4.30**	**-**
- Mphasis Limited	4.30	-
Purchase of property, plant and equipment from entities who have control over the Company	**189.20**	**5.86**
- Mphasis Limited	189.20	5.86
Corporate support cost to entities who have control over the Company	**459.51**	**448.79**
- Mphasis Limited	449.25	440.84
- Mphasis USA	10.26	7.95
Unsecured loans given to entities who have control over the Company	**30,000.00**	**20,000.00**
- Mphasis Limited	30,000.00	20,000.00
Unsecured loans repaid by entities who have control over the Company	**29,900.00**	**10,100.00**
- Mphasis Limited	29,900.00	10,100.00
Interest income from unsecured loans given to entities who have control over the Company	**1,387.79**	**647.09**
- Mphasis Limited	1,387.79	647.09
Expenses incurred on Company's behalf by related parties who have control over the Company	**225.59**	**218.87**
- Mphasis Limited	225.59	218.87
Expenses incurred on behalf of related parties who have control over the Company	**52.12**	**-**
- Mphasis Limited	45.26	-
- Mphasis USA	6.84	-
- Mphasis Europe	0.02	
Expenses incurred on behalf of fellow subsidiaries	**5.52**	**-**
- Digital Risk Mortgage Services, LLC	1.74	-
- Others	3.78	-

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. During the previous year Marble has, since its exit as a shareholder of the Company, made payments of ₹ 413.00 lakh in aggregate under the ERI Plan to 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 2023	As at 31 March 2022
Trade receivables from entities who have control over the Company	**694.43**	**1,465.31**
- Mphasis Limited	690.44	1,417.64
- Mphasis USA	3.99	34.25
- Mphasis Europe	-	13.42
Trade receivable from fellow subsidiaries	**2.83**	**2.28**
- Mphasis Australia	2.83	2.28
Other receivables from entities who have control over the Company	**23.17**	**5.35**
- Mphasis Limited	20.23	5.35
- Mphasis USA	2.91	-
- Mphasis Europe	0.03	-
Other receivables from fellow subsidiaries	**6.18**	**1.55**
- Mphasis Belgium BV	1.38	1.55
- Others	4.80	-
Trade payables to entities who have control over the Company	**363.36**	**599.87**
- Mphasis USA	4.81	4.79
- Mphasis Limited	358.55	595.08
Trade payable to fellow subsidiaries	**49.63**	**105.43**
- Mphasis Poland s.p.z.o.o	49.63	105.43
Unsecured loans given to entities who have control over the Company	**10,140.39**	**9,900.00**
- Mphasis Limited	10,140.39	9,900.00
Interest receivable on unsecured loans given to entities who have control over the Company	**-**	**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. 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').

Business segments	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Banking and Financial Services	4,839.65	4,935.18
Logistics and Transportation	95.61	99.72
Technology Media and Telecom	4,533.93	4,169.54
Insurance	591.78	664.97
Others	163.65	104.96
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**
Segment result		
Banking and Financial Services	646.95	746.56
Logistics and Transportation	(1.62)	3.94
Technology Media and Telecom	1,906.61	1,865.69
Insurance	(12.14)	(25.00)
Others	(39.73)	(8.74)
Unallocated - hedge	231.49	173.40
Total segment result	**2,731.56**	**2,755.85**
Interest income	1,447.47	1,018.71
Other income	3,877.55	3,880.36
Other unallocable expenditure	(2,512.25)	(2,804.76)
Profit before exceptional item and tax	**5,544.33**	**4,850.16**
Exceptional item	-	(3,115.17)
Profit after exceptional item and before tax	**5,544.33**	**1,734.99**
Income taxes	728.80	308.32
Profit for the year before exceptional item	**4,815.53**	**4,541.84**
Profit for the year after exceptional item	**4,815.53**	**1,426.67**

Revenue from three customer groups individually accounted for more than 10% of the total revenue for the years ended 31 March 2023 and 31 March 2022.

(₹ lakh)

Geographic revenues	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Americas	5,429.61	5,137.50
India	20.35	19.14
EMEA	4,745.61	4,771.21
ROW	29.05	46.52
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**

32. DISAGGREGATION OF REVENUE

Services rendered	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Application Services	401.91	432.31
Business process services	9,655.94	9,366.76
Infrastructure services	166.77	175.30
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**
Delivery location		
Onsite	283.99	258.76
Offshore	9,940.63	9,715.61
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**
Project type		
Time and material	6,901.06	7,131.64
Fixed monthly billings	1,225.80	1,093.46
Transaction based	2,097.76	1,749.27
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**
Market		
Direct	10,199.35	9,941.38
DXC	25.27	32.99
Unallocated - hedge	231.49	173.40
Total	**10,456.11**	**10,147.77**

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 2023	**As at 31 March 2022**
Total equity attributable to the share holders of the Company (A)	103,832.39	99,197.79
Borrowings (B)	-	-
Total capital C(A+B)	**103,832.39**	**99,197.79**
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 2023	Year ended 31 March 2022
Changes in present value of defined benefit obligations		
Obligations at beginning of the year	430.14	336.38
Service cost	39.22	35.33
Interest cost	22.92	17.60
Benefits paid	(58.61)	(13.30)
Re-measurement loss (through OCI)	7.19	54.13
Obligations at end of the year	**440.86**	**430.14**
Change in plan assets		
Plan assets at beginning of the year, at fair value	163.63	158.20
Expected return on plan assets	24.35	10.21
Re-measurement gain / (loss) (through OCI)	(11.66)	0.31
Employer contributions	-	15.94
Benefits paid	(58.61)	(13.30)
Administration charges	(7.55)	(7.73)
Plan assets at end of the year	**110.16**	**163.63**
Present value of defined benefit obligation at the end of the year	440.86	430.14
Fair value of plan assets at the end of the year	110.16	163.63
Net liability recognised in the balance sheet	**(330.70)**	**(266.51)**
Expenses recognised in statement of profit and loss		
Service cost	39.22	35.33
Interest cost (net)	(1.43)	7.39
Net gratuity cost	**37.79**	**42.72**
Re-measurement (gains) / losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	(10.65)	(2.26)
Actuarial (gain) / loss due to experience adjustments	17.84	56.39
Re-measurement - return on plan assets (greater) less than discount rate	11.66	(0.31)
Total (gains) / losses routed through OCI	**18.85**	**53.82**
Assumptions		
Discount rate	7.36%	6.38%
Expected rate of return on plan assets	7.36%	6.38%
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	121.96	118.97
Year-2	85.44	83.36
Year-3	65.19	63.61
Year-4	46.96	45.82
Year-5	33.42	32.62
Year-6-10	71.62	69.88
Year-10 and above	16.27	15.88

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 rate.

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 2023**		**Year ended 31 March 2022**	
Change in discount rate	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Effect on the defined benefit obligation	(10.87)	10.28	(10.95)	10.33
Change in salary increase rate				
Effect on the defined benefit obligation	10.71	(11.13)	8.64	(9.00)

b. Provident fund

In accordance with Indian law, all eligible employees of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly. The contributions paid/ payable to Employee Provident Fund are recognised as expense in the statement of profit and loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities. The Company contributed ₹ 158.56 lakh during the year ended 31 March 2023 (31 March 2022: ₹ 167.82 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 2023)	FVTPL	FVTOCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	565.90	**565.90**
Bank balances other than cash and cash equivalents	-	-	-	-	2.12	**2.12**
Investments	82,449.26	5,870.68	-	-	-	**88,319.94**
Trade receivables	-	-	-	-	1,648.40	**1,648.40**
Loans	-	-	-	-	10,173.97	**10,173.97**
Derivative assets	-	-	1.97	0.92	-	**2.89**
Other financial assets	-	-	-	-	1,063.00	**1,063.00**
Total	**82,449.26**	**5,870.68**	**1.97**	**0.92**	**13,453.39**	**101,776.22**
Financial liabilities						
Lease liabilities	-	-	-	-	2,626.20	**2,626.20**
Trade payables	-	-	-	-	1,235.15	**1,235.15**
Derivative liabilities	-	-	65.79	0.09	-	**65.88**
Other financial liabilities	-	-	-	-	222.54	**222.54**
Total	**-**	**-**	**65.79**	**0.09**	**4,083.89**	**4,149.77**
Particulars (as at 31 March 2022)						
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**

Fair Value hierarchy

Particulars	As at 31 March 2023				As at 31 March 2022			
	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	**88,319.94**	80,430.94	7,889.00	-	**81,955.85**	70,872.35	11,083.50	-
Derivative assets	**2.89**	-	2.89	-	**146.89**	-	146.89	-
Liabilities								
Derivative liabilities	**65.88**	-	65.88	-	**4.38**	-	4.38	-

Valuation techniques and significant unobservable inputs

Level 2:

Forward exchange contracts: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on yield curves in the respective currencies.

Non-convertible debentures: The fair value is estimated considering quoted prices of securities with similar maturity and credit rating that are traded in active markets.

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 2023	As at 31 March 2022
Gross amount of recognised trade receivables (net of provision for ECL) - Billed	1,089.34	1,410.32
Gross amount of volume discount set off in the balance sheet	(334.92)	(293.37)
Net amount presented in balance sheet	**754.42**	**1,116.95**

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 2023 (31 March 2022: Three).

Credit risk exposure

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

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Trade receivables	1,648.40	2,439.97
Total	**1,648.40**	**2,439.97**

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 2023 and 31 March 2022 was ₹ (6.60) lakh and ₹ 1.14 lakh respectively.

The reconciliation is as follows:

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Balance as per previous financial statements	72.33	71.19
Charge/(credit) for the year	(6.60)	1.14
Closing balance	**65.73**	**72.33**

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, State Development Loans, loans given to related parties, 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 2023 (31 March 2022: Three 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 2023**	**As at 31 March 2022**
Cash and cash equivalents	565.90	713.01
Bank balances other than cash and cash equivalents	2.12	1,640.00
Current investments	58,600.99	56,074.24
Total	**59,169.01**	**58,427.25**

The table below summarizes 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 2023)	**On demand**	**0-180 days**	**180 to 365 days**	**365 days and above**	**Total**
Trade payables	-	1,235.15			**1,235.15**
Lease liabilities		570.38	504.10	1,753.59	**2,828.07**
Other financial liabilities	1.32	286.85	-	0.25	**288.42**
Total financial liabilities	**1.32**	**2,092.38**	**504.10**	**1,753.84**	**4,351.64**
Financial liabilities (31 March 2022)					
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**

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:

As at 31 March 2023			**₹ lakh**			
Financial assets	**USD**	**EUR**	**GBP**	**CAD**	**Others**	**Total**
Trade receivables	6.79	788.42	55.96	137.14	-	**988.31**
Cash and cash equivalents	13.67	-	-	-	-	**13.67**
Other financial assets	7.68	1.21	-	-	-	**8.89**
Total financial assets	**28.14**	**789.63**	**55.96**	**137.14**	**-**	**1,010.87**
Financial liabilities						
Trade payables	54.85	-	-	-	-	**54.85**
Total financial liabilities	**54.85**	**-**	**-**	**-**	**-**	**54.85**
Net financial assets	**(26.71)**	**789.63**	**55.96**	**137.14**	**-**	**956.02**
As at 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						
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**

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 receivables as at 31 March 2023 and 31 March 2022 are as below:

Currency	**As at 31 March 2023**		**As at 31 March 2022**	
Balance sheet hedges	**Amount (lakh)**	**Amount in (₹ lakh)**	**Amount (lakh)**	**Amount in (₹ lakh)**
CAD	4.29	260.26	3.29	198.86
EUR	6.96	622.21	9.67	814.31

Forward contracts outstanding against payables as at 31 March 2023 and 31 March 2022 are as below:

Currency	**As at 31 March 2023**		**As at 31 March 2022**	
Balance sheet hedges	**Amount (lakh)**	**Amount in (₹ lakh)**	**Amount (lakh)**	**Amount in (₹ lakh)**
PLN	-	-	3.00	54.33

Sensitivity analysis

For every 1% appreciation/depreciation of the respective foreign currencies, the Company's profit before taxes will be impacted approximately by ₹ 0.74 lakh for the year ended 31 March 2023 (31 March 2022: ₹ 0.45 lakh).

37. ADDITIONAL REGULATORY INFORMATION

a. ANALYTICAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2023 (A)	As at 31 March 2022 - before exceptional item -(B)	As at 31 March 2022 - after exceptional item	% Variance (A-B)
Current ratio (in times)*	Current assets	Current liabilities	12.51	20.30	10.84	-38.36%
Debt equity ratio (in times)*	Debt (borrowings + lease liabilities)	Shareholders equity	0.03	0.03	0.04	-26.42%
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)	6.1	4.3	2.2	42.36%
Return on equity ratio (in %)*	Net Profit for the year	Average shareholders equity	4.74%	4.54%	1.45%	4.49%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.12	4.26	4.26	19.99%
Trade payables turnover ratio	Other expenses	Average trade payables	4.02	3.66	3.66	9.93%
Net capital turnover ratio*	Revenue from operations	Working Capital (current assets - current liabilities)	0.16	0.15	0.15	6.95%
Net profit ratio (in %)*	Net Profit for the year	Revenue from operations	46.05%	44.76%	14.06%	2.90%
Return on capital employed (in %)*	Profit before tax and finance costs	Capital employed (Net worth + borrowings + lease liabilities)	5.37%	4.81%	1.92%	11.79%
Return on investment (in %)	Income generated from treasury investments	Average invested funds in treasury investments	4.92%	5.00%	5.00%	-1.60%

*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.

Current ratio: Due to increase in provisions.

Debt equity ratio (in times): Due to reduction in lease liabilities

Debt service coverage ratio (in times): Due to lower lease payments during the current year

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 by or on behalf of the Company ("Ultimate Beneficiaries") 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") 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 previous year ended 31 March 2022. 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.

During the years ended 31 March 2023 and 31 March 2022, the Company has designated certain foreign exchange forward as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable cashflow forecast transactions. The related hedge transactions for balance in cash flow hedge reserve as at March 31, 2023 are expected to occur and reclassified to statement of profit and loss within 1 year.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of hedge relationship, and through periodic prospective effectiveness assessments to ensure than an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items. 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 2023			As at 31 March 2022		
Currency	**Number of contracts**	**Notional amount (lakh in respective currencies)**	**Fair value gain/(loss) (₹ lakh)**	**Number of contracts**	**Notional amount (lakh in respective currencies)**	**Fair value gain/(loss) (₹ lakh)**
EUR	9	19.50	(65.81)	11	28.90	139.04
CAD	3	4.00	2.00	9	9.00	1.23
Total			**(63.81)**			**140.27**

The Company has entered into derivative instruments not in hedging relationships by way of foreign exchange forwards. As at 31 March 2023 and 31 March 2022, the notional amount of outstanding contracts aggregated to ₹ 882.47 lakh and ₹ 958.84 lakh, respectively and the respective fair value of these contracts have a net gain of ₹ 0.82 lakh and ₹ 2.24 lakh respectively.

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

	As at 31 March 2023	**As at 31 March 2022**
Balance as per previous financial statements	104.97	66.24
Change in fair value of effective portion of cash flow hedge	27.41	225.16
(Gain) / loss transfered to statement of profit and loss on occurrence of forecasted hedges	(231.49)	(173.40)
Income tax effect on the above	51.37	(13.03)
Closing balance	**(47.74)**	**104.97**

Sensitivity analysis

Every 1% appreciation/depreciation of the respective underlying foreign currencies, the Company's OCI will increase or decrease approximately by ₹19.5 lakh for the year ending 31 March 2023 (31 March 2022: ₹ 29.71 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.

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Amount required to be spent by the company during the year	93.40	103.30
Amount of expenditure incurred on :		
Construction / acquisition of any asset	-	-
On purposes other than above	93.40	103.30
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	-	-
Nature of CSR activities	Promoting Education,Livelihood and Inclusion	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 ₹ 64.97 lakh (31 March 2022: ₹24.71 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.

Mphasis Corporation

Unaudited financial statements as at and for the year ended March 31, 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Income	2
Unaudited Statement of Changes in Stockholder's Equity	3
Unaudited Statement of Cash Flows	4
Notes to the Unaudited Financial Statements	5

(Amounts expressed in $ except as otherwise stated)

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$	7,773,617
Accounts receivable, net		18,245,197
Unbilled receivables		22,673,010
Receivable from related parties		60,503,049
Loans given to related parties		24,353,896
Income taxes receivable		971,594
Other current assets		4,844,899
Total current assets	**$**	**139,365,262**
Property and equipment, net	$	6,884,527
Capital work-in-progress		136,874
Operating lease-right-of-use		10,742,249
Investment in subsidiaries		137,633,431
Deferred tax asset, net		3,139,980
Other non - current assets		1,827,831
Total non-current assets	**$**	**160,364,892**
Total assets	**$**	**299,730,154**
Liabilities and Stockholder's equity		
Current liabilities:		
Borrowings	$	24,154,278
Loans taken from related parties		18,000,000
Accounts payable and accrued expenses		58,222,399
Operating lease liabilities		1,729,165
Payable to related parties		28,398,215
Deferred revenue		2,217,217
Other current liabilities		47,016,540
Total current liabilities	**$**	**179,737,814**
Operating lease liabilities	$	10,002,336
Income taxes payable		2,647,571
Total non - current liabilities	**$**	**12,649,907**
Total Liabilities	**$**	**192,387,721**
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		64,501,789
Total Stockholders' equity	**$**	**107,342,433**
Total liabilities and Stockholders' equity	**$**	**299,730,154**

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue	$	220,295,868
Revenue from related parties		437,014,081
Total revenue	$	657,309,949
Cost of revenue (excluding depreciation and amortization)		559,745,308
Gross profit	$	97,564,641
General and administrative	$	25,736,187
Sales and marketing		54,705,984
Depreciation and amortization		3,427,673
Operating lease expenses		2,492,947
Foreign exchange gain, net		1,335,809
Total operating expenses	**$**	**87,698,600**
Operating income	**$**	**9,866,041**
Other income, net:		
Interest and other income net		2,359,029
Interest expense		(5,332,417)
Total other income, net	**$**	**(2,973,388)**
Profit before income taxes	$	6,892,653
Tax expense		(76,872)
Net profit	**$**	**6,969,525**
Other comprehensive income		-
Comprehensive income	**$**	**6,969,525**

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2023

	Capital stock	Additional paid-in capital	Retained earnings	Stockholders' equity
Balance at March 31, 2022	**$ 32**	**$ 42,840,612**	**$ 57,532,264**	**$ 100,372,908**
Comprehensive income				
Other comprehensive income	-	$ -	$ 6,969,525	6,969,525
Balance at March 31, 2023	**$ 32**	**$ 42,840,612**	**$ 64,501,789**	**$ 107,342,433**

(Amounts expressed in $ except as otherwise stated)

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Operating activities:		
Net profit	$	6,969,525
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation		3,427,673
Opreating lease expenses		2,492,947
Provision for expected credit loss		(806,978)
Profit on sale of property and equipment		(6,316)
Interest expenses		5,332,417
Interest income		(2,348,064)
Deferred tax		(205,000)
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		2,872,311
Receivable from related parties		31,921,772
Other assets		(307,801)
Accounts payable and accrued expenses		953,228
Repayment of operating lease liabilities		(1,726,912)
Payable to related parties		1,336,753
Income taxes payable		(3,689,158)
Deferred revenue		(352,085)
Other liabilities		3,135,736
Net cash flow generated from operating activities	**$**	**49,000,048**
Investing activities		
Purchase of property and equipment		(3,058,643)
Proceeds from sale of property and equipment		52,803
Loans given to related parties		30,000,000
Loans repaid by related parties		(51,227,287)
Net cash flow used in investing activities	**$**	**(24,233,127)**
Financing activities		
Loan repaid to related parties		(15,345,474)
Availment of borrowings		71,970,963
Repayment of borrowing		(84,000,000)
Repayment of lease liabilities		(341,006)
Net cash flow used in financing activities	**$**	**(27,715,517)**
Net decrease in cash and cash equivalents	$	(2,948,596)
Cash and cash equivalents at the beginning of the year		10,722,213
Cash and cash equivalents, end of the year	**$**	**7,773,617**
Supplementry disclosure of cash flow information:		
Cash paid for income taxes		2,845,692
Interest paid		5,545,474
Lease payments		1,726,912

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

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. The ultimate holding company of Mphasis Limited is BCP Asia (SG) Mirror Holding Pte Ltd.

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 $ 7,461,674 in the bank accounts within the United States and $ 311,943 in the bank and cash accounts in other foreign branches at March 31, 2023. 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, 2023, two customers have accounted for 38% 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 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- 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).

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, 2023 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, 2023 is $ 1,718,159.

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.

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.

Recently issued accounting pronouncements

In March 2021, the FASB issued ASU No. 2022-06, Reference Rate Reform: The UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 – REVENUE

Movement in contract assets:		**March 31, 2023**
Balance at the beginning of the year	$	6,096
Revenue recognized during the year		-
Invoiced during the year		(6,096)
Closing balance	**$**	**-**

Movement in unearned revenue:		**March 31, 2023**
Balance at the beginning of the year	$	2,569,302
Revenue recognized during the year		(1,857,313)
Invoiced during the year		1,505,228
Closing balance	**$**	**2,217,217**

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as at March 31, 2023:

	Estimated useful Lives	**March 31, 2023**
Office equipment	5 years	$ 1,325,164
Computer equipment	3 years	4,120,378
Servers and networks	6 years	1,769,761
Furniture and fixtures	5 years	529,865
Vehicles	5 years	411,907
Leasehold improvements	Shorter of lease term or 10 years	1,547,800
Computer software	3 to 7 years	27,285,582
Total		**36,990,457**
Less: accumulated depreciation and amortisation		30,105,930
Property and equipment, net		**$ 6,884,527**

Depreciation and amortization expense for the year ended March 31, 2023, is $ 3,427,673.

NOTE 5 - INVESTMENTS IN SUBSIDIARIES	March 31, 2023
Mphasis Europe BV	$ 19,714,977
Stelligent Systems LLC	24,341,655
Blink Interactive, Inc	93,526,799
Mphasis Solutions Services Corporation	50,000
	$ 137,633,431

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 @ SOFR plus ranging from 0.70% to 0.85%. The loans are repayable over the period from 24 April 2023 to 1 May 2023. The loan is availed by issuing a corporate guarantee by the parent company. As at March 31, 2023, the outstanding principal amount payable under this facility is $ 24,154,278 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 May 2023 to July 2032. Rental expense for operating leases for the year ended March 31, 2023, were $2,492,947, and is included in operating lease expenses in the accompanying statement of comprehensive income.

Lease expense:	March 31, 2023
Operating lease expense	$ 2,492,947
Short-term lease expense	55,117
Variable lease expense	(332,076)
Total	**$ 2,215,988**

Cash paid for amounts included in the measurement of operating lease liabilities	March 31, 2023
Operating cash flows	$ 1,726,912
Operating lease right-of-use obtained in exchange for operating lease liabilities	10,742,249
Weighted-average remaining lease term (in years) operating leases	7.67
Weighted-average discount rate operating leases	3.10%

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, 2023, are as follows:

Years	March 31, 2023
2023-24	2,057,214
2024-25	1,659,179
2025-26	1,690,366
2026-27	1,212,860
More than 2027	6,583,170
Total minimum payments	**13,202,789**
Less:Present value of discount	(1,471,288)
Operating lease liabilities	**$ 11,731,501**

NOTE 8 – INCOME TAXES

Income tax expense comprises:

Taxes:	March 31, 2023
Current taxes	$ 128,128
Deferred tax	(205,000)
Total taxes	**$ (76,872)**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income. Deferred income tax components as of March 31, 2023 are as follows:

Deferred Tax Asset:		**March 31, 2023**
Provision for employee benefits	$	5,921,000
Provision for bad and doubtful debts		684,000
Others		233,000
	$	**7,587,000**
Deferred Tax Liabilities:		
Research & development cost	$	(440,000)
Depreciation and amortization expense		(3,090,000)
	$	**(3,530,000)**
Net deferred tax asset	**$**	**4,057,000**

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases.

Pursuant to the Tax Cuts and Jobs Act ("US Tax Reforms"), the US Tax Reforms has provided for a on-time tax on certain accumulated undistributed post-1986 earnings of certain specified foreign subsidiaries.

During the current Financial Year, the Company has recognized an income tax provision of $ 118,042 towards repatriation Obligations of Transition Tax due for year ended March 31, 2023, for the accumulated and undistributed post-1986 earnings and Profits of specified foreign subsidiaries.

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 $ 17,980,921 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the year ended March 31, 2023.

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 $ 3,691,689 towards expense for compensated absences for the year ended March 31, 2023. The balance as at March 31, 2023 is $ 5,746,738.

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, 2023, the Company has recorded $ 437,014,073 as revenue from the following related parties:

Name of the party	**Relationship**	**March 31, 2023**
Mphasis Limited	Parent company	431,055,092
others	Subsidiary of company and parent company	5,958,981

As at March 31, 2023, the Company has $ 60,503,048 as balance receivable including trade receivables from following related parties:

Name of the party	**Relationship**	**March 31, 2023**
Mphasis Limited	Parent company	49,320,755
others	Subsidiary of company and parent company	11,182,293

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, 2023, the Company has recorded $ 21,004,159 as cost of revenue in the accompanying statement of comprehensive income from following related parties;

Name of the party	**Relationship**	**March 31, 2023**
Mphasis Limited	Parent company	13,792,359
Mphasis Infrastructure Services Inc	Subsidiary company	1,066,486
Stelligent systems LLC	Subsidiary company	1,685,581
Digital Risk Mortgage Services, LLC	Subsidiary of parent company	14,853
Mphasis UK Limited	Subsidiary of parent company	703,647
Others	Subsidiary of company and parent company	3,741,233

Pursuant to cost sharing agreement the company was charged from the parent company $4,298,018.

The Company was charged $ 483,504 from the parent company towards reimbursement of expenses incurred on our behalf:

The Company has charged $ 1,460,127 to related parties towards recovery of expenses incurred on their behalf:

Name of the party	Relationship	March 31, 2023
Mphasis Limited	Parent company	98,108
Wyde Corporation	Subsidiary of parent company	361,822
Digital Risk Mortgage Services, LLC	Subsidiary of parent company	175,019
Stelligent systems LLC	Subsidiary company	533,948
Others	Subsidiary of company and parent company	291,230

Digital Risk LLC has sublease office space to the Company. During the year ended March 31, 2023 rent expenses incurred amounted to $292,567 and this is included in operating expenses in the accompanying statement of comprehensive income.

As at March 31, 2023, the company has $ 28,398,215 as balance payable to following related parties;

Name of the party	Relationship	March 31, 2023
Mphasis Limited	Parent company	20,726,623
Digital Risk LLC	Subsidiary of parent company	2,048,131
Blink Interactive Inc	Subsidiary company	3,173,715
Others	Subsidiary of company and parent company	2,449,747

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, $6,810,000 borrowed during prior years. The Company has repaid the loan amounting to $1,800,000 and accrued interest amounting to $ 56,225 respectively. As on March 31, 2023, 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, 2023, the Company recorded $ 41,677 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2023, the amount payable is Nil.

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 prior years. The Company has repaid the loan amounting to $8,000,000 and accrued interest amounting to $ 1,250,166, respectively. As on March 31, 2023, the outstanding principal amount payable under this facility is $18,000,000, recorded as loans taken from related party in the accompanying balance sheet.

During the year ended March 31, 2023, the Company recorded $ 1,272,275 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As of March 31, 2023, nil remains payable and included in loans taken from related party.

During the year ended March 31, 2023, the Company recorded $ 426,478 as corporate Guarantee commission cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income.

Loan given

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. The Company has received the loan amounting to $800,000 and accrued interest amounting to $9,669 respectively. As on March 31, 2023, the outstanding principal amount receivable under this facility is NIL, recorded as loans given to related party in the accompanying balance sheet.

During the year ended March 31, 2023, the Company recorded $ 9,669 as interest income and is included in interest and other income, net in the statement of comprehensive income. As at March 31, 2023, the amount receivable is Nil.

On July 18, 2022, the Company entered into unsecured credit agreement with subsidiary of parent company, Mphasis UK Limited to grant facility in the aggregate principal sum of $25,000,000 bearing interest rate at 3 months SOFR (Quarterly reset) Plus 200 bps per annum and repayable on demand. The Company has disbursed $23,500,000 in current year accrued interest amounting to $ 853,896 respectively. As on March 31, 2023, the outstanding principal amount receivable under this facility is $23,500,000, recorded as loans given to related party in the accompanying balance sheet.

During the year ended March 31, 2023, the Company recorded $ 853,896 as interest income and is included in interest and other income, net in the statement of comprehensive income. As at March 31, 2023, $ 853,896 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 $ 10,637,605 included in statement of comprehensive income. As at March 31, 2023, $4,423,729 remains payable and included in payable to related parties.

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 2023 have an exercise price ranging from ₹ 500.00 to ₹ 3,397.00.

Particulars		**March 31, 2023**
Options outstanding at the beginning	$	2,439,540
Granted		94,100
Exercised		(323,330)
Forfeited		(28,078)
Lapsed		(59,104)
Options outstanding at the end	**$**	**2,123,128**

Effective 22 November 2021, the parent company instituted the Restricted Stock Unit Plan-2021(RSU 2021). 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 2023 have an exercise price of ₹10.

Particulars		**March 31, 2023**
Options outstanding at the beginning	$	675,442
Granted		30,000
Exercised		(63,183)
Forfeited		(23,746)
Options outstanding at the end	**$**	**618,513**

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 - 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 CONSULTING LIMITED

REGISTERED NUMBER: 01755328

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

Contents **Page**

Strategic report	1-3
Directors' report	4
Statement of directors' responsibilities	5
Unaudited statement of comprehensive income	6
Unaudited statement of financial position	7
Unaudited statement of changes in equity	8
Notes to the unaudited financial statements	9-14

Company number 01755328

Strategic Report for the year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Principal activities and review of business

This year's NASSCOM's Strategic Review report is themed "Priming for a 'No Normal' Future"; as the Indian tech Industry has displayed resilience and growth in the wake of global uncertainty, as well as strengthened its position as a trusted global technology leader over the past several years.

Midway through 2022, uncertainty resulting from recent global events largely centered on persistent inflation, fiscal tightening, market volatility and geopolitical tensions, signaled that the world economy was headed towards a potentially prolonged downturn, foreshadowing a likely global recession.

According to McKinsey's recent Global Economics Intelligence summary, the growth estimates for 2023 and 2024 have become less acute pointing towards a shorter slowdown, with an anticipated rebound in 2024. Even in the backdrop of this dynamic environment, enterprise IT spending has remained strong and is projected at $4.6 trillion in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner.

This duality in the environment is a result of the different economic realities being faced by consumers and enterprises. Enterprises are continuing to increase spending on digital business initiatives despite the slowdown.

A divergence from previous cyclical downturns can be explained by modern enterprises prioritizing segments of tech spend as a means of transforming their business and becoming more innovative, with a view towards optimizing current revenue streams or creating new ones. This is evident by the fact that leaders in enterprise technology are growing five times faster than laggards today, whereas this gap was only two times before the pandemic. Leveraging technology is going to be a critical factor in an enterprise's catalyst of the future.

In this dynamic environment, the Company continues to move forward from a position of strength. The Company has invested in foundation of strong industry solutions, marquee client base; all these will help the Company to continue to execute its growth strategy and insulate it from the market challenges. The Company's lead indicators are positive with the second highest deal wins on record where BFSI continues to generate the highest share of the pipeline. Even with the recent disruption in the US banking system that impacted smaller community banks, the Company's larger portfolio of clientele, focused on organizations that are tightly governed, remains protected from the resulting after-effects. Our continuously evolving Tribes and Squads model driving the themes of cloud-led transformation is the steering force behind the strong TCV. This model has helped the Company to scale its ability to service the growing pipeline; the Company's overall pipeline for large deals remain strong and well-distributed across all verticals. Some of the pipelines that have been built up over vendor consolidation may translate into additional TCV in near future. At this stage, the Company is focusing on the micro while being attentive to the developing macro-environment.

The Company made the right choices a few years ago – investment in right technology, consumer, and cost - are now converging in this backdrop. The tech investing super cycle that started in 2021 is still underway and the Company foresees that enterprises will continue to prioritize investments in areas such as cloud, data engineering and strategic data assets, as well as areas like cybersecurity, customer experience and support transformation, as the latter also leads to a significant cost takeout opportunity. This will necessitate a pivot for the entire industry from maintenance and infrastructure services to transformation that can enable clients to deliver better services to customers and go-to-market faster using data analytics. Having built the foundation to leverage this exact moment, the Company is focused on winning large deals aided by the opportunities present in the market as well our fundamental strengths to stand apart from its peers.

The Company entered into a Business Venture Agreement with Ardonagh Services Limited, UK on 23 December 2021 towards acquisition of 51% (with *100% economic rights)* in Mrald Limited, ("Mrald"), a company incorporated and registered in England and Wales. 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 loss of £ 365,004 on account of finance costs.

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 Loss for the year ended 31 March 2023, after taxation, amounted to £ 365,004 (31 March 2022: Profit of £ 69,600). The directors have not recommended a dividend for 31 March 2023 (31 March 2022: £ 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:

- 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 2023, there was no revenue in the Company and the loss for the year amounted to £ 365,004. The company is making continued efforts in acquiring revenue contracts from customers.

Strategic Report for the year ended 31 March 2023 (continued)

Financial risk management objectives, risks and policies

Being in the IT / ITES industry, the Company thrives in a very dynamic business environment. Apart from the global economic slowdown and the recession risks, a variety of factors including the rapid pace of technological changes and geopolitical conflict affects the business environment in which the Company operates. The Risk Management Program of the Company is centrally managed by its parent company, based at India and comprehensively manages the risks which can be classified as – Strategic, Operational, Financial, Information Security and Compliance. While the Company faces several risks, prominent ones are discussed below:

Volatile Global Political and Economic Situation: The group in which the Company is a part of derives a considerable portion of its revenue from its client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity.

Cybersecurity Risks: The increasing reliance on technology exposes IT/ITES companies to cyber threats, including data breaches, hacking, malware, and ransomware attacks. These risks can result in financial losses, reputational damage, and legal liabilities.

To mitigate these risks, the Company has implemented several measures including robust IT security frameworks and a Cyber Security Strategy. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks.

Data Privacy and Confidentiality: The IT/ITES industry deals with sensitive customer data and intellectual property. Breaches of data privacy or confidentiality can lead to legal consequences, reputational damage, loss of client trust, and regulatory penalties.

To mitigate this risk, the Company has implemented a Privacy Risk Management Framework comprising adequate controls encompassing people, process, and technology to ensure compliance with the relevant and applicable privacy laws including but not limited to European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Australian Data Privacy Principles, etc.

Continuity and Disaster Recovery Risk: Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery.

The Company has implemented Disaster Recovery for all the identified critical enterprise applications.

Talent Acquisition and Retention: The IT/ITES industry faces intense competition for skilled professionals. There is a constant need to attract and retain top talent to maintain a competitive edge. Failure to attract and retain skilled employees can result in project delays, decreased productivity, and increased recruitment costs.

The Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. The Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent.

Vendor and Supply Chain Risks: Risks associated with vendor performance, supply chain disruptions, contract disputes, or the failure of critical suppliers can impact the company's operations, delivery timelines, and customer satisfaction.

The Company has adequate monitoring mechanisms in place to regularly assess the vendor / third parties' performance, adherence to contracts, etc. and faces no major issues.

Project Execution and Delivery Risks: Failure to deliver projects on time, within budget, and meeting quality standards can result in financial losses, contract terminations, reputational damage, and legal disputes.

To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

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 key financial risks such as liquidity risk, forex fluctuation, etc. are also well managed by the centralized Treasury function.

Company number 01755328

Strategic Report for the year ended 31 March 2023 (continued)

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 31st March 2023 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 after-effects of the Pandemic COVID-19 (global pandemic) and its impact on the Company, if any.

Company number 01755328

Directors' report for the year ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

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 2023, 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 11 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.

Company number 01755328

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2023

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 01755328

Unaudited statement of comprehensive income for the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover		**-**	**-**
Cost of sales		-	-
Gross profit		**-**	**-**
Administrative expenses		(23,658)	(3,047)
Other income		-	234,085
Exchange loss		(119)	(2,324)
Total administrative (expense)/income		**(23,777)**	**228,714**
Operating (loss)/profit	2	**(23,777)**	**228,714**
Interest receivable and similar income	4	63,631	555
Interest payable and similar charges	4	(404,858)	(159,669)
(Loss)/profit on ordinary activities before taxation		**(365,004)**	**69,600**
Tax on (loss)/profit from ordinary activities	5	-	-
(Loss)/profit for the financial year attributable to the owners of the company		**(365,004)**	**69,600**
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year attributable to the owners of the company		**(365,004)**	**69,600**

All amounts relate to continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Company number 01755328

Unaudited statement of financial position as at 31 March 2023

	Note		2023		2022
			£		£
Investments	6		11,545,524		11,545,524
			11,545,524		**11,545,524**
Current assets					
Debtors	7	4,683,150		1,074,788	
Cash at bank and in hand		48,737		13,541	
		4,731,887		**1,088,329**	
Creditors : amounts falling due within one year	8	(9,953,836)		(5,945,274)	
Net current liabilities			**(5,221,949)**		**(4,856,945)**
Net assets			**6,323,575**		**6,688,579**
Capital and reserves					
Called up share capital	9		15,907		15,907
Share premium			1,934,805		1,934,805
Profit and loss account			4,372,863		4,737,867
Shareholders' equity			**6,323,575**		**6,688,579**

The notes on pages 9 to 14 form part of these financial statements.

Company number 01755328

Unaudited statement of changes in equity as at 31 March 2023

	Called-up share capital	Share Premium	Profit and loss account	Total
At 1 April 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**
Loss for the financial year	-	-	(365,004)	**(365,004)**
Total comprehensive loss	-	-	(365,004)	**(365,004)**
At 31 March 2023	**15,907**	**1,934,805**	**4,372,863**	**6,323,575**

The notes on pages 9 to 14 form part of these financial statements.

Notes to the unaudited financial statements for the year 31 March 2023

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 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.

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 Company is included, can be obtained as detailed in note 12.

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 less 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.

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.
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 & expense is recognized as it accrues in the statement of 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.

c. Post-retirement benefits

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.

Notes to the unaudited financial statements for the year 31 March 2023

d. 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.

e. 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.

f. 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.

g. 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 unaudited financial statements for the year 31 March 2023

SUPPORTING INFORMATION FOR ITEMS IN THE FINANCIAL STATEMENTS

2. OPERATING PROFIT

The Operating Profit is stated after charging	2023 £	2022 £
Foreign exchange loss	119	2,324

3. STAFF COSTS

Staff costs including directors' remuneration, were as follows:	2023 £	2022 £
Wages and salaries	-	-
Social security costs	-	-
Pension contributions	-	-
	-	-

The average monthly number of employees /directors during the year were 3 (FY 2022:3)

Directors' emoluments and transactions	2023 £	2022 £
Remuneration	-	-
Pension scheme contributions	-	-
	-	-
Emoluments of the highest paid director		
Remuneration	-	-
Pension scheme contributions	-	-
	-	-
The number of directors who exercised share options	-	-

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 directors has been paid by the holding company and its affiliates and not included above.

4. INTEREST

Interest receivable and similar income	2023 £	2022 £
Interest on loans given to fellow undertaking	63,631	555
	63,631	**555**
Interest payable and similar charges		
Interest on loans taken from fellow undertaking	404,858	159,669
	404,858	**159,669**

5. TAXATION

(a) Tax expense included in the statement of comprehensive income	2023 £	2022 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2022 - 19%)	-	-
Adjustments in respect of prior years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Effect on opening deferred taxes of change in tax rate	-	-
Total deferred tax	-	-
Total tax expense included in the statement of comprehensive income	-	-

Notes to the unaudited financial statements for the year 31 March 2023

b) Reconciliation of tax expense included in the statement of comprehensive income

	2023 £	2022 £
Profit on ordinary activities before taxation	(365,004)	69,600
Income tax calculated at 19% (2022-19%)	(69,351)	13,224
Group loss relief		(13,224)
Expenses not deductible for tax purposes	-	-
Other timing differences	69,351	-
Tax expense for the year	**-**	**-**
Adjustment in respect of prior years	-	-
Deferred tax expense for the year	-	-
Total tax expense for the year	**-**	**-**

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.

6. INVESTMENTS

	2023 £	2022 £
Opening balance	11,545,524	11,545,473
Additions	-	51
Closing balance	**11,545,524**	**11,545,524**

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
Mrald Services 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 and Mrald Services Limited is wholly owned subsidary of Mrald Limited.

Notes to the unaudited financial statements for the year 31 March 2023

7. DEBTORS

	2023	2022
	£	£
Amounts owed by group undertakings	4,619,859	1,015,229
Other debtors	27,057	23,327
Advance tax net of provisions	36,234	36,232
	4,683,150	**1,074,788**

Amounts owed by group undertakings includes a loans of £ 1,141,000 (2022 - £ 260,000). The loan of £ 1,131,000 (2022 - £ 260,000) to Mrald Limited and £ 10,000 (2022 - £Nil) to Mrald Services Limited which carries interest at GBP 6m SONIA + 3.0% per annum. The loans are repayable on demand.

8. CREDITORS

	2023	2022
	£	£
Amounts falling due within one year		
Trade creditors	3	63
Amounts owed to group undertakings	9,923,343	5,915,204
Accruals and deferred income	30,490	30,007
	9,953,836	**5,945,274**

Amounts owed to group undertakings includes loans of £9,721,000 (2022 – £5,720,000). The loan of £7,801,000 (2022 – £3,800,000) is taken from Mphasis UK Limited and £1,920,000 (2022– £1,920,000) from Datalytyx Limited carrying interest at GBP 3m LIBOR + 2.5%p.a. The loan is repayable on demand.

9. SHARE CAPITAL AND RESERVES

	2023	2022
Authorized, allotted, called up and fully paid and reserves	£	£
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.

10. 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 £871,000 (2022 - £ 260,000), interest accrued on loan £63,223 (2022 - £ 555) to Mrald Limited. At the year-end £1,165,420 (2022 - £ 328,761) was outstanding and included within debtors.

During the year the Company provided loans of £10,000 (2022 - £ Nil), interest accrued on loan £404 (2022 - £ Nil) to Mrald Services Limited. At the year-end £10,404 (2022 - £ Nil) was outstanding and included within debtors.

Notes to the unaudited financial statements for the year 31 March 2023

11. FINANCIAL INSTRUMENTS

	2023	2022
Financial assets measured at amortised cost	**£**	**£**
Trade and other receivables	27,057	23,327
Amounts owed from holding and related companies	4,619,859	1,015,229
Cash and cash equivalents	48,737	13,541
	4,695,653	**1,052,097**

	2023	2022
Financial Liabilities measured at amortised cost	**£**	**£**
Trade and other payables	3	63
Amounts due to holding and related companies	9,923,343	5,915,204
	9,923,346	**5,915,267**

12. 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 2023 is Mphasis Limited. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd.

ANNUAL ACCOUNTS AND/OR 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: *Limited liability company*

Address: *Leonardo Da Vincilaan* Nr.: *9* Box:

Postal code: *1930* Town: *Zaventem*

Country: *Belgium*

Register of legal persons – Commercial court: *Brussels, Dutch-speaking*

Website[1]:

E-mail address[1] :

Company registration number *0897.298.696*

DATE *15 / 04 / 2008* 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:

[X] the ANNUAL ACCOUNTS in EURO approved by the general meeting of / /

[X] the OTHER DOCUMENTS

regarding

the financial year covering the period from *01 / 04 / 2022* to *31 / 03 / 2023*

the preceding period of the annual accounts from *01 / 04 / 2021* to *31 / 03 / 2022*

The amounts for the preceding period **are** / ~~are not~~[2] identical to the ones previously published.

Total number of pages filed: *32* 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, 6.19, 6.20, 8, 9, 11, 12, 13, 14, 15*

Signature (name and position)

Signature (name and position)

1 Optional mention.

2 Strike out what does not apply.

LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS AND DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

Anurag BHATIA
Lindfield Gaardens, Lindfield Court, Flat 3 18, NW3 6PT Londres, United Kingdom
Manager
11/06/2019 -

Eric Gordon WINSTON
Duryea Road 15, NJ07043 Montclair, United States
Manager
16/01/2018 -

KPMG Bedrijfsrevisoren BV
Nr.: 0419.122.548
Luchthaven Brussel Nationaal 1 box K, 1930 Zaventem, Belgium
Membership nr.: B00001
Auditor
02/09/2021 - 30/08/2024

Represented by:

Tanguy LEGEIN
Luchthaven Brussel Nationaal 1 box K, 1930 Zaventem, Belgium
Membership nr.: A02651

DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that no audit or correction assignment has been given to a person who was not authorised to do so by law, pursuant to art. 5 of the law of 17th March 2019 concerning the professions of accountant and tax advisor.

The annual accounts ~~were~~ **/ were not*** audited or corrected by a certified accountant or by a company auditor who is not the statutory auditor.

If affirmative, mention hereafter: surname, first names, profession and address of each certified accountant or company auditor and his membership number with his Institute as well as the nature of his assignment:

A. Bookkeeping of the enterprise **,
B. Preparing the annual accounts **,
C. Auditing the annual accounts and/or
D. Correcting the annual accounts.

If the tasks mentioned under A. or B. are executed by accountants or tax accountants, you can mention hereafter: surname, first names, profession and address of each accountant or tax accountant and his/her affiliation number with the Institute of Tax Advisers and Accountants (ITAA) and the nature of his/her assignment.

Surname, first names, profession and address	Affiliation number	Nature of the assignment (A, B, C and/or D)

* Strike out what is not applicable.

** Optional information.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Discl.	Codes	Period	Preceding period
ASSETS				
Formation expenses	6.1	20	.....	.....
FIXED ASSETS		21/28	*5.063,85*	*4.505,73*
Intangible fixed assets	6.2	21	.....	.....
Tangible fixed assets	6.3	22/27	*5.063,85*	*1.221,24*
Land and buildings		22	.....	.....
Plant, machinery and equipment		23	*5.063,85*	*1.221,24*
Furniture and vehicles		24	.....	.....
Leasing and 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*
Affiliated enterprises	6.15	280/1	.....	.....
Participating interests		280	.....	.....
Amounts receivable		281	.....	.....
Enterprises linked by participating interests	6.15	282/3	.....	.....
Participating interests		282	.....	.....
Amounts receivable		283	.....	.....
Other financial assets		284/8	.....	*3.284,49*
Shares		284	.....	.....
Amounts receivable and cash guarantees		285/8	.....	*3.284,49*

	Discl.	Codes	Period	Preceding period
CURRENT ASSETS		29/58	*21.669.328,46*	*20.376.483,46*
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	*20.092.791,75*	*17.901.081,46*
Trade debtors		40	*6.584.115,73*	*4.928.777,95*
Other amounts receivable		41	*13.508.676,02*	*12.972.303,51*
Current investments	6.5.1/6.6	50/53	.....	.....
Own shares		50	.....	.....
Other investments		51/53	.....	.....
Cash at bank and in hand		54/58	*1.541.426,13*	*2.463.106,99*
Deferred charges and accrued income	6.6	490/1	*35.110,58*	*12.295,01*
TOTAL ASSETS		20/58	*21.674.392,31*	*20.380.989,19*

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	*11.121.144,23*	*10.281.823,25*
Contribution	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 statutorily not available		1311	*10.168,00*	*10.168,00*
Aquisition of own shares		1312	.....	.....
Financial support		1313	.....	.....
Other		1319	.....	.....
Untaxed reserves		132	.....	.....
Available reserves		133	.....	.....
Accumulated profits (losses) (+)/(-)		14	*11.104.676,23*	*10.265.355,25*
Investment grants		15	.....	.....
Advance to associates on the sharing out of the assets [4]		19	.....	.....
PROVISIONS AND DEFERRED TAXES		16	.....	.....
Provisions for liabilities and charges		160/5	.....	.....
Pensions and similar obligations		160	.....	.....
Taxation		161	.....	.....
Major repairs and maintenance		162	.....	.....
Environmental obligations		163	.....	.....
Other liabilities and charges	6.8	164/5	.....	.....
Deferred taxes		168	.....	.....

4 Amount to substract from the other part of the equity

	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	*10.553.248,08*	*10.099.165,94*
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	.....	.....
Advances received on contracts in progress		176	.....	.....
Other amounts payable		178/9	.....	.....
Amounts payable within one year	6.9	42/48	*10.446.425,48*	*9.711.349,94*
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	*3.230.876,10*	*3.005.942,74*
Suppliers		440/4	*3.230.876,10*	*3.005.942,74*
Bills of exchange payable		441	.....	.....
Advances received on contracts in progress		46	.....	.....
Taxes, remuneration and social security	6.9	45	*991.342,31*	*963.799,18*
Taxes		450/3	*331.956,43*	*354.061,15*
Remuneration and social security		454/9	*659.385,88*	*609.738,03*
Other amounts payable		47/48	*6.224.207,07*	*5.741.608,02*
Accruals and deferred income	6.9	492/3	*106.822,60*	*387.816,00*
TOTAL LIABILITIES		10/49	*21.674.392,31*	*20.380.989,19*

INCOME STATEMENT

	Discl.	Codes	Period	Preceding period
Operating income		70/76A	*25.911.816,08*	*22.599.184,05*
Turnover	6.10	70	*25.911.816,08*	*22.598.971,70*
Stocks of finished goods and work and contracts in progress: increase (decrease) (+)/(-)		71	.....	.....
Own work capitalised		72	.....	.....
Other operating income	6.10	74	.....	*212,35*
Non-recurring operating income	6.12	76A	.....	.....
Operating charges		60/66A	*24.993.933,58*	*21.682.169,10*
Raw materials, consumables		60	.....	.....
Purchases		600/8	.....	.....
Stocks: decrease (increase) (+)/(-)		609	.....	.....
Services and other goods		61	*22.592.363,32*	*18.704.642,63*
Remuneration, social security costs and pensions (+)/(-)	6.10	62	*2.389.059,93*	*2.978.967,87*
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630	*2.145,39*	*2.326,62*
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs) (+)/(-)	6.10	631/4	*-2.631,95*	*-11.147,05*
Provisions for liabilities and charges: Appropriations (uses and write-backs) (+)/(-)	6.10	635/8	.....	.....
Other operating charges	6.10	640/8	*12.996,89*	*7.379,03*
Operating charges carried to assets as restructuring costs (-)		649	.....	.....
Non-recurring operating charges	6.12	66A	.....	.....
Operating profit (loss) (+)/(-)		9901	*917.882,50*	*917.014,95*

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	*942.118,39*	*409.690,88*
Recurring financial income		75	*942.118,39*	*409.690,88*
Income from financial fixed assets		750	.....	.....
Income from current assets		751	*492.998,35*	*276.167,79*
Other financial income	6.11	752/9	*449.120,04*	*133.523,09*
Non-recurring financial income	6.12	76B	.....	.....
Financial charges		65/66B	*500.596,41*	*188.671,64*
Recurring financial charges	6.11	65	*500.596,41*	*188.671,64*
Debt charges		650	.....	*112,00*
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(-)		651	.....	.....
Other financial charges		652/9	*500.596,41*	*188.559,64*
Non-recurring financial charges	6.12	66B	.....	.....
Gain (loss) for the period before taxes (+)/(-)		9903	*1.359.404,48*	*1.138.034,19*
Transfer from deferred taxes		780	.....	.....
Transfer to deferred taxes		680	.....	.....
Income taxes (+)/(-)	6.13	67/77	*520.083,50*	*602.144,11*
Taxes		670/3	*520.083,50*	*602.144,11*
Adjustment of income taxes and write-back of tax provisions		77	.....	.....
Gain (loss) of the period (+)/(-)		9904	*839.320,98*	*535.890,08*
Transfer from untaxed reserves		789	.....	.....
Transfer to untaxed reserves		689	.....	.....
Gain (loss) of the period available for appropriation (+)/(-)		9905	*839.320,98*	*535.890,08*

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated .....(+)/(-)	9906	*11.104.676,23*	*10.265.355,25*
Gain (loss) of the period available for appropriation .....(+)/(-)	(9905)	*839.320,98*	*535.890,08*
Profit (loss) brought forward .....(+)/(-)	14P	*10.265.355,25*	*9.729.465,17*
Withdrawals from capital and reserves	791/2	.....	.....
on the contribution	791	.....	.....
from reserves	792	.....	.....
Transfer to capital and reserves	691/2	.....	.....
to the contribution	691	.....	.....
to legal reserve	6920	.....	.....
to other reserves	6921	.....	.....
Profit (loss) to be carried forward .....(+)/(-)	(14)	*11.104.676,23*	*10.265.355,25*
Owners' contribution in respect of losses	794	.....	.....
Profit to be distributed	694/7	.....	.....
Dividends	694	.....	.....
Directors' or managers' entitlements	695	.....	.....
Employees	696	.....	.....
Other beneficiaries	697	.....	.....

	Codes	Period	Preceding period
PLANT, MACHINERY AND EQUIPMENT			
Acquisition value at the end of the period	8192P	xxxxxxxxxxxxxxx	3.547,86
Movements during the period			
Acquisitions, including produced fixed assets	8162	5.649,51	
Sales and disposals	8172	.....	
Transfers from one heading to another (+)/(-)	8182	.....	
Acquisition value at the end of the period	8192	9.197,37	
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	.....	
Depreciations and amounts written down at the end of the period	8322P	xxxxxxxxxxxxxxx	2.326,62
Movements during the period			
Recorded	8272	1.806,90	
Written back	8282	.....	
Acquisitions from third parties	8292	.....	
Cancelled owing to sales and disposals	8302	.....	
Transferred from one heading to another (+)/(-)	8312	.....	
Depreciations and amounts written down at the end of the period	8322	4.133,52	
NET BOOK VALUE AT THE END OF THE PERIOD	(23)	5.063,85	

	Codes	Period	Preceding period
OTHER ENTERPRISES - 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)	.....	
OTHERS ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	285/8P	xxxxxxxxxxxxxxx	3.284,49
Movements during the period			
Additions	8583	.....	
Repayments	8593	3.284,49	
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)	.....	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8653	.....	

OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

	Codes	Period	Preceding period
INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS			
Shares and current 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		
Fixed term accounts with credit institutions	53		
With residual term or notice of withdrawal			
up to one month	8686		
between one month and one year	8687		
over one year	8688		
Other investments not mentioned above	8689		

	Period
DEFERRED CHARGES AND ACCRUED INCOME	
Allocation of heading 490/1 of assets if the amount is significant	
Deferred charges - Insurance	*30.678,38*
Deferred charges - Others	*1.218,63*
Deferred charges - Upfront discount	*3.213,58*

STATEMENT OF CONTRIBUTION AND SHAREHOLDING STRUCTURE

	Codes	Period	Preceding period
STATEMENT OF CONTRIBUTION			
Contribution			
Available at the end of the period	110P	xxxxxxxxxxxxxxx	.....
Available at the end of the period	(110)	.....	
Not available at the end of the period	111P	xxxxxxxxxxxxxxx	6.300,00
Not available at the end of the period	(111)	6.300,00	
Own capital brought by shareholders			
In cash	8790	18.600,00	
not released	87901	12.300,00	
In kind	8791	.....	
not released	87911	.....	

	Codes	Value	Number of shares
Changes during the period			
.....		.....	.....
.....		.....	.....
.....		.....	.....
.....		.....	.....
Registered shares	8702	xxxxxxxxxxxxxx	186
Shares dematerialized	8703	xxxxxxxxxxxxxx	.....

	Codes	Period
Own shares		
Held by the company itself		
Corresponding number of shares	8722	.....
Held by the subsidiaries		
Corresponding number of shares	8732	.....
Commitments to issue shares		
Owing to the exercise of conversion rights		
Amount of outstanding convertible loans	8740	.....
Amount of contribution	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 contribution	8746	.....
Corresponding maximum number of shares to be issued	8747	.....

	Codes	Period
Shared issues		
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
Supplementary explanation relating to the contribution (including the industry contribution)	
.....	.....
.....	.....
.....	.....
.....	.....

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 the rights of the enterprise, specifying the ADDRESS (of the registered office, when it involves a legal person) and the COMPANY IDENTIFICATION NUMBER, when it involves an enterprise under Belgian law	Rights held			
	Nature	Number of voting rights		%
		Linked to securities	Not linked to securities	
MPHASIS LIMITED *Bagmane WTC, Marathahalli Outer Ring Road -- box --, 560 048 Bagalore, India*		*185*		*99,46*
MPHASIS CONSULTING LIMITED *Edinburgh House, Windsor Road 43-51, SL1 2EE Slough, United Kingdom*		*1*		*0,54*

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
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 received on contract 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 but not more than five 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 received on contracts in progress	8892	
Other amounts payable	8902	
Total amounts payable with a remaining term of more than one but not more than five years	8912	
Amounts payable with a remaining term of more than five 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 received on contracts in progress	8893	
Other amounts payable	8903	
Total amounts payable with a remaining term of more than five years	8913	

	Codes	Period
GUARANTEED AMOUNTS PAYABLE *(included in headings 17 and 42/48 of the liabilities)*		
Amounts payable guaranteed by Belgian public authorities		
Financial debts	8921	
Subordinated loans	8931	
Unsubordinated debentures	8941	
Leasing and similar obligations	8951	
Credit institutions	8961	
Other loans	8971	
Trade debts	8981	
Suppliers	8991	
Bills of exchange payable	9001	
Advance payments received on contracts in progress	9011	
Remuneration and social security	9021	
Other amounts payable	9051	
Total amounts payable guaranteed by Belgian public authorities	9061	
Amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets		
Financial debts	8922	
Subordinated loans	8932	
Unsubordinated debentures	8942	
Leasing and similar obligations	8952	
Credit institutions	8962	
Other loans	8972	
Trade debts	8982	
Suppliers	8992	
Bills of exchange payable	9002	
Advance payments received 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 or irrevocably promised by the enterprise on its own assets	9062	

	Codes	Period
TAXES, REMUNERATION AND SOCIAL SECURITY		
Taxes *(heading 450/3 and 179 of the liabilities)*		
Outstanding tax debts	9072	
Accruing taxes payable	9073	*258.885,83*
Estimated taxes payable	450	*73.070,60*
Remuneration and social security *(headings 454/9 and 179 of the liabilities)*		
Amounts due to the National Social Security Office	9076	
Other amounts payable in respect of remuneration and social security	9077	*659.385,88*

	Period
ACCRUALS AND DEFERRED INCOME	
Allocation of heading 492/3 of liabilities if the amount is significant	
Deferred income - Volume discount payable	*106.822,60*
.....	.....
.....	.....
.....	.....

OPERATING RESULTS

	Codes	Period	Preceding period
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
.....		.....	.....
.....		.....	.....
.....		.....	.....
.....		.....	.....
Allocation into geographical markets			
.....		.....	.....
.....		.....	.....
.....		.....	.....
.....		.....	.....
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740	.....	.....
OPERATING CHARGES			
Employees for whom the enterprise submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086	*31*	*27*
Average number of employees calculated in full-time equivalents	9087	*30,3*	*23,2*
Number of actual worked hours	9088	*57.737*	*36.890*
Personnel costs			
Remuneration and direct social benefits	620	*1.715.501,11*	*1.903.102,17*
Employers' contribution for social security	621	*587.549,20*	*711.458,62*
Employers' premiums for extra statutory insurance	622	*72.828,26*	*56.242,32*
Other personnel costs .....(+)/(-)	623	*13.181,36*	*308.164,76*
Retirement and survivors' pensions	624	.....	.....

	Codes	Period	Preceding period
Provisions for pensions and other similar rights			
Appropriations (uses and write-backs) .....(+)/(-)	635	.....	.....
Amounts written off			
Stocks and contracts in progress			
Recorded	9110	.....	.....
Written back	9111	.....	.....
Trade debts			
Recorded	9112	.....	.....
Written back	9113	*2.631,95*	*11.147,05*
Provisions for liabilities and charges			
Additions	9115	.....	.....
Uses and write-backs	9116	.....	.....
Other operating charges			
Taxes related to operation	640	*12.996,89*	*7.379,03*
Other costs	641/8	.....	.....
Hired temporary staff and personnel placed at the enterprise's disposal			
Total number at the closing date	9096	.....	.....
Average number calculated in full-time equivalents	9097	.....	.....
Number of actual worked hours	9098	.....	.....
Costs to the enterprise	617	.....	.....

FINANCIAL RESULTS

	Codes	Period	Preceding period
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and recorded as income for the period			
Capital subsidies	9125	.....	.....
Interest subsidies	9126	.....	.....
Allocation of other financial income			
Currency differences realized	754	.....	.....
Others			
Exchange gain		*449.120,04*	*133.523,09*
.....		.....	.....
.....		.....	.....
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501	.....	.....
Capitalized Interests	6502	.....	.....
Amounts written off current assets			
Recorded	6510	.....	.....
Written back	6511	.....	.....
Other financial charges			
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable	653	.....	.....
Provisions of a financial nature			
Appropriations	6560	.....	.....
Uses and write-backs	6561	.....	.....
Allocation of other financial charges			
Currency differences realized	654	.....	.....
Currency translation differences	655	.....	.....
Others			
Exchange loss		*490.512,63*	.....
Bank fees		*10.083,78*	.....
.....		.....	.....

INCOME TAXES AND OTHER TAXES

	Codes	Period
INCOME TAXES		
Income taxes on the result of the period	9134	*520.083,50*
Income taxes paid and withholding taxes due or paid	9135	*520.083,50*
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	
In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit		
Disallowed expenses (+)/(-)		*56.999,54*
Taxable bad debts : reversal (+)/(-)		*-2.631,95*

Impact of non recurring results on the amount of the income taxes relating to the current period	Period

	Codes	Period
Status of deferred taxes		
Deferred taxes representing assets	9141	
Accumulated tax losses deductible from future taxable profits	9142	
Other deferred taxes representing assets		
Deferred taxes representing liabilities	9144	
Allocation of deferred taxes representing liabilities		

	Codes	Period	Preceding period
VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES			
Value added taxes charged			
To the enterprise (deductible)	9145	*2.221.377,62*	*2.097.239,15*
By the enterprise	9146	*4.451.317,15*	*4.954.594,22*
Amounts withheld on behalf of third party			
For payroll withholding taxes	9147		*889.532,25*
For withholding taxes on investment income	9148		

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES			
Financial fixed assets	(280/1)		
Participating interests	(280)		
Subordinated amounts receivable	9271		
Other amounts receivable	9281		
Amounts receivable	9291	*14.647.042,05*	*13.457.767,81*
Over one year	9301		
Within one year	9311	*14.647.042,05*	*13.457.767,81*
Current investments	9321		
Shares	9331		
Amounts receivable	9341		
Amounts payable	9351	*7.209.807,56*	*6.503.646,95*
Over one year	9361		
Within one year	9371	*7.209.807,56*	*6.503.646,95*
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381		
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431	*492.998,35*	*276.167,79*
Other financial income	9441		
Debt charges	9461		
Other financial charges	9471		
Disposal of fixed assets			
Capital gains obtained	9481		
Capital losses suffered	9491		

	Codes	Period	Preceding period
ASSOCIATED ENTERPRISES			
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 enterprise as security for debts or commitments of associated enterprises	9383		
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393		
Other significant financial commitments	9403		
OTHER ENTERPRISES 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		

	Period
TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF 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 which should be necessary to get a better understanding of the situation of the company	

FINANCIAL RELATIONSHIPS WITH

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS

	Codes	Period
Amounts receivable from these persons	9500	
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
Guarantees provided in their favour	9501	
Other significant commitments undertaken in their favour	9502	
Amount of direct and indirect remunerations and pensions, included 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	

AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Period
Auditor's fees	9505	*15.295,00*
Fees for exceptional services or special missions executed in the company by the auditor		
Other attestation missions	95061	
Tax consultancy	95062	
Other missions external to the audit	95063	
Fees for exceptional services or special missions executed in the company by people they are linked to		
Other attestation missions	95081	
Tax consultancy	95082	
Other missions external to the audit	95083	

Mentions related to article 3:64, §2 and §4 of the Companies and Associations Code

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

The enterprise neither prepares nor publishes consolidated financial statements and a relating annual report for one of the following reasons

The enterprise and its subsidiaries on consolidated basis exceed not more than one of limits mentioned in art. 1:26 of Company Law

The enterprise itself is a subsidiary of an enterprise which does prepare and publish consolidated accounts in which annual accounts of the enterprise are included

Name, full address of registered office and, for an enterprise governed by Belgian Law, the V. A. T. or national number of the parent company preparing and publishing the consolidated accounts required

MPhasis Limited

Bagmane WTC, Marathalli Ring Road, 560 048 Bagalore, India

INFORMATION TO DISCLOSE BY THE REPORTING ENTERPRISE BEING A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, if the enterprise is subject to Belgian law, the enterprise identification number of the parent company (ies) and the specifications whether the parent enterprise (s) prepare (s) and publish (es) consolidated accounts which includes the annual accounts of the enterprise*:

1.	*MPHASIS LIMITED* *Bagmane World Technology Center, Marathalli Ring Road, 560 048 Bagalore, India*	*Consolidating entity - Biggest grouping*

If the parent enterprise(s) is (are) (an) enterprise(s) governed by foreign law disclose where the consolidated accounts can be obtained*:

1.	*MPHASIS LIMITED*	*560 048 Bagalore,*

* Where the annual accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

OTHER DOCUMENTS TO BE FILED UNDER BELGIAN COMPANY LAW

MANAGEMENT REPORT

SOCIAL BALANCE SHEET

Number of joint industrial committee: ....

STATEMENT OF THE PERSONS EMPLOYED

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER

During the current period	Codes	Total	1. Men	2. Women
Average number of employees				
Full-time	1001	*30,3*	*23,0*	*7,3*
Part-time	1002	.....	.....	.....
Total in full-time equivalents	1003	*30,3*	*23,0*	*7,3*
Number of hours actually worked				
Full-time	1011	*57.737*	*43.899*	*13.838*
Part-time	1012	.....	.....	.....
Total	1013	*57.737*	*43.899*	*13.838*
Personnel costs				
Full-time	1021	*2.389.059,93*	*1.816.475,32*	*572.584,61*
Part-time	1022	.....	.....	.....
Total	1023	*2.389.059,93*	*1.816.475,32*	*572.584,61*
Advantages in addition to wages	1033	.....	.....	.....

During the preceding period	Codes	P. Total	1P. Men	2P. Women
Average number of employees in FTE	1003	*23,2*	*21,2*	*2,0*
Number of hours actually worked	1013	*36.890*	*33.717*	*3.173*
Personnel costs	1023	*2.978.967,87*	*2.722.712,57*	*256.255,30*
Advantages in addition to wages	1033	.....	.....	.....

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER (continued)

At the closing date of the period	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees	105	*31*		*31,0*
By nature of the employment contract				
Contract for an indefinite period	110	*31*		*31,0*
Contract for a definite period	111			
Contract for the execution of a specifically assigned work	112			
Replacement contract	113			
According to gender and study level				
Men	120	*25*		*25,0*
primary education	1200			
secondary education	1201			
higher non-university education	1202	*25*		*25,0*
university education	1203			
Women	121	*6*		*6,0*
primary education	1210			
secondary education	1211			
higher non-university education	1212	*6*		*6,0*
university education	1213			
By professional category				
Management staff	130			
Employees	134	*31*		*31,0*
Workers	132			
Others	133			

HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE ENTERPRISE'S DISPOSAL

During the period	Codes	1. Hired temporary staff	2. Persons placed at the enterprise's disposal
Average number of persons employed	150		
Number of hours actually worked	151		
Costs for the enterprise	152		

LIST OF PERSONNEL MOVEMENTS DURING THE PERIOD

ENTRIES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees for whom the entreprise submitted a DIMONA declaration or who have been recorded in the general personnel register during the financial year	205	*6*		*6,0*
By nature of employment contract				
Contract for an indefinite period	210	*6*		*6,0*
Contract for a definite period	211			
Contract for the execution of a specifically assigned work	212			
Replacement contract	213			

DEPARTURES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees whose contract-termination date has been entered in DIMONA declaration or in the general personnel register during the financial year	305	*2*		*2,0*
By nature of employment contract				
Contract for an indefinite period	310	*2*		*2,0*
Contract for a definite period	311			
Contract for the execution of a specifically assigned work	312			
Replacement contract	313			
By reason of termination of contract				
Retirement	340			
Unemployment with extra allowance from enterprise	341			
Dismissal	342			
Other reason	343	*2*		*2,0*
the number of persons who continue to render services to the enterprise at least half-time on a self-employed basis	350			

INFORMATION ON TRAINING PROVIDED TO EMPLOYEES DURING THE PERIOD

	Codes	Men	Codes	Women
Total of initiatives of formal professional training at the expense of the employer				
Number of employees involved	5801		5811	
Number of actual training hours	5802		5812	
Net costs for the enterprise	5803		5813	
of which gross costs directly linked to training	58031		58131	
of which fees paid and paiments to collective funds	58032		58132	
of which grants and other financial advantages received (to deduct)	58033		58133	
Total of initiatives of less formal or informal professional training at the expense of the employer				
Number of employees involved	5821		5831	
Number of actual training hours	5822		5832	
Net costs for the enterprise	5823		5833	
Total of initiatives of initial professional training at the expense of the employer				
Number of employees involved	5841		5851	
Number of actual training hours	5842		5852	
Net costs for the enterprise	5843		5853	

Mphasis Infrastrcture Services Inc.

Unaudited financial statements as at and for the year ended March 31, 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Income	2
Unaudited Statement of Changes in Stockholder's Equity	3
Unaudited Statement of Cash Flows	4
Notes to the unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$	44,484
Receivable from related parties		597,273
Total current assets	**$**	**641,757**
Total assets	**$**	**641,757**
Liabilities and Stockholders' equity		
Current liabilities:		
Loans taken from related parties	$	19,689,796
Accounts payable and accrued expenses		14,268
Payable to related parties		1,190,169
Other current liabilities		9,856
Income taxes payable		13,959
Total current liabilities	**$**	**20,918,048**
Total liabilities	**$**	**20,918,048**
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		(30,196,433)
Total Stockholders' equity	**$**	**(20,276,291)**
Total liabilities and Stockholders' equity	**$**	**641,757**

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME YEAR MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue from external parties	$	38,500
Revenue from related parties		1,121,119
Total revenue	**$**	**1,159,619**
Cost of revenue	$	1,064,900
Gross profit	**$**	**94,719**
General and administrative	$	31,133
Sales and marketing expenses	$	3,886
Total operating expenses	**$**	**35,019**
Operating profit	**$**	**59,700**
Other income:		
Interest and other income, net	$	2,829
Interest expense		(1,069,565)
Total other income	**$**	**(1,066,736)**
Loss before income taxes	$	(1,007,036)
Tax Expense	$	(25,916)
Net loss	**$**	**(981,120)**
Other comprehensive income		-
Comprehensive loss	**$**	**(981,120)**

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

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2023

	Common Stock	Additional paid-in capital	Accumulated deficit	Stockholders' Equity
Balance at March 31, 2022	**$ 998**	**$ 9,919,144**	**$ (29,215,313)**	**$ (19,295,171)**
Comprehensive income				
Net loss	-	-	(981,120)	(981,120)
Balance at March 31, 2023	**$ 998**	**$ 9,919,144**	**$ (30,196,433)**	**$ (20,276,291)**

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

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH-2023

		March 31, 2023
Operating activities:		
Net loss	$	(981,120)
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest expenses		1,069,565
Interest income		(2,829)
Changes in operating assets and liabilities:		
Receivable from related parties		22,476
Other current assets		487
Accounts payable and accrued expenses		(2,685)
Payable to related parties		106,176
Income taxes payable		(31,877)
Other liabilities		(195,532)
Net cash used in operating activities	**$**	**(15,339)**
Investing activities:		
Interest received on bank deposits	$	2,829
Net cash flow generated from investing activities	**$**	**2,829**
Financing activities:	$	-
Net cash flow used in financing activities	**$**	**-**
Net decrease in cash and cash equivalents	$	(12,510)
Cash and cash equivalents, beginning of year		56,994
Cash and cash equivalents, end of year	**$**	**44,484**
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$	(761,335)

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

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 is BCP Asia (SG) Mirror Holding Pte Ltd.

Business outlook

The Company primarily renders software integration and development service to the customers of its parent company.
The Company has experienced net losses and cash outflows from cash used in operating activities over the past years. As of and for the year ended March 31, 2023, the Company had an accumulated deficit of $ $30,196,433 a loss before taxes of $ 1,007,036 and net cash used in operating activities of $ 15,339. The Company expects to continue to incur net losses and will have negative cash outflows for at least the next 12 months. As of March 31, 2023, the Company had working capital deficit of $ 20,276,291. These factors, raises substantial doubt about the Company's ability to continue as a going concern.

ASC 205-30-25 provides guidance on liquidation basis of accounting, and it suggests that an entity shall prepare financial statements in accordance with the requirements of liquidation basis of accounting when liquidation is imminent unless the liquidation follows a plan for liquidation that was specified in the entity's governing documents at the entity's inception. ASC 205-30-45 provides guidance that liquidation basis of accounting shall be applied prospectively from the day that liquidation becomes imminent.

The management is evaluating a possible dissolution and liquidation of the Company. As on March 31, 2023, management neither has approval for liquidation from the board and shareholder nor liquidation is being imposed by other forces, such as involuntary bankruptcy, as a result liquidation is not imminent.

Accordingly, liquidation basis of accounting has not been applied and the accompanying financial statements have been prepared on going concern basis. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation.

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 $44,484 in the bank accounts within the United States at March 31, 2023.

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:

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).

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, 2023 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, 2023 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.

Recently issued accounting pronouncements

Reference Rate Reform - ASU 2022-06

In March 2021, the UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 – INCOME TAXES		**March 31, 2023**
Income tax expense/ (benefit) comprises of:		
Current taxes	$	(25,916)
Deferred tax		-
Total taxes	**$**	**(25,916)**

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Current tax expenses have been calculated as per provisions of ASC 740 as if the Company were filing a separate return.

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 $50,189 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the years ended March 31, 2023.

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 $ 21,786 towards expense for compensated absences for the year ended March 31, 2023. The balance as at March 31, 2023 is nil.

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, 2023, the Company has recorded $ 1,066,486 as revenue from its parent company Mphasis Corporation and $ 54,633 from intermediate holding company Mphasis Limited.
2. As at March 31, 2023, balances receivable from Mphasis Corporation $597,273 respectively.
3. Pursuant to cost sharing arrangement with group companies, the Company was charged $ 3,647 by Mphasis Limited.
4. As at March 31, 2023, balance amount payable to Mphasis Corporation $ 1,190,169.
5. The Company was charged $131,992 by Mphasis Corporation and $2,573 by Mphasis limited and $21 by Msource India Private Limited as at March 31, 2023.

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, 2023, the outstanding principal amount payable under this facility is $18,000,000 and accrued interest $ 1,689,796 recorded as loans taken from related parties in the accompanying balance sheet.

During the year ended March 31, 2023 the Company recorded $ 1,069,565 as interest cost for the amounts borrowed and is included in interest expenses in the statement of comprehensive income. As at March 31, 2023, $1,689,796 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, 2023 amounted to $ 4,386.

(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– 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.

Company Registration No. 199900603R

Mphasis Pte Ltd

Unaudited Annual Financial Statements
31 March 2023

Mphasis Pte Ltd

General Information

Directors

Subramanian Narayan
Manikantan Thyagarajan
Krishna Srinivasan
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

Index

	Page
Directors' statement	1
Unaudited statement of profit or loss and other comprehensive income	3
Unaudited statement of financial position	4
Unaudited statement of changes in equity	5
Unaudited statement of cash flows	6
Notes to the unaudited financial statements	7

Mphasis Pte Ltd

Director's statement for the financial year ended 31 March 2023

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 2023 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
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, 1967 (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	6260	7035
Subramanian Narayan	3672	3672
Eric Gordon Winston	26336	28276
Kathryn Airth Terry	3902	153
Krishna Srinivasan	Nil	Nil
Stock options		
Manikantan Thyagarajan	2529	1655
Subramanian Narayan	5969	5969
Eric Gordon Winston	42772	42772
Kathryn Airth Terry	6233	6233
Krishna Srinivasan	16874	16874
Restricted Stock Units(RSU)		
Manikantan T	1616	1455
Subramanian Narayan	2600	2600
Eric Gordon Winston	31685	28517
Kathryn Airth Terry	2022	1820
Krishna Srinivasan	8674	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.

Mphasis Pte Ltd

Unaudited Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 March 2023

(In Singapore Dollars)

	Note	2023	2022
		$	$
Revenue	3	**16,446,580**	14,771,773
Other income	4	**625,577**	453,803
Staff cost	5	**(4,592,210)**	(4,208,263)
Subcontracting charges		**(10,837,236)**	(9,288,561)
Depreciation on plant and equipment	8	**(16,961)**	(19,275)
Addition of allowance for expected credit loss		**(20,733)**	(6,583)
Administrative expenses		**(166,907)**	(190,864)
Other operating expenses		**(689,952)**	(614,960)
Profit before tax	7	**748,157**	897,070
Income tax expense	6	**(260,648)**	(254,922)
Profit for the year		**487,509**	642,148
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**487,509**	642,148

The accompanying notes form an integral part of the financial statement.

Unaudited Statement of Financial Position as at 31 March 2023

(In Singapore Dollars)

	Note	2023	2022
ASSETS		$	$
Non-current assets			
Plant and equipment	8	**12,163**	29,125
Deferred tax assets		**2,902**	6,854
Investment in a subsidiary	9	**90,798**	90,798
		105,863	126,777
Current assets			
Trade receivables	10(a)	**6,596,230**	3,865,246
Prepayments and other receivables	10(b)	**749,091**	565,478
Cash and cash equivalents	11	**1,030,919**	1,334,633
Loans to related party	12	**11,325,619**	11,655,133
		19,701,859	17,420,490
Total assets		**19,807,721**	17,547,267
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**3,600,000**	3,600,000
Retained earnings		**9,998,960**	9,492,071
Equity attributable to owners of the Company		**13,598,960**	13,092,071
Current liabilities			
Trade and other payables	13	**5,884,756**	4,171,142
Income tax payable		**250,001**	235,051
Deferred tax liabilities		**74,004**	49,003
Total liabilities		**6,208,761**	4,455,196
Total equity and liabilities		**19,807,721**	17,547,267

The accompanying notes form an integral part of the financial statement.

Mphasis Pte Ltd

Unaudited Statement of Changes in Equity for the financial year ended 31 March 2023

(In Singapore Dollars)

	Attributable to equity owners of the Company		
	Share Capital	**Retained earnings**	**Total**
	$	$	$
Balance at 1 April 2021	3,600,000	8,849,923	12,449,923
Profit for the year	-	642,148	642,148
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	642,148	642,148
At 31 March 2022 and 1 April 2022	3,600,000	9,492,071	13,092,071
Adjustment profits	-	19,381	19,381
Revised Balance At 31 March 2022 and 1 April 2022	3,600,000	9,511,452	13,111,452
Profit for the year	-	487,509	487,509
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	487,509	487,509
At 31 March 2023	**3,600,000**	**9,998,960**	**13,598,960**

The accompanying notes form an integral part of the financial statement.

Mphasis Pte Ltd

Unaudited Statement of Cash Flows for the financial year ended 31 March 2023

(In Singapore Dollars)

	2023	2022
	$	$
Cash flows from operating activities:		
Profit before tax	**748,157**	897,070
Adjustments for:		
Addition of allowance for expected credit loss	**20,733**	6,583
Interest income	**(625,577)**	(453,803)
Depreciation on plant and equipment	**16,961**	19,275
Impairment loss on investment in subsidiary	**-**	114,939
	160,274	584,064
Changes in working capital:		
Trade receivables and prepayment and other receivables	**(3,236,276)**	(1,336,689)
Trade and other payables	**(603,382)**	1,244,218
Contract liabilities		(27,960)
Amounts due to holding and related parties	**2,819,466**	409,386
Cash generated from operations	**(859,917)**	873,020
Income tax paid	**(197,365)**	(151,721)
Net cash (used)/generated from operating activities	**(1,057,282)**	721,299
Cash flows from investing activities		
Purchase of plant and equipment	**-**	(160)
Loans given to related party	**-**	(3,450,901)
Loans repaid by related party	**329,514**	-
Interest received	**424,053**	299,089
Net cash generated/(used) in investing activities	**753,568**	(3,151,972)
Net decrease in cash and cash equivalents	**(303,714)**	(2,430,673)
Cash and cash equivalents at beginning of year	**1,334,633**	3,765,306
Cash and cash equivalents at end of year	**1,030,919**	1,334,633

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. 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 Standards issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Amendments to FRS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.3 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 -

2. Significant accounting policies (cont'd)

2.3 **Significant accounting estimates and judgements (cont'd)**

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.

2.4 **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.

(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.

2.5 **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. Significant accounting policies (cont'd)

2.6 **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.

2.7 **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.

2.8 **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.

2. Significant accounting policies (cont'd)

2.8 **Financial instruments (cont'd)**

(a) Financial assets (cont'd)

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).

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.

(In Singapore Dollars)

2. Significant accounting policies (cont'd)

2.9 **Financial instruments (cont'd)**

(b) Financial assets (cont'd)

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.

2.10 **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.

2.11 **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.

2.12 **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. Significant accounting policies (cont'd)

2.13 **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.

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.

2. Significant accounting policies (cont'd)

2.14 **Revenue (cont'd)**

- 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.

2.15 **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.

2.16 **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 Singapore Dollars)

2. Significant accounting policies (cont'd)

2.16 Leases (cont'd)

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.

2.17 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.

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. Significant accounting policies (cont'd)

2.16 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.

2.17 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

	2023	2022
	$	$
Sale of services		
- External parties	**16,045,959**	14,090,878
- Related parties	**400,621**	680,895
	16,446,580	14,771,773

Disaggregation of revenue:

	2023	2022
	$	$
Disaggregation of revenue:		
Type of services		
Application services	**14,956,791**	13,274,819
Business process services	**715,527**	768,576
Infrastructure management services	**774,262**	728,378
	16,446,580	14,771,773
Project type		
Fixed bid	**2,533,786**	1,729,929
Time and material	**13,912,794**	13,041,844
	16,446,580	14,771,773

All the Company's revenues are recognised over time.

4. Other income

	2023	2022
	$	$
Interest income from bank deposits	**4,266**	1,506
Interest income from a related party	**621,311**	452,297
	625,577	453,803

5. Staff Cost

	2023	2022
	$	**$**
Salaries, bonuses and other costs	**4,229,580**	3,905,283
Contributions to Provident Fund	**362,630**	302,980
	4,592,210	4,208,263

(In Singapore Dollars)

6. Income tax expenses

	2023	2022
	$	$
Current income tax		
Current financial year	**237,967**	234,776
Excess provision in respect of prior years	**-**	-
	237,967	234,776
Deferred income tax		
Origination of temporary differences	**28,954**	20,146
Opening Adjustment	**(6,274)**	-
	22,680	20,146
Total Income tax expense	**260,648**	254,922

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows.

	2023	2022
	$	**$**
Profit before tax	**748,157**	897,070
Income tax using the statutory tax rate at 17% (2021: 17%)	**127,187**	152,502
Non-deductible expenditure	**165,320**	94,164
Income not subject to tax	**-**	(4,545)
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%)	**(2,481)**	30,398
Others	**855**	(172)
Prior Period True up/down	**(12,808)**	-
	260,648	254,922

Deferred tax balances

Movements in deferred tax assets/(liabilities) during the financial year were as follows:

	At 1st April 2021	Recognised in profit or loss	At 31st Mar 2022	Recognised in profit or loss	At 31st Mar 2023
	$	$	**$**	**$**	$
Deferred tax assets/(liabilities)					
Plant and equipment	(8,000.00)	3,000.00	(5,000.00)	3,000.00	(2,000.00)
Interest receivables	(32,000.00)	(26,000.00)	(58,000.00)	(34,000.00)	(92,000.00)
Provisions and accruals Others	18,000.00	2,854.00	20,854.00	(804.00)	20,050.00
Others	(2.00)		(2.00)	2,850.00	2,848.00
	(22,002.00)	**(20,146.00)**	**(42,148.00)**	**(28,954.00)**	**(71,102.00)**

(In Singapore Dollars)

7. Profit before tax

Profit before tax has been arrived at after charging:

	2023	2022
	$	**$**
Included in administrative expenses		
Short term leases	**70,500**	70,939
Included in other operating expenses		
Travelling expenses	**21,647**	18,070
Communication expenses	**12,314**	18,097
Recruitment expenses	**85,920**	39,582
Foreign exchange loss, net*	**347,242**	172,635
Corporate support services	**165,572**	159,626
Professional charges	**16,036**	44,482
Impairment loss on investment in subsidiary	**-**	114,939
Others	**41,223**	47,528

8. Plant and equipment

	Computer Equipment	Server & Neworking Equipments	Total
	$	$	**$**
Cost			
At 1 April 2021	87,218	15,406	102,624
Additions during the year	**160**	**-**	**160**
At 31 March 2022	**87,378**	**15,406**	**102,784**
Additions during the year	**-**	**-**	**-**
Disposal during the year	**-**	**-**	**-**
At 31 March 2023	**87,378**	**15,406**	**102,784**
Accumulated depreciation			
At 1 Apr 2021	50,687	3,697	54,384
Charge for the year	16,708	2,567	19,275
At 1 Apr 2022	**67,395**	**6,264**	**73,659**
Charge for the year	14,394	2,567	16,961
At 31 Mar 2023	**81,789**	**8,831**	**90,621**
Carrying Amount			
At 31 March 2023	**5,589**	**6,575**	**12,163**
At 31 March 2022	**19,983**	**9,142**	**29,125**

(This space has been intentionally left blank)

(In Singapore Dollars)

9. Investment in a subsidiary

	2023	2022
Mphasis Philippines Inc.	$	$
8,499,977 (2020: 8,499,977) shares of common stock of PHP1.00 each fully paid-up	**253,523**	253,523
Less: Allowance for impairment loss	**(162,725)**	(162,725)
	90,798	90,798

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 $ Nil (2022 - $ 114,939) 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	
		2023 (%)	2022 (%)
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

	2023	2022
	$	$
Trade receivables	**5,077,522**	1,845,354
Trade receivables - intermediate holding companies	**67,844**	562,878
Contract assets (Unbilled revenue)	**1,481,621**	1,467,038
	6,626,987	3,875,270
Less: Allowance for impairment	**30,757**	10,024
	6,596,230	3,865,246

Trade receivables are non-interest bearing and are generally on 45 to 75 days' terms.

Contract assets representing unbilled revenue as at 2023 and 2022 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 receivable

	2023	2022
	$	$
Amounts due from related parties (non - trade)	**72,137**	79,573
Deposits	**12,599**	12,599
Derivative financial instruments	**15,702**	57,508
Other receivables	**27,117**	49,629
Advance tax and tax deducted at source	**12,730**	2,923
Prepayments	**21,709**	20,794
Interest on loans receivable from a related party	**543,922**	342,398
Income tax receivable	**43,175**	55
	749,091	565,478

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 454,087 (2022: USD 504,087).

11. Cash and Cash equivalents

	2023	2022
	$	$
On current accounts	**1,030,919**	1,334,633
	1,030,919	1,334,633

12. Loans to a related party

Loans to Mphasis Wyde SASU is unsecured and is recoverable before 30 June 22 and term shall be automatically renewed for the further periods of 12 month unless as terminated as provided in agreement. The loans are interest bearing at 5% above 3 months 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.

	2023	2022
	$	$
Loan given to Mphasis Wyde SASU	**7,961,060**	7,824,620
Loan given to Mphasis Australia Pty Limited	**3,364,559**	3,830,513
	11,325,619	11,655,133

(In Singapore Dollars)

13. Trade payables and other payables

	2023	2022
	$	$
Trade payables	**903,771**	1,099,814
Trade payables - intermediate holding companies	**4,225,662**	1,908,735
Trade payables - related parties	**10,385**	32,031
Non Trade payables - intermediate holding company	**80,485**	58,770
Accrued operating expenses	**514,981**	1,068,997
Derivative financial instruments	**149,472**	2,795
	5,884,756	4,171,142

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 5,676,438 (2022: EUR 5,276,438) and AUD 3,796,703 (2022: AUD 3,4796,703).

14. Contract liabilities

Contract liabilities relates to deferred revenue for software support and maintenance to be provided to certain customers. As at 31 March 2023, the deferred revenue is amounting to $ Nil (2022: $ Nil).

Aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March 2023 is Nil (2022: $ 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	
	2023	2022	2023	2022
			$	$
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:

	2023	**2022**
	$	**$**
Immediate holding company - Mphasis Europe BV		
Subcontract charges paid/payable	**-**	-
Intermediate holding company - Mphasis Limited		
Services fees received/receivable	**359,984**	440,691
Subcontract charges paid/payable	**(8,011,795)**	(7,349,879)
Administrative & other charges paid/payable	**(165,572)**	(159,626)
ESOP and RSU Costs	**(196,601)**	(98,386)
Intermediate holding company - Mphasis Corporation USA		
Services fees received/receivable	**20,946**	206,567
Subcontract charges paid/payable	**(24,846)**	(7,870)
Other related parties		
Services fees received/receivable	**19,690**	33,637
Subcontract charges paid/payable	**(27,281)**	(21,504)
Interest income from loans made to entities	**621,311**	452,297

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:

	2023	**2022**
	$	$
Short-term employee benefits	**473,835**	334,963

(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:

	2023 $	2022 $
Financial assets at fair value through profit or loss		
Derivative financial instruments	**15,702**	57,508
Financial assets measured at amortised cost		
Trade receivables	**6,596,230**	3,865,246
Other receivables	**668,505**	487,121
Cash and cash equivalents	**1,030,919**	1,334,633
Loans to a related party	**11,325,619**	11,655,133
	19,621,273	17,342,133
Financial liabilities at fair value through profit or loss		
Derivative financial instruments	**149,472**	2,795
Financial liabilities measured at amortised cost		
Trade and other payables	**5,735,283**	4,168,347

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	2023				2022			
	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	**15,702**	-	15,702	-	**57,508**	-	57,508	-
Liabilities								
Derivative financial instruments	**149,472**	-	149,472	-	**2,795**	-	2,795	-

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 2023						
Estimated total gross carrying amounts at default	2,323,918	1,559,989	1,828,217	914,863	-	6,626,987
ECL	(1,711)	(1,129)	(20,826)	(7,089)	-	(30,757)
						6,596,230
31 March 2022						
Estimated total gross carrying amounts at default	1,616,285	1,663815	179,234	65,262	350,674	3,875,270
ECL	(3,791)	(3,956)	(710)	75	(1642)	(10,024)
						3,865,246

The allowance for lifetime expected credit loss as at 31 March 2023 and 31 March 2022 was $ 30,756 and $ 10,024 respectively.

The reconciliation is as follows.

	2023 $	2022 $
At 1 April	**10,024**	**3,441**
Charge / (Reversal) for the year	**20,733**	6,583
At 31 March	**30,757**	**10,024**

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 $ 56,628 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.

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:

	2023				2022			
	USD	**MYR**	**AUD**	**EUR**	**USD**	**MYR**	**AUD**	**EUR**
Financial assets								
Trade receivables	1,489,012	269,103	-	-	1,617,500	1,124,802	-	-
Other receivables	72,136	21,515	98,619	458,032	199,364	-	19,474	325,847
Cash and cash equivalents	354,553	299,565	-	-	150,571	104,462	-	-
Loans to a related party	-	-	3,364,557	7,961,059	-	-	3,830,513	7,824,620
	1,915,701	**590,183**	**3,463,177**	**8,419,091**	**1,967,435**	**1,229,264**	**3,849,987**	**8,150,467**
Financial Liabilities								
Trade and Other payables	4,802,481	194,731	-	-	2,641,169	820,615	-	-
	4,802,481	**194,731**	**-**	**-**	**2,641,169**	**820,615**	**-**	**-**
Currency Exposure	**(2,886,779)**	**395,452**	**3,463,177**	**8,419,091**	**(673,734)**	**408,649**	**3,849,987**	**8,150,467**

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	
	2023	**2022**
	$	**$**
United States Dollar	(288,678)	(67,373)
Malaysian Ringgit	39,545	40,865
Euro	796,106	815,047
AUD	346,318	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

	2023		
	Carrying amount	**Contractual cash flows**	**one year or less**
Financial liabilities			
Trade payables and other payables	**5,852,826**	**5,852,826**	**5,852,826**
	5,852,826	**5,852,826**	**5,852,826**

	2022		
	Carrying amount	**Contractual cash flows**	**One year or less**
Financial liabilities			
Trade payables and other payables	4,171,142	4,171,142	4,171,142
	4,171,142	4,171,142	4,171,142

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**
2023			
Gross-settled currency forwards			
Receipts – USD	**854,087**	-	-
Payments – AUD	**(3,796,703)**		
Payments – EUR	**(5,676,438)**		
Payments – USD	(**400,000**)	-	-
2022			
Gross-settled currency forwards			
Receipts – USD	654,087	-	-
Payments – AUD	(3,796,703)		
Payments – EUR	(5,276,438)	-	-
Payments – USD	(150,000)	-	-

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 2023 and 31 March 2022.

The Company is not subject to any significant externally imposed capital requirements.

MPHASIS UK LIMITED

REGISTERED NUMBER: 03770564

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Directors	Subramanian Narayan Vilas Kanyal Jan Kathleen Hier Anurag Bhatia Nichola Jayne Thomson (resigned 20 January 2023) Stephen Barwell (appointed 30 January 2023)
Company number	03770564
Registered Office	15 Bishopsgate, London, United Kingdom, EC2N 3AR
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

CONTENTS **PAGE**

Strategic report	1-3
Directors' report	4
Statement of directors' responsibilities	5
Unaudited statement of comprehensive loss	6
Unaudited statement of financial position	7
Unaudited statement of changes in equity	8
Notes to the unaudited financial statements	9-18

Company number 03770564

Strategic Report for the year ended 31 March 2023

The Directors present their strategic report for the year ended 31 March 2023.

Principal activities and review of business

This year's NASSCOM's Strategic Review report is themed "Priming for a 'No Normal' Future"; as the Indian tech Industry has displayed resilience and growth in the wake of global uncertainty, as well as strengthened its position as a trusted global technology leader over the past several years.

Midway through 2022, uncertainty resulting from recent global events largely centered on persistent inflation, fiscal tightening, market volatility and geopolitical tensions, signalled that the world economy was headed towards a potentially prolonged downturn, foreshadowing a likely global recession.

According to McKinsey's recent Global Economics Intelligence summary, the growth estimates for 2023 and 2024 have become less acute pointing towards a shorter slowdown, with an anticipated rebound in 2024. Even in the backdrop of this dynamic environment, enterprise IT spending has remained strong and is projected at $4.6 trillion in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner.

This duality in the environment is a result of the different economic realities being faced by consumers and enterprises. Enterprises are continuing to increase spending on digital business initiatives despite the slowdown.

A divergence from previous cyclical downturns can be explained by modern enterprises prioritizing segments of tech spend as a means of transforming their business and becoming more innovative, with a view towards optimizing current revenue streams or creating new ones. This is evident by the fact that leaders in enterprise technology are growing five times faster than laggards today, whereas this gap was only two times before the pandemic. Leveraging technology is going to be a critical factor in an enterprise's catalyst of the future.

In this dynamic environment, the Company continues to move forward from a position of strength. The Company has a foundation of strong industry solutions, client base and is backed by the leading technology Mphasis Group; all these aspects will help the Company to continue to execute its growth strategy and insulate it from the market challenges. The Company will continue to work with its clients to build their transformation capabilities and get them future-ready. Our continuously evolving Tribes and Squads model driving the themes of cloud-led transformation is the steering force behind the strong TCV. This model has helped the Company to scale its ability to service the growing pipeline.

The Company made the right choices a few years ago - technology as a service, consumer, and cost - are now converging in this backdrop. The tech investing super cycle that started in 2021 is still underway and the Company foresees that enterprises will continue to prioritize investments in areas such as cloud, data engineering and strategic data assets, as well as areas like cybersecurity, customer experience and support transformation, as the latter also leads to a significant cost takeout opportunity. This will necessitate a pivot for the entire industry from maintenance and infrastructure services to transformation that can enable clients to deliver better services to customers and go-to-market faster using data analytics.

The Company will continue to invest in the engines of growth by focusing on new client acquisitions, adding marquee logos, growing the top accounts etc. The Company is confidently embracing this unique environment and leading it by staying true to its purpose, implementing deal archetype playbooks, to protect the core, ensure repeatable growth in capability-led transformation and to accelerate from "Run" to "Change", at the speed of our clients.

The Company is a wholly owned subsidiary of Mphasis Europe BV and operates from United Kingdom. The intermediate holding companies of the Company are Mphasis Corporation, USA, and Mphasis Limited, India. The Company continues to be part of Blackstone Group of Companies

Results and dividends

The revenue during the period was £ 64,514,921 recording a growth of 11% over previous year. The loss for the year ended 31 March 2023 amounted to £ 3,287,090 (Loss for 31 March 2022: £ 1,775,747). The loss during the year was on account of increase in the employment cost and financing charges. The directors have not recommended a dividend for 31 March 2023 (31 March 2022: £ 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 £ 64,514,921 recording a growth of 11% over the previous year. The loss for the year ended 31 March 2023 amounted to £ 3,287,090 (Loss for 31 March 2022: £ 1,775,747). The loss during the year was on account of increase in the employment cost and financing charges.

Financial risk management objectives, risks and policies

Being in the IT / ITES industry, the Company thrives in a very dynamic business environment. Apart from the global economic slowdown and the recession risks, a variety of factors including the rapid pace of technological changes and geopolitical conflict affects the business environment in which the Company operates. The Risk Management Program of the Company is centrally managed by its parent company, based at India and comprehensively manages the risks which can be classified as – Strategic, Operational, Financial, Information Security and Compliance. While the Company faces several risks, prominent ones are discussed below:

Volatile Global Political and Economic Situation: The Company derives a considerable portion of its revenue from its client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity.

Cybersecurity Risks: The increasing reliance on technology exposes IT/ITES companies to cyber threats, including data breaches, hacking, malware, and ransomware attacks. These risks can result in financial losses, reputational damage, and legal liabilities.

To mitigate these risks, the Company has implemented several measures including robust IT security frameworks and a Cyber Security Strategy. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks.

Data Privacy and Confidentiality: The IT/ITES industry deals with sensitive customer data and intellectual property. Breaches of data privacy or confidentiality can lead to legal consequences, reputational damage, loss of client trust, and regulatory penalties.

To mitigate this risk, the Company has implemented a Privacy Risk Management Framework comprising adequate controls encompassing people, process, and technology to ensure compliance with the relevant and applicable privacy laws including but not limited to European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Australian Data Privacy Principles, etc.

Continuity and Disaster Recovery Risk: Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery.

The Company has implemented Disaster Recovery for all the identified critical enterprise applications.

Talent Acquisition and Retention: The IT/ITES industry faces intense competition for skilled professionals. There is a constant need to attract and retain top talent to maintain a competitive edge. Failure to attract and retain skilled employees can result in project delays, decreased productivity, and increased recruitment costs.

The Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. The Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent.

Vendor and Supply Chain Risks: Risks associated with vendor performance, supply chain disruptions, contract disputes, or the failure of critical suppliers can impact the company's operations, delivery timelines, and customer satisfaction.

The Company has adequate monitoring mechanisms in place to regularly assess the vendor / third parties' performance, adherence to contracts, etc. and faces no major issues.

Project Execution and Delivery Risks: Failure to deliver projects on time, within budget, and meeting quality standards can result in financial losses, contract terminations, reputational damage, and legal disputes.

To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

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 key financial risks such as liquidity risk, forex fluctuation, etc. are also well managed by the centralized Treasury function.

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™. 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.

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, the ecosystem is powered by Employees – a diverse group of best-in-class talent, who are focused on being future-ready. The Company embarked on a journey to Hyper personalize HR Programs last year which has been enhanced this year through digitization. The Company has retained its winning culture of equality, fairness, collaboration and transparency.

With the changing IT Industry terrain, the Company focus is to invest in top talent that enables it to navigate dynamic shifts in customer expectations. To meet supply and demand challenges, the Company has enhanced its digital platform with skill-based hiring capabilities and innovative processes to actively pursue the right talent. The Company's talent philosophy commits being an equal opportunity employer prioritizing Diversity and Inclusion. The Company has established the DEI council and allyship program with leaders globally to support Mphasians from diverse backgrounds. From enhancements in insurance plan for gender affirmation and differently abled employees to a more inclusive workspace, the Company is recognized as one of the top employers in the DEI space.

Talent Management programs including hire-to-retire policies, customized pay models and career progression frameworks encourage meritocracy and skill development. This has helped the Company in engaging with talent segments and skill communities. Talent Next, a flagship program, coupled with our X2C2™ strategy (read as "Anything to Cloud powered by Cognitive": i.e., capability development in NextGen Digital skills) runs across the HR ecosystem. In FY23, this program was further evolved by integrating talent acquisition, talent development, performance management, employee productivity, engagement and total rewards along with catering to an employee's aspirational needs. Since its inception there has been multifold increase in the number of people certified and deployed on NextGen digital skills suiting business requirements.

Accolade, a cloud-based recognition platform, builds a culture of recognition and makes hyper-personalized rewards a reality. Employee achievements are published across the organization fostering the Employees to celebrate their wins regularly. The prestigious Annual ACE awards was conducted entirely on cloud digital platform and encouraged participation from the entire workforce including employee families, creating a sense of belongingness.

As the Company continues to operate in a hybrid work environment, Employees across remote teams and geographies look to collaborate and engage in the office workspace speaking to our Hi-Touch, Hi-Tech and Hi-Trust proposition. All people programs focus employee experience, wellness and their continued growth. Through regular eSAT pulse surveys, the Company gets a real-time insights into employee experiencing, their needs, and the areas to improve. The Company analyzes the data to identify trends, patterns and opportunities for growth, which enables to make data-driven decisions and take actions that align with our goals and values.

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 2023. 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 2023, 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 after-effects of the Pandemic 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 2023.

Company number 03770564

Directors' report for the year ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

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 2023, were:

Mr. Subramanian Narayan
Mr. Vilas Kanyal
Ms. Jan Kathleen Hier
Mr. Anurag Bhatia
Ms. Nichola Jayne Thomson (ceased to be Director effective 20 January 2023)
Mr. Stephen Barewell (appointed as on 30 January 2023)

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.

Company number 03770564

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2023

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 2023

	Note	2023	2022
		£	£
Turnover	2	**64,514,921**	**58,055,423**
Cost of sales		(58,771,539)	(51,567,875)
Gross profit		**5,743,382**	**6,487,548**
Administrative expenses		(9,323,680)	(9,514,566)
Other operating income		22,445	-
Operating loss	3	**(3,557,853)**	**(3,027,018)**
Interest receivable and similar income	5	311,482	101,849
Interest payable and similar charges	5	(828,337)	(39,047)
Loss on ordinary activities before taxation		**(4,074,708)**	**(2,964,216)**
Tax on loss from ordinary activities	7	787,618	1,188,469
Loss for the financial year attributable to the owners of the company		**(3,287,090)**	**(1,775,747)**
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to the owners of the company		**(3,287,090)**	**(1,775,747)**

All amounts relate to continuing operations.

The notes on pages 9 to 18 form part of these financial statements.

Company number 03770564

Unaudited statement of financial position as at 31 March 2023

	Note		2023		2022
			£		£
Fixed assets					
Tangible fixed assets	6		447,738		472,771
Intangible fixed assets	6		357		871
Investments	8		120,986,662		120,986,662
			121,434,757		**121,460,304**
Noncurrent assets					
Prepayments and accrued income	9		8,864,636		2,447,334
Current assets					
Debtors	9	35,838,253		37,374,840	
Cash at bank and in hand		2,844,495		1,237,483	
		38,682,748		**38,612,323**	
Creditors : amounts falling due within one year	10	(44,196,280)		(34,447,010)	
Net current (liabilities)/assets			**(5,513,532)**		**4,165,313**
Total assets less current liabilities			**124,785,861**		**128,072,951**
Net assets			**124,785,861**		**128,072,951**
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			3,767,202		7,054,292
Shareholders' equity			**124,785,861**		**128,072,951**

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 2023

	Called-up share capital	Share Premium	Profit and loss account	Total
At 1 April 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**
Loss for the financial year	-	-	(3,287,090)	**(3,287,090)**
Total comprehensive loss	-	-	(3,287,090)	**(3,287,090)**
At 31 March 2023	**3,107**	**121,015,552**	**3,767,202**	**124,785,861**

The notes on pages 9 to 18 form part of these financial statements.

Notes to the unaudited financial statements for the year 31 March 2023

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:

15 Bishopsgate,

London, United Kingdom,

EC2N 3AR

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 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 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.

A company is exempt from the requirement to prepare group accounts if it is itself a subsidiary undertaking and its parent undertaking 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 financial 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 group'sforecast 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.

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.

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 2023

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 2023

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 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 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 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.

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 derivative contract is entered into and are subsequently measured at fair value at each reporting 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 assessments 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. Lease payments are apportioned between capital repayment and finance charge, using effective interest rate method, to produce a constant rate 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 assets 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 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 statement of financial position 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:

  Contract work-in-progress

  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 reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage 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 2023

- **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 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.

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.

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	**2023**	**2022**
	£	**£**
United Kingdom	54,189,684	49,904,525
Rest of the world	10,325,237	8,150,898
	64,514,921	**58,055,423**

Analysis of turnover by customer	**2023**	**2022**
	£	**£**
External revenue	49,551,909	46,759,491
Revenue from fellow group undertakings	14,963,012	11,295,932
	64,514,921	**58,055,423**

3. OPERATING LOSS

	2023	**2022**
The Operating loss is stated after charging / (crediting)	**£**	**£**
Depreciation of tangible and intangible fixed assets	210,369	102,956
Operating lease rentals	713,669	392,260
Auditor's remuneration	25,000	24,156
Foreign exchange loss	46,699	205,544

4. STAFF COSTS

	2023	**2022**
Staff costs including directors' remuneration, were as follows:	**£**	**£**
Wages and salaries	26,976,711	22,090,081
Social security costs	2,802,498	2,443,114
Other contributions	532,782	451,311
	30,311,991	**24,984,506**

Included in staff cost is an amount of £305,983 (2022- £183,399) relating to Employee Stock Option plan (ESOPs) and £616,895 (2022 - £307,848) relating to Restricted Stock Unit Plan-2021 (RSU).

During the year, 17,900 (2022 - 61,208) stock options pertaining to ESOP 2016 Plan and 1,800 (2022 - 77,156) 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 2023

The average monthly number of employees, including the directors, during the year were as follows:

Category	2023 No.	2022 No.
Direct production	342	264
Sales	27	28
Administration	12	8
	381	**300**

Directors' emoluments and transactions	2023 £	2022 £
Remuneration	624,802	878,465
National insurance contributions	88,742	112,694
	713,544	**991,159**
Emoluments of the highest paid director		
Remuneration	358,574	483,171
National insurance contributions	51,042	60,482
	409,616	**543,653**
The number of directors who exercised share options	1	1

During the year, retirement benefits were accrued for 1 director of £1,517 (2022: 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	2023 £	2022 £
Interest on loans given to fellow undertaking	311,482	101,849
	311,482	**101,849**
Interest payable and similar charges		
Interest on loans taken from fellow undertaking	828,337	39,047
	828,337	**39,047**

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 2022	60,466	6,563	502,374	290,927	860,330	99,619	99,619
Additions	2,117	-	182,705	-	184,822	-	-
Disposals	(35,320)	-	(151,332)	-	(186,652)	(77,716)	(77,716)
At 31 March 2023	**27,263**	**6,563**	**533,747**	**290,927**	**858,500**	**21,903**	**21,903**
Depreciation							
At 1 April 2022	23,957	588	229,150	133,864	387,559	98,748	98,748
Charge for the year	20,139	938	153,182	35,596	209,855	514	514
Disposals	(35,320)	-	(151,332)	-	(186,652)	(77,716)	(77,716)
At 31 March 2023	**8,776**	**1,526**	**231,000**	**169,460**	**410,762**	**21,546**	**21,546**
Net book value							
At 31 March 2023	**18,487**	**5,037**	**302,747**	**121,467**	**447,738**	**357**	**357**
At 31 March 2022	**36,509**	**5,975**	**273,224**	**157,063**	**472,771**	**871**	**871**

Notes to the unaudited financial statements for the year 31 March 2023

7. TAXATION

(a) Tax expense included in the statement of comprehensive income	2023 £	2022 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2022 - 19%)	-	-
Adjustments in respect of prior years	(301,821)	(399,386)
Total current tax	**(301,821)**	**(399,386)**
Deferred tax		
Origination and reversal of timing differences	(485,797)	(789,083)
Effect on opening deferred taxes of change in tax rate	-	-
Total deferred tax	**(485,797)**	**(789,083)**
Total tax expense included in the statement of comprehensive income	**(787,618)**	**(1,188,469)**

b) Reconciliation of tax expense included in the statement of comprehensive income

	2023 £	2022 £
Loss on ordinary activities before taxation	(4,074,708)	(2,964,216)
Income tax calculated at 19% (2022-19%)	(774,195)	(563,201)
Expenses not deductible for tax purposes	9,920	6,867
Utilisation of tax losses, previously unrecognised	-	-
Other timing differences	764,275	556,334
Tax expense for the year	**-**	**-**
Adjustment in respect of prior years	(301,821)	(399,386)
Deferred tax (income) / expense for the year	(485,797)	(789,083)
Total tax expense for the year	**(787,618)**	**(1,188,469)**

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)	2023 £	2022 £
Fixed assets	(71,570)	(13,954)
Provision for employee benefits	240,940	19,217
Net operating losses	1,105,510	783,820
Total	**1,274,880**	**789,083**

8. INVESTMENTS

	2023 £	2022 £
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 2023

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

	2023 £	2022 £
Debtors due within one year		
Trade debtors	10,647,612	9,486,784
Deferred tax (refer note 7)	1,274,880	789,083
Amounts owed by group undertakings	13,322,854	9,168,080
Other debtors	255,956	264,682
Advance tax net of provisions	314,964	447,788
Prepayments	3,716,682	3,670,611
Amount receivable on contracts	4,734,662	5,696,618
Other assets	1,570,643	7,851,194
	35,838,253	**37,374,840**
Debtors due more than one year		
Prepayments	1,490,736	2,047,546
Other assets	7,373,900	399,788
	8,864,636	**2,447,334**
	44,702,889	**39,822,174**

Amounts owed by group undertakings includes a loan of £7,801,000 (2022 - £3,800,000) to Mphasis Consulting Limited which carries minimum interest of 3.1% p.a. or 3M GBP LIBOR + 2.5% p.a. The loans are repayable on demand.

10. CREDITORS

	2023 £	2022 £
Amounts falling due within one year		
Trade creditors	1,967,475	1,639,087
Amounts owed to group undertakings	31,589,491	21,750,770
Social security and other taxes	1,863,396	1,498,135
Accruals and deferred income	8,772,908	9,559,018
Taxation payable	3,010	-
	44,196,280	**34,447,010**

Amounts owed to group undertakings includes loans of £2,221,819 (2022 - £2,823,696) which is taken from Mphasis Belgium BV and carries interest at 3M Euribor +350 bps p.a. and £18,996,975 (2022 - £Nil) which is taken from Mphasis Corporation USA and carries interest at 3M SOFR +200 bps p.a. The loan is repayable on demand.

Notes to the unaudited financial statements for the year 31 March 2023

11. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2023 £	2022 £
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	2023 £	2022 £
Operating lease payments due		
Within 1 year	434,565	275,513
1 year to 5 year	29,160	57,545
Total	**463,725**	**333,058**

13. RELATED PARTY TRA.NSACTIONS

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 is BCP Asia (SG) Mirror Holding Pte Ltd.

During the year the Company provided services to Mphasis Deutschland GmbH. Revenue of £62,292 (2022 - £47,746) was recognised and Cost of sales of £53,265(2022 - £118,055) is accounted. At the year-end £274,808 (2022 - £189,482) & £Nil (2022 - £130,647) was outstanding and included within debtors and creditors, respectively.

During the year the Company provided services to Mrald Limited. Revenue of £36,439 (2022 - £12,771) was recognised. At the year-end £106,544 (2022 - £13,044) was outstanding and included within debtors.

14. FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost	2023 £	2022 £
Trade and other debtors	10,903,568	9,751,466
Amounts owed from holding and related companies	13,322,854	9,168,080
Cash and cash equivalents	2,844,495	1,237,483
	27,070,917	**20,157,029**

Financial Liabilities measured at amortised cost	2023 £	2022 £
Trade creditors	1,967,475	1,639,087
Amounts due to holding and related companies	31,589,491	21,750,770
	33,556,966	**23,389,857**

Notes to the unaudited financial statements for the year 31 March 2023

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.

	2023	2022
Defined Benefit Plan	**£**	**£**
Charge to statement of comprehensive income	465,646	434,941
Net liability at the end of the year	570,693	430,352
Assumptions		
Discount rate	3.22%	4.80%
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

	2023	2022
	£	**£**
Service cost		
Current service cost	288,412	157,674
Total service cost	288,412	157,674
Net interest cost		
Interest expense on Defined Benefit Obligation	19,359	20,179
Total net interest cost	19,359	20,179
Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	157,875	257,088
Defined benefit cost included in P&L	**465,646**	**434,941**

	2023	2022
	£	**£**
Cost Recognised in P&L	465,646	434,941
Total Cost Recognised in Comprehensive Income	**465,646**	**434,941**

Change in Defined Benefit Obligation

	2023	2022
	£	**£**
Defined Benefit Obligation as of Prior Year end	**430,352**	**352,653**
Service Cost		
Current service cost	288,412	157,674
Interest Cost	19,359	20,179
Benefit payments directly by employer	(325,305)	(357,242)
Actuarial (Gain) / Loss - Financial Assumptions	71,958	43,212
Actuarial (Gain) / Loss - Experience	85,918	213,876
Defined Benefit Obligation as of Current Year end	**570,693**	**430,352**

Net Defined Benefit Liability

	2023	2022
	£	**£**
Defined Benefit Obligation	570,693	430,352
Fair value of Plan Assets	-	-
(Surplus) / Deficit	570,693	430,352
Effect of Asset Ceiling	-	-
Net Defined Benefit Liability	**570,693**	**430,352**

Reconciliation of Amounts in Balance Sheet

	2023	2022
	£	**£**
Net defined benefit liability at prior year end	**430,352**	**352,653**
Defined benefit cost included in P&L	465,646	434,941
Direct benefit payments by Employer	(325,305)	(357,242)
Net defined benefit liability at end of period	**570,693**	**430,352**

Notes to the unaudited financial statements for the year 31 March 2023

16. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parent 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 2023 is Mphasis Limited. The Mphasis Group accounts are available on www.mphasis.com.

The ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd.

MSOURCE MAURITIUS INC.

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS **PAGES**

CORPORATE DATA	1
UNAUDITED STATEMENT OF FINANCIAL POSITION	2
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
UNAUDITED STATEMENT OF CHANGES IN EQUITY	4
UNAUDITED STATEMENT OF CASH FLOWS	5
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS	6-23

MSOURCE MAURITIUS INC.

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

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	:	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		
AUDITORS	:	KPMG KPMG Centre 31, Cybercity Ebène 72201 Republic of Mauritius		

MSOURCE MAURITIUS INC.

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	NOTE	2023	2022
ASSETS		**USD**	USD
Non-current asset			
Investment in subsidiary	**6**	**13,060,247**	13,060,247
Current assets			
Prepayments	**7**	**4,409**	10,849
Cash and cash equivalents		**120,281**	20,791
Total current assets		**124,690**	31,640
Total assets		**13,184,937**	13,091,887
EQUITY AND LIABILITY			
Capital and reserves			
Stated capital	**8**	**325,001**	225,001
Contributed capital	**9**	**12,266,527**	12,266,527
Retained earnings		**544,394**	559,169
Shareholders' equity		**13,135,922**	13,050,697
Current liability			
Other payables	**10**	**49,015**	41,190
Total equity and liability		**13,184,937**	13,091,887

The notes on pages 12 to 31 form an integral part of these audited financial statements.

MSOURCE MAURITIUS INC.

UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	NOTE	2023	2022
		USD	USD
INCOME			
Other income		**3,023**	-
EXPENSES			
Licence fees		**2,425**	1,731
Professional fees		**2,926**	510
Disbursements		**250**	-
Accountancy fees		**765**	750
Audit fees		**6,357**	5,300
Bank charges		**510**	465
Administration fees		**4,565**	2,122
		17,798	10,878
Loss before taxation		**(14,775)**	(10,878)
Taxation	**11**	**-**	-
Loss for the year		**(14,775)**	(10,878)
Other comprehensive income		**-**	-
Loss for the year		**(14,775)**	(10,878)

The notes on pages 12 to 31 form an integral part of these audited financial statements.

MSOURCE MAURITIUS INC.

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Stated capital USD	Contributed capital USD	Retained earnings USD	Total USD
At 01 April 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**
Total comprehensive income for the year				
Addition during the year	**100,000**	**-**	**-**	**100,000**
Loss for the year	**-**	**-**	**(14,775)**	**(14,775)**
At 31 March 2023	**325,001**	**12,266,527**	**544,394**	**13,135,922**

The notes on pages 12 to 31 form an integral part of these audited financial statements.

MSOURCE MAURITIUS INC.

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	USD	USD
Cash flows from operating activities		
Loss before taxation	**(14,775)**	(10,878)
Changes in:		
Prepayments	**6,440**	(3,514)
Other payables	**7,825**	13,927
Net cash used in operating activities	**(510)**	(465)
Cash flows from financing activities		
Issuance of shares	**100,000**	-
Net (increase)/decrease in cash and cash equivalents	**99,490**	(465)
Cash and cash equivalents at start of the year	**20,791**	21,256
Cash and cash equivalents at end of the year	**120,281**	20,791

The notes on pages 12 to 31 form an integral part of these audited financial statements.

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 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 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 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 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) Functional and presentation 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 United States Dollars ("USD") as the majority of its transactions is in USD. The financial statements are presented in USD and all information presented have been rounded to the nearest USD unless otherwise stated.

(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. Refer to Note 15 for more details.

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. The Company does not consolidate its subsidiary and present consolidated financial statements as explained in Note 2(a).

Investments in subsidiaries are initially shown at cost. 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 profit or loss as an impairment charge.

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 recognised in profit or loss 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 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 shareholder, 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.

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)

Classification (continued)

The Company has determined that it has the held-to-collect business model: this includes cash and cash equivalents. 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).

Financial Liabilities

The Company classifies its financial liabilites at amortised cost. The Company does not have financial liabilities at FVTPL at the reporting date. The Company classifies its other payables as financial liabilities at amortised cost.

Subsequent measurement

Financial assets at amortised cost	These financial 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.

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 in the case of a financial assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

Impairment

The Company recognises loss allowances for expected credit loss (ECL) on financial assets measured at amortised cost.

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).

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;

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

Derecognition (continued)

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.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, e.g. for gains and losses arising from a Company of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. The Company has not applied offsetting of its financial instruments in the statement of financial position as at reporting date.

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.

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, in the principal or in its absence, the most advantageous market to which the Company has access at that date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments
Level 2: Inputs that are observable either directly (e.g as prices) or indirectly (e.g derived from prices).
Level 3: Inputs that are unobservable.

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. The Company did not have assets or liabilities measured at fair value at reporting date.

4. 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.

5. INVESTMENT IN SUBSIDIARY

	2023	2022
Cost:	**USD**	USD
At 01 April and 31 March	**13,060,247**	13,060,247

Details of investments are as follows:

Name of the Company	**Principle place of business and Country of incorporation**	**Type of shares held**	**No of shares held**	**% Holding 2023**	**% Holding** 2022
				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.

6. PREPAYMENTS

	2023	2022
	USD	USD
At 31 March	**4,409**	10,849
	4,409	10,849

7. STATED CAPITAL

	2023	2022
	USD	USD
Issued and fully paid:		
225,001 Ordinary shares of USD 1 each	**225,001**	225,001
100,000 Ordinary shares of USD 1 each issued during the year	**100,000**	-
At 31 March	**325,001**	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.

8. CONTRIBUTED CAPITAL

	2023	2022
	USD	USD
At 31 March	**12,266,527**	12,266,527

Contributed capital represent amounts received from the shareholder, which are non-reciprocal. Since, no obligations exists to repay, the amount is classified as equity.

9. OTHER PAYABLES

	2023	2022
	USD	USD
Accruals	**8,423**	16,205
Amount due to Mphasis Corporation (note 14)	**40,592**	24,985
	49,015	41,190

The amount due to the parent of holding company is unsecured, interest free and repayable on demand.

10. 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.

10. 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 2023 and 2022.

10. TAXATION (CONTINUED)

Tax reconciliation

	2023	2022
	USD	USD
Current year charge	**-**	-
Loss before taxation	**(14,775)**	(10,878)
Tax at 15%	**(2,216)**	(1,632)
Deferred tax assets not recognised	**2,216**	1,632
Tax charge for the year	-	-

No provision for deferred tax asset has been recognised in respect of tax losses accumulated to **USD 84,097** (2022: USD 83,722) because it is not certain whether future taxable profit will be available against which the loss can be utilised.

Tax loss amounting to **USD 14,400** has been lapsed during the year (2022: USD 14,974).

	2023	2022
	USD	USD
Tax losses carried forward for the next 5 years	**(14,775)**	(10,878)
Tax losses carried forward for the next 4 years	**(10,878)**	(12,474)
Tax losses carried forward for the next 3 years	**(12,474)**	(18,251)
Tax losses carried forward for the next 2 years	**(18,251)**	(10,325)
Tax losses carried forward for the next 1 years	**(10,325)**	(17,394)
Tax losses carried forward for the next year	**(17,394)**	(14,400)
	(84,097)	(83,722)

11. 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 and classification of financial instruments

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 financial assets and liabilities include cash and cash equivalents and other payables which are realisable or settled within a short period of time. The carrying amounts of these assets and liabilities approximate their fair values. Therefore, the fair value hierarchy table is required to be presented for the financial instruments.

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 2023	**USD**	**USD**	**USD**
Financial assets			
Cash and cash equivalents	**120,281**	**-**	**120,281**
Financial liabilities			
Other payables	**-**	**49,015**	**49,015**

11. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair values and classification of financial instruments (continued)

	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	-	20,791
Financial liabilities			
Other payables	-	41,190	41,190

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.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in interest rates. The Company's only significant interest earning financial asset is money market assets. Interest income from cash at bank may fluctuate in amount, in particular due to changes in market interest rates. In view of the small average balance held in money market assets, the directors are of opinion that interest rate changes will not have a material impact on the Company's net profit and equity. The Company does not have any interest bearing debt or funding.

11. 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:

	2023	2022
	USD	USD
Less than 1 year		
Cash and cash equivalents	**120,281**	20,791

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 2023. 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:

	2023	2022
	USD	USD
Less than one year		
Other payables	**49,015**	41,190

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.

12. 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 2023 is **USD 13,135,922** (2022: USD 13,050,697).

13. RELATED PARTY DISCLOSURES

For the year ended 31 March 2023, 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 2023**	Balance at 31 March 2022
				USD	USD
Mphasis Corporation	Parent of holding company	Payment of expenses	**15,607**	**40,592**	24,985

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:

	2023	2022
	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 4,565** (2022: USD 2,122) was expensed during the year in respect of the aforesaid services.

14. GOING CONCERN AND IMPACT OF COVID-19

At 31 March 2023, the Company has incurred losses of **USD 14,775** (2022: USD 10,878) and as at that date, its current financial assets exceed its current financial liabilities by **USD 75,675** (2022: current financial liabilities exceeded its current financial assets by USD 9,550).

The Company has sufficient cash flow available for operations of the Company for the foreseeable future.

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 up to 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 since the end of the reporting period which require disclosure or adjustment to the financial statements for the year ended 31 March 2023.

Mphasis Wyde Inc.

Unaudited Financial Statements
for the year ended 31 March 2023

	Page
Unaudited balance sheet	1
Unaudited statement of comprehensive income	2
Unaudited statement of changes in stockholders' equity	3
Unaudited statement of cash flows	4
Notes to the unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$	292,717
Loans given to related parties		16,748,910
Other assets		6,927
Total current assets	**$**	**17,048,554**
Investment in subsidiaries	$	275,170,000
Other non-current assets		1,839,451
Total assets	**$**	**294,058,005**
Liabilities and Stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses		23,065
Payable to related parties		49,593,099
Income Tax Liabilities (Net)		4,663
Total current liabilities	**$**	**49,620,827**
Non current liabilities:		
Deferred tax liability,net	$	13,225,537
Total non current liabilities	**$**	**13,225,537**
Total liabilities	**$**	**62,846,364**
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		36,711,641
Total Stockholders' equity	**$**	**231,211,641**
Total liabilities and Stockholders' equity	**$**	**294,058,005**

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue	$	-
Cost of revenue		-
Gross profit	$	-
General and administrative	$	24,173
Total operating expenses	**$**	**24,173**
Operating loss	$	(24,173)
Other income, net:		
Interest and other income, net		957,349
Interest expense		(9,669)
Total other income, net	**$**	**947,680**
Profit before taxes	$	923,507
Tax expense		7,085,922
Net loss	**$**	**(6,162,415)**
Other comprehensive income		-
Comprehensive loss	**$**	**(6,162,415)**

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

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2023

	Common stock	Additional paid-in capital	Retained earnings	Stockholders' equity
Balance at March 31, 2022	**$ 2**	**$ 194,499,998**	**$ 42,874,056**	**$ 237,374,056**
Comprehensive income				
Net loss	-	-	(6,162,415)	(6,162,415)
Other comprehensive income	-	-	-	-
Balance at March 31, 2023	**$ 2**	**$ 194,499,998**	**$ 36,711,641**	**$ 231,211,641**

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

UNAUDITED STATEMENTS OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Operating activities:		
Net loss	$	(6,162,415)
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest expenses		9,669
Interest income		(943,136)
Deferred Tax		3,344,192
Changes in operating assets and liabilities:		
Other non-current assets		(1,804,130)
Accounts payable and accrued expenses		6,193
Income taxes payable		(76,936)
Net cash flow used in operating activities	**$**	**(5,626,563)**
Investing activities:		
Loans given to related parties		(1,600,000)
Loans repaid by related parties		1,697,964
Net cash flow generated from investing activities	**$**	**97,964**
Financing activities:		
Loans taken from related parties		6,500,000
Loans repaid to related parties		(7,384,188)
Funds received from related parties		6,520,000
Net cash flow generated from financing activities	**$**	**5,635,812**
Net increase in cash and cash equivalents	$	107,213
Cash and cash equivalents, beginning of year		185,504
Cash and cash equivalents, end of year	**$**	**292,717**
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$	5,622,796
Interest paid	$	84,188

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

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. The ultimate holding company of Mphasis Limited is BCP Asia (SG) Mirror Holding Pte Ltd.

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. The Company believes it mitigates any risks by depositing cash with major financial institutions.

The Company maintained $292,717 in the bank accounts within the United States as at March 31, 2023.

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- 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).

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, 2023 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.

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, 2023. 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.

Recently issued accounting pronuncements

Reference Rate Reform - ASU 2022-06

In March 2021, the UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures**.**

NOTE 3 – INVESTMENT IN SUBSIDIARIES		**March 31, 2023**
Wyde Corporation	$	88,270,000
Digital Risk LLC		186,900,000
	$	**275,170,000**

NOTE 4 – INCOME TAXES		**March 31, 2023**
Income tax expense comprises		
Current taxes	$	3,741,730
Deferred tax		3,344,192
Total taxes	**$**	**7,085,922**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income. Deferred income tax components as of March 31, 2023 are as follows:

		March 31, 2023
Deferred tax asset		
Depreciation and amortization expense:	$	3,833,320
Provision for employee benefits		263,197
Others		140,262
	$	**4,236,779**
Deferred tax liability		
Goodwill	$	(17,462,316)
	$	**(17,462,316)**
Net deferred tax (liability) / asset	**$**	**(13,225,537)**

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Current tax expenses have been calculated as per provisions of ASC 740 as if the Company were filing a separate return.

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, $800,000 was borrowed during prior years. The Company has additionally borrowed $6,500,000 in current year and repaid the loan and interest amounting $7,300,000 and accrued interest amounting to $84,188 respectively. As on March 31, 2023, the outstanding principal amount payable under this facility is Nil.

During the year ended March 31,2023, the interest cost to the extent borrowed amounted to $9,669 included in interest expense in the statement of comprehensive income. As at March 31, 2023, there is no amount payable.

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, $15,300,000 was lent in prior years. The Company has additionally given $1,600,000 in current year and Wyde Corporation has repaid the loan amounting $1,500,000 and interest amounting $179,243 respectively in the current year . The Company accrued interest amounting to $910,938 during current year. As on March 31, 2023, the outstanding principal amount receivable under this facility is $15,400,000, 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 $18,721 in current year . The Company accrued interest amounting to $32,199 during current year.As on March 31, 2023, 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, 2023, the Company recorded $943,137 as interest income and is included in interest and other income in the statement of comprehensive income. As at March 31, 2023, $828,910 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 $49,043,100 and $550,000 respectively. As at March 31, 2023, $49,593,100 is outstanding payable and is included in payable to 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.

Total rental expenses under operating leases for the year ended March 31, 2023 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 - 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 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Loss	2
Unaudited Statement of Changes in Stockholders' Equity	3
Unaudited Statement of Cash Flows	4
Notes to the unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets		
Cash and cash equivalents		1,808,261
Accounts receivable, net		2,836,240
Receivable from related parties		3,594,983
Unbilled receivables		1,105,438
Other current assets		940,505
Total current assets	**$**	**10,285,427**
Property and equipment net		81,486
Investment in subsidiaries		67,356
Other non - current assets		28,164
Deferred tax assets, net		1,582,144
Total non current assets		**1,759,150**
Total Assets	**$**	**12,044,577**
Liabilities and Stockholders' equity		
Current liabilities		
Loans taken from related parties		16,211,507
Accounts payable and accrued expenses		1,384,005
Payable to related parties		4,108,959
Deferred revenue		978,437
Other current liabilities		1,056,442
Total current liabilities		**23,739,350**
Other non current liabilities		50,342
Total non current liabilities	**$**	**50,342**
Stock holder's equity		
Common stock; $30 par value; 2,247 shares authorised, 2,247 shares issued and outstanding		67,410
Additional paid-in capital		362,148
Accumulated deficit		(12,174,673)
Total Stockholders' equity		**(11,745,115)**
Total liabilities and Stockholders' equity	**$**	**12,044,577**

UNAUDITED STATEMENT OF COMPREHENSIVE LOSS FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue from operations	$	14,653,334
Revenue from related parties		4,565,450
Total revenue		**19,218,784**
Cost of revenue		17,129,416
Gross profit	**$**	**2,089,368**
Selling, General and administrative		1,922,892
Depreciation and amortization		41,704
Total operating expenses	**$**	**1,964,596**
Operating Profit	$	124,772
Other income/(expenses)		
Interest expense		(910,938)
Interest income		54,995
Total other income/(expenses)	**$**	**(855,943)**
Loss before taxes	$	(731,171)
Income taxes		199,050
Net loss	**$**	**(532,121)**
Other comprehensive income		-
Comprehensive loss	**$**	**(532,121)**

WYDE CORPORATION
UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31,2023

	Common stock	Additional paid-in capital	Accumulated deficit	Stockholders' equity
Balance at March 31, 2022	$ 67,410	$ 362,148	$ (11,642,552)	$ (11,212,994)
Comprehensive Income				
Net Loss	$ -	$ -	$ (532,121)	$ (532,121)
Other comprehensive income	$ -	$ -	$ -	$ -
Balance at March 31, 2023	**$ 67,410**	**$ 362,148**	**$ (12,174,673)**	**$ (11,745,115)**

WYDE CORPORATION
UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023

	March 31,2023
Operating activities:	
Net profit	(532,121)
Adjustment to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization expense	41,704
Impairement on expected credit losses	(83,253)
Interest expenses	910,938
Interest income	(54,995)
Changes in operating assets and liabilities:	
Accounts and unbilled receivables	2,412,907
Receivable from related parties	(476,320)
Other assets	(326,530)
Advance tax and deferred tax assets	(289,062)
Accounts payable and accrued expenses	(1,159,949)
Payable to related parties	(1,174,006)
Deferred revenue	(424,429)
Other liabilities	(262,376)
Net cash from operating activities	**(1,417,492)**
Investing activities	
Purchase of property and equipment	4,580
Interest received	54,995
Net cash used in invesing activities	**59,575**
Financing activities	
Loans taken from related parties	1,600,000
Loans repaid to related parties	(1,679,243)
Net cash used in financing activities	**(79,243)**
Net increase in cash and cash equivalents	(1,437,160)
Cash and cash equivalents at the beginning of the year	3,245,421
Cash and cash equivalents at the end of the year	**1,808,261**
Supplementry disclosure of cash flow information:	
Interest paid	179,243

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

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. The ultimate holding company is BCP Asia (SG) Mirror Holding Pte Ltd.

Business outlook

The Company has an accumulated losses of $ 12,174,673 as of 31 March 2023 and its net worth is fully eroded. Further, the Company's Current liabilities has exceeded its current assets by $ 13,453,923 as of March 31,2023. These conditions indicate that a material uncertainty exist that may cast significant doubt about the company's ability to continue as a going concern. However, Wyde Inc, the parent company has provided a letter of continuing financial and operating support to enable it to carry on its business as a going concern for at least twelve months. Accordingly, the Management believes that the going concern assumption is appropriate and the Company continues to prepare its financial statements on going concern basis 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.

Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation.

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 $745,766 in the bank accounts within the United States and $ 1,062,495 in the bank accounts in other foreign branches at March 31, 2023.

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, 2023, two customers have accounted for 80% 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 —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).

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, 2023, 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, 2023, is $ 60,898

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 loss.

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.

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 loss 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.

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, 2023, 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 loss 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 loss.

Recent accounting pronouncements

Reference Rate Reform - ASU 2022-06

In March 2021, the UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 – REVENUE

Movement in Unearned Revenue	**March 31, 2023**
Balance at the beginning of the year	1,402,866
Revenue recognised during the year	(1,242,005)
Invoiced during the year	817,574
Closing Balance	**978,435**

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2023:-

	Estimated useful lives	**March 31, 2023**
Furniture, fixtures and equipment	5 years	167,832
Plant and equipment	7 years	2,535
Computer equipment	3 years	160,202
Servers and networks	6 years	41,848
Office equipment	5 years	1,456
Total		**373,873**
Less: accumulated depreciation		(292,387)
Property and equipment, net		**81,486**

Depreciation and amortisation expense for the year ended March 31, 2023 is $ 41,704.

NOTE 5– INVESTMENT IN SUBSIDIARIES

	March 31, 2023
Wyde Solutions Canada Inc.	984
Mphasis Wyde SASU	66,372
	67,356

NOTE 6 – INCOME TAXES

Income tax expense/ (benefit) comprises of :

	March 31, 2023
Taxes:	
Current taxes	90,013
Deferred taxes	(289,063)
Total taxes	**(199,050)**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income.

The components of the deferred tax balance as of March 31, 2023 is as follows:

Deferred Tax Assets:	**March 31, 2023**
On Net Operating Losses	1,274,202
Incentive Compensation	24,596
Leave Encashment	46,697
Others	250,886
Deferred tax assets	**1,596,381**
Deferred tax liabilities:	
Property plant and equipment	(14,237)
Deferred tax liabilities	**(14,237)**
Net Deferred Tax Asset	**1,582,144**

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Current tax expenses have been calculated as per provisions of ASC 740 as if the Company were filing a separate return.

Losses to be carried forward

Financial Year	**Date of Expiration**	**March 31, 2023**
FY14-15	Idenfinite period, subject to 80% of each subsequent year's net income.	1,385,505
FY15-16		-
FY16-17		621,877
FY17-18		3,321,584
FY18-19		1,066,251
FY19-20		-
FY20-21		-
FY21-22		(327,589)
FY22-23		-
Total Losses to be carried forward		**6,067,628**

Loss to be carried forward.

For the year ended March 31,2023 the Company has accumulated loss of $6,067,628 which can be carried forward for an indefinite period & will be set off subject to relevant provisions of the act prevalent in the year of set off.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Current tax expenses have been calculated as per provisions of ASC 740 as if the Company were filing a separate return.

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 $1,680,694 to various social security schemes that have been recognized as an expense in the statement of comprehensive loss for the year ended March 31, 2023.

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 $ 177,386 towards expense for compensated absences for the year ended March 31, 2023. The outstanding accrual as at March 31, 2023 is $ 240,364.

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, 2023, the Company has recorded $ 4,565,450 as revenue in the accompanying statement of comprehensive loss from the following related parties ;-

Name of the party	Nature of relationship	March 31, 2023
Mphasis Limited	Intermediate parent company	3,576,580
Mphasis Corporation	Intermediate parent company	531,950
Wyde Solutions Canada Inc.	Subsidiary company	5,500
Mphasis Wyde SASU	Subsidiary company	435,175
Mphasis Belgium-Switzerland branch	Subsidiary of Intermediate parent company	14,947
Mphasis Pte Limited	Subsidiary of Intermediate parent company	1,298

As at March 31, 2023, the Company has $ 3,594,983 as balance receivable including trade receivables from following related parties:

Name of the party	Nature of relationship	March 31, 2023
Mphasis Limited	Intermediate parent company	1,434,972
Mphasis Corporation	Intermediate parent company	97,664
Wyde Solutions Canada Inc.	Subsidiary company	666,956
Mphasis Wyde SASU	Subsidiary company	1,387,778
Mphasis Belgium-Switzerland branch	Subsidiary of Intermediate parent company	7,613

Pursuant to cost sharing agreement with group companies, the Company was charged $502,234 from following related parties;-

Name of the party	Nature of relationship	March 31, 2023
Mphasis Limited	Intermediate parent company	475,118
Mphasis Corporation	Intermediate parent company	27,116

During the year ended March 31, 2023, the Company was charged $508,312 from following related parties;-

Name of the party	Nature of relationship	March 31, 2023
Mphasis Limited	Intermediate parent company	70,276
Mphasis Corporation	Intermediate parent company	437,024
Msource India Private Limited	Subsidiary of Intermediate parent company	1,012

As at March 31, 2023, the Company has $ 4,108,959 as balance payable to following related parties;-

Name of the party	Nature of relationship	March 31, 2023
Mphasis Limited	Intermediate parent company	359,086
Mphasis Corporation	Intermediate parent company	3,053,342
Wyde Solutions Canada Inc.	Subsidiary Company	10,330
Mphasis Wyde SASU	Subsidiary company	74,236
Msource India Private Limited	Subsidiary of Intermediate parent company	957
Datalytyx Limited	Subsidiary of Intermediate parent company	543,797
Mphasis Belgium-France branch	Subsidiary of Intermediate parent company	9,721
Mphasis Ireland Limited	Subsidiary of Intermediate parent company	12,414
Mphasis Poland z.o.o	Subsidiary of Intermediate parent company	45,076

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, $15,300,000 borrowed in prior years. The Company has additionally borrowed $1,600,000 in current year and repaid the loan and interest amounting $ 1,500,000 and $ 179,243 respectively in the current year. As on March 31, 2023, the outstanding principal amount payable under this facility is $ 15,400,000, recorded as loans taken from related parties in the accompanying balance sheet.

"During the year ended March 31,2023, the interest cost to the extent borrowed amounted to $ 910,938 included in interest expense in the statement of comprehensive loss. As at March 31, 2023, $811,507 related to interest remains payable and included in loans taken from related parties in the accompanying balance sheet."

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 is 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 $ (3,073) included in statement of comprehensive loss.

NOTE 9- 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. 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 2023 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 2023 is set out below:

	March 31, 2023
Options outstanding at the beginning of the year	44,118
Granted	-
Exercised	(2,734)
Forfeited	(1,122)
Lapsed	(39,888)
Transfers	-
Options outstanding at the end of the year	374

NOTE 10– 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 11- SUBSEQUENT EVENTS

In accordance with ASC 855 – Subsequent Events, The Company evaluated subsequent events through 23 June 2023, the date these financial statements were made available for issuance. The company is not aware of any subsequent events that would require recognition or additional disclosure in these financial statements.

Digital Risk, LLC and Subsidiaries

Unaudited Consolidated Financial Statements
Years Ended March 31, 2023 and 2022

Digital Risk, LLC and Subsidiaries
Contents

Unaudited Consolidated Financial Statements

Unaudited Consolidated Balance Sheets	2
Unaudited Consolidated Statements of Comprehensive Income	3
Unaudited Consolidated Statements of Members' Equity	4
Unaudited Consolidated Statements of Cash Flows	5
Notes to Unaudited Consolidated Financial Statements	6

Unaudited Consolidated Financial Statements

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Balance Sheets

March 31,	**2023**	2022
Assets		
Cash and cash equivalents	**$ 22,631,283**	$ 12,321,429
Accounts receivable, net	**10,453,115**	17,044,551
Unbilled accounts receivable	**10,276,848**	9,841,343
Due from Member	**50,365,857**	40,470,837
Prepaid expenses and other assets	**3,336,065**	2,982,131
Total current assets	**97,063,168**	82,660,291
Plant, property and equipment, net	**2,158,203**	3,603,587
Operating lease right-of-use	**5,844,712**	5,257,846
Capital work in progress	**-**	18,563
Restricted cash	**17,649**	17,812
Deferred tax assets, net	**142,887**	175,822
Total noncurrent assets	**8,163,451**	9,073,630
Total assets	**105,226,619**	91,733,921
Liabilities and Members' Equity		
Accounts payable and accrued liabilities	**11,322,687**	23,447,216
Operating lease liabilities	**2,185,811**	3,004,109
Deferred revenue	**223,346**	3,454,655
Total current liabilities	**13,731,844**	29,905,980
Operating lease liabilities	**4,084,580**	2,873,851
Total noncurrent liabilities	**4,084,580**	2,873,851
Total liabilities	**17,816,424**	32,779,831
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	**70,844,044**	41,923,999
Accumulated other comprehensive income/ (loss)	**(771,028)**	(307,088)
Total members' equity	**87,410,195**	58,954,090
Total liabilities and members' equity	**$ 105,226,619**	$ 91,733,921

See accompanying notes to consolidated financial statements.

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Statements of Comprehensive Income

Year ended March 31,	**2023**	2022
Revenue		
Revenue	**$ 173,463,441**	$ 235,481,005
Total revenue	**173,463,441**	235,481,005
Operating expenses		
Direct costs	**122,724,173**	176,393,721
General and administrative	**9,234,603**	11,908,207
Depreciation and amortization	**1,609,794**	1,667,212
Operating lease expenses	**3,024,346**	4,264,720
Sales and marketing	**7,018,534**	7,349,173
Total operating expenses	**143,611,450**	201,583,033
Operating income	**29,851,991**	33,897,972
Other income (expenses):		
Other income (expenses), net	**536,824**	1,647,785
Net income before income tax expenses	**30,388,815**	35,545,757
Income tax expenses	**(1,468,770)**	(1,050,854)
Net income	**28,920,045**	34,494,903
Foreign currency translation adjustment	**(470,101)**	(128,836)
Other comprehensive income / (losses)	**6,161**	(15,820)
Comprehensive income	**$ 28,456,105**	$ 34,350,247

See accompanying notes to consolidated financial statements.

Digital Risk, LLC and Subsidiaries
Unaudited Consolidated Statements of Members' Equity

	Members' Equity			Other	
	Units	Amount	Accumulated Earnings	comprehensive income	Total Members' Equity
Balance, March 31, 2021	10,000	$ 17,337,179	$ 37,429,096	$ (162,432)	$ 54,603,843
Distributions to managing member	-	-	(30,000,000)	-	(30,000,000)
Foreign currency translation adjustment	-	-	-	(128,836)	(128,836)
Remeasurement of defined benefit plan,net of tax			-	(18,475)	(18,475)
Hedging reserve	-	-	-	2,655	2,655
Net income	-	-	34,494,903	-	34,494,903
Balance, March 31, 2022	**10,000**	**17,337,179**	**41,923,999**	**(307,088)**	**58,954,090**
Foreign currency translation adjustment	-	-	-	(470,101)	(470,101)
Remeasurement of defined benefit plan,net of tax	-	-	-	12,125	12,125
Hedging reserve	-	-	-	(5,964)	(5,964)
Net income	-	-	28,920,045	-	28,920,045
Balance, March 31, 2023	**10,000**	**$17,337,179**	**$ 70,844,044**	**$ (771,028)**	**$ 87,410,195**

See accompanying notes to consolidated financial statements.

Year ended March 31,	**2023**	2022
Cash flows from operating activities:		
Net income	**$ 28,920,045**	$ 34,494,903
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**1,609,794**	1,667,212
Operating lease expenses	**3,024,346**	4,264,720
Profit on sale of fixed assets	**(3,928)**	(110)
Deferred income tax expense / (benefit)	**11,485**	49,634
Changes in operating assets and liabilities:		
Accounts receivable	**6,591,436**	1,449,081
Unbilled accounts receivable	**(435,505)**	8,695,833
Prepaid expenses and other assets	**(326,323)**	(637,935)
Accounts payable and accrued liabilities	**(12,124,529)**	(1,543,259)
Deferred revenue	**(3,231,309)**	(92,521)
Repayment of operating lease liabilities	**(3,218,781)**	(4,409,702)
Net cash provided by operating activities	**20,816,731**	43,937,856
Investing activities:		
Proceeds from sale of plant, property and equipment, net	**407,299**	20,713
Purchases of plant, property and equipment, net	**(567,781)**	(1,415,734)
Capital work in progress	**18,563**	188,177
Net cash used for investing activities	**(141,919)**	(1,206,844)
Financing activities:		
Due from Member	**(9,895,020)**	(40,439,907)
Net cash used in financing activities	**(9,895,020)**	(40,439,907)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	**(470,101)**	(128,836)
Net increase in cash, cash equivalents, and restricted cash	**10,309,691**	2,162,269
Cash, cash equivalents, and restricted cash, beginning of year	**12,339,241**	10,176,972
Cash, cash equivalent, and restricted cash, end of year	**$ 22,648,932**	$ 12,339,241
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	**$ 22,631,283**	$ 12,321,429
Restricted cash included in noncurrent assets	**17,649**	17,812
Total cash, cash equivalents and restricted cash	**$ 22,648,932**	$ 12,339,241
Supplemental disclosures of cash flow information:		
Cash paid for taxes	**$ 2,061,823**	1,593,646
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 unaudited 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 unaudited 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 $121,842 and $108,060 were recorded at March 31, 2023 and 2022, 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 nil and $18,563 at March 31, 2023 and March 31, 2022, 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, 2023 and 2022, 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, 2023 and 2022.

Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation. 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, 2023, 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 – 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).

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.

Hedging reserve

Cumulative changes in the fair value of financial instruments designated and effective as a hedge are recognized in this reserve through Other comprehensive income. Amounts recognized in the hedging reserve are reclassified to the statement of comprehensive income when the underlying transaction occurs.

Recent accounting pronouncements

In March 2021, the UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1-, 3-, 6-, and 12-month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022, of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

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, 2023, and 2022, the Company had 67%, and 73%, of billed and unbilled accounts receivable due from three and two customers respectively. For the year ended March 31, 2023, one of the Company's customers accounted for 62% of total revenue. For the year ended March 31, 2022, two of the Company's customers accounted for 68% 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		2023		2022
Computer equipment	3 years	**$**	**3,279,301**	$	5,229,265
Purchased software	1-3 years		**635,690**		3,868,784
Furniture and fixtures	5 years		**2,389,466**		2,398,006
Office equipment	5 years		**1,113,305**		1,028,214
Plant and machinery	7 years		**419,012**		419,297
Leasehold improvements	Lesser of 10 years or lease term		**864,995**		864,995
Servers and network equipment	6 years		**4,023,300**		4,452,970
Capitalized software for internal use	7 years		**4,000,270**		4,000,270
Total plant, property and equipment			**16,725,339**		22,261,801
Less accumulated depreciation and amortization			**(14,567,136)**		(18,658,214)
Total plant, property and equipment, net		**$**	**2,158,203**	$	3,603,587

6. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

March 31,		**2023**		**2022**
Accrued payroll and related expenses	**$**	**6,853,479**	$	16,082,381
Accrued vacation		**1,513,198**		2,219,515
Accounts payable and other accrued expenses		**2,956,010**		5,145,320
	$	**11,322,687**	$	23,447,216

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, 2023 and March 31, 2022, were $3,024,346 and $4,264,720, respectively, and are included in operating lease expenses in the accompanying consolidated statements of comprehensive income.

Lease expense

Year ended March 31,		**2023**		**2022**
Operating lease expense	$	3,024,346	$	4,264,720
Short-term lease expense		612,013		12,926
Variable lease expense		838,494		993,326
Sublease income		(342,215)		(1,606,985)
Total	**$**	**4,132,638**	$	3,663,987

Cash paid for amounts included in the measurement of operating lease liabilities

March 31,		**2023**		**2022**
Operating cash flows	$	3,218,781	$	4,409,702
Operating lease right-of-use obtained in exchange for operating lease liabilities		5,844,712		5,257,846
Weighted-average remaining lease term (in years) operating leases		3.01		2.73
Weighted-average discount rate operating leases		6%		6%

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, are as follows:

Year ended March 31,		**2023**		**2022**
Year-1	$	2,506,601	$	3,241,947
Year-2		1,993,138		1,519,906
Year-3		1,619,913		740,852
Year-4		553,231		319,937
Year-5		254,529		355,931
Thereafter		-		275,945
Total minimum payments		**6,927,412**		6,454,518
Less:Present value of discount		(657,021)		(576,558)
Operating lease liabilities	**$**	**6,270,391**	$	5,877,960

8. Income taxes

Income tax expense consists of the following:

Year ended March 31,		2023		2022
Current - foreign	**$**	**1,457,285**	$	1,001,220
Deferred - foreign		**11,485**		49,634
	$	**1,468,770**	$	1,050,854

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,		2023		2022
Deferred tax assets – employee benefits and others	**$**	**124,827**	$	159,857
Deferred tax assets – depreciation		**18,060**		15,965
Deferred tax assets, net	**$**	**142,887**	$	175,822

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 31,2023, and 2022, $50,365,857 and $40,470,837, 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, 2023 and 2022, approximately $6,500,000 and $11,000,000, respectively, were advanced to the Managing Member.

During the years ended March 31, 2023 and 2022, the Company made noncash distributions of $nil and $30,000,000, respectively, to the Managing Member.

The Company recognized approximately $560,000 and $1,150,000 of revenue during the years ended March 31, 2023 and 2022, respectively, by providing certain support services to various group companies and are recorded in revenue in the accompanying consolidated statements of comprehensive income.

During the years ended March 31, 2023 and March 31, 2022, Mphasis Limited (Intermediate parent company) and other group companies provided various support services to the Company in the amount of approximately $2,580,000 and $3,770,000, respectively, of which $450,000 and $700,000, respectively, are included in direct costs and $2,130,000 and $3,077,000, 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 years ended March 31, 2023 and March 31, 2022, the Company has recorded approximately $1,770,000 and $990,000, 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, 2023 and March 31, 2022, rent expense paid to Mphasis Limited amounted to approximately $273,000 and $274,000, 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, are as follows:

Year ended March 31,		2023		2022
2023	$	-	$	255,249
2024		**235,438**		255,249
2025		**131,643**		142,721
	$	**367,081**	$	653,219

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, 2023 and March 31, 2022, rent income from Mphasis Corporation amounted to approximately $290,000 and $1,400,000, 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 years ended March 31, 2023 and March 31,2022 rent income from Mphasis Limited US Branch amounted to approximately $49,000 and $220,000, respectively, and are 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, 2023 and 2022, 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 7.36% (6.38% for March 31, 2022) and a retirement age of 60 years (60 years for March 31, 2022) and was $99,000 as of March 31, 2023 and $ 84,000 for March 31, 2022. The liability is included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets. Actuarial gain recognized during the year ended March 31, 2023 was $12,000, Actuarial losses recognized during the year ended March 31,2022 was $18,000 and are included in other comprehensive income.

Stelligent Systems LLC

Unaudited Financial Statements
for the year ended 31 March 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Income	2
Unaudited Statement of Changes in Members' Equity	3
Unaudited Statement of Cash Flows	4
Notes to the unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$	857,306
Accounts receivable, net		2,135,234
Unbilled receivables		721,671
Receivable from related parties		2,400,622
Other current assets	$	2,540.00
Total current assets	**$**	**6,117,373**
Property and equipment, net	$	890
Deferred tax asset, net	$	565,203
Total assets	**$**	**6,683,466**
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$	113,584
Payable to related parties		5,151,765
Deferred revenue		1,359,000
Other current liabilities		321,251
Total current liabilities	**$**	**6,945,600**
Total liabilities	**$**	**6,945,600**
Stockholders' equity		
Retained earnings	$	(262,134)
Total Stockholders' equity	**$**	**(262,134)**
Total liabilities and Stockholders' equity	**$**	**6,683,466**

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR NINE MONTH ENDED MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue from external parties	$	10,717,622
Revenue from related parties		2,794,590
Total revenue	**$**	**13,512,212**
Cost of revenue (excluding depreciation and amortization)		9,811,809
Gross profit	**$**	**3,700,403**
General and administrative	$	164,897
Sales and marketing		560,045
Depreciation and amortisation		9,589
Total operating expenses	**$**	**734,531**
Operating profit	**$**	**2,965,872**
Other income		
Interest income		25,773
Total other income	**$**	**25,773**
Profit before taxes	$	2,991,645
Tax expense	$	764,839
Net profit	**$**	**2,226,806**
Comprehensive income	**$**	**2,226,806**

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

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR NINE MONTH ENDED MARCH 31,2023

	Common stock	Retained earnings	Stockholders' equity
Balance at March 31, 2022	**$ -**	**$ (2,488,940)**	**$ (2,488,940)**
Comprehensive income			
Net profit	$ -	$ 2,226,806	$ 2,226,806
Other comprehensive income	-	-	-
Balance at March 31, 2023	**$ -**	**$ (262,134)**	**$ (262,134)**

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

UNAUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

		March 31, 2023
Operating activities:		
Net Profit	$	2,226,806
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	$	9,589
Provision for expected credit loss		4,162
Interest income		(25,773)
Deferred Tax		638,904
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		(1,233,293)
Receivable from related parties		(1,324,440)
Other assets		13,766
Accounts payable and accrued expenses		(28,496)
Payable to related parties		(1,698,830)
Other liabilities		(114,661)
Net cash used in operating activities	**$**	**(173,266)**
Investing activities		
Interest received		25,773
Net cash flow generated from investing activities	**$**	**25,773**
Net decrease in cash and cash equivalents	**$**	**(147,493)**
Cash and cash equivalents at the beginning of the year		1,004,799
Cash and cash equivalents, at the end of the year	**$**	**857,306**

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

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 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

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation.

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 $ 857,306 in the bank accounts within the United States as at March 31, 2023.

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- 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).

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, 2023 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, 2023 is $ 100,168.

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."

Recently issued accounting pronouncements

Reference Rate Reform - ASU 2022-06

In March 2021, the UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications

may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2023:

	Estimated useful lives		March 31, 2023
Computer equipment	3 years		167,216
Less: accumulated depreciation		$	(166,326)
Net balance		**$**	**890**

NOTE 4 – TAXES

Income Tax expense / (benefit) comprises:

		March 31, 2023
Taxes:		
Current taxes	$	125,935
Deferred tax	$	638,904
Total taxes	**$**	**764,839**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income. Deferred income tax components as of March 31, 2023 are as follows:

		March 31, 2023
Deferred tax asset (net)		
Provision for doubtful debts and advances	$	26,704
Provision for employee benefits	$	29,302
On Net Operating Losses	$	509,433
	$	**565,439**
Deferred tax liabilities (net)		
Depreciation and amortization expense	$	(236)
	$	**(236)**
Net deferred tax asset	**$**	**565,203**

Losses to be carried forward:

Financial Year		
FY-18-19	$	128,277
FY-19-20	$	2,665,865
FY-20-21	$	1,375,447
FY-21-22	$	130,736
FY-22-23	$	(2,380,102)
Total loss to be carried forward	**$**	**1,920,223**

For the year ended March 31, 2023 the Company has accumulated loss of $ 1,920,223 which can be carried forward for an indefinite period and will be set off subject to relevant provisions of the act prevalent in the year of set off.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Current tax & Deferred tax expenses have been calculated as per provisions of ASC 740 and the same are not allocated.

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 $ 438,539 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the years ended March 31, 2023.

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, 2023, the Company has recorded $ 2,794,590 as revenue from the following related parties:

Name of the party	Relationship		March 31, 2023
Mphasis Corporation	Parent company	$	1,685,581
Mphasis Limited	Intermediate Parent company		1,109,009

As at March 31, 2023, the Company has $ 2,400,622 as balance receivable including trade receivables from following related parties:

Name of the party	Relationship		March 31, 2023
Mphasis Corporation	Parent company	$	1,788,211
Mphasis Limited	Intermediate Parent company		612,411

The Company avails software integration and development service from it's parent company and intermediate parent company.

During the year ended March 31, 2023, the Company has recorded $ 1,053,059 as cost of revenue in the accompanying statement of comprehensive income from following related parties;

Name of the party	Relationship	March 31, 2023
Mphasis Corporation	Parent company	354,986
Mphasis Limited	Intermediate Parent company	98,551
Mphasis Ireland Limited	Subsidiary of Intermediate Parent company	223,977
Poland Z.o.o	Subsidiary of Intermediate Parent company	121,876
Mphasis UK Limited	Subsidiary of Intermediate Parent company	253,669

Pursuant to cost sharing agreement with group companies, the Company was charged $ 113,011 from following related parties

Name of the party	Relationship	March 31, 2023
Mphasis Corporation	Parent company	$ 17,953
Mphasis Limited	Intermediate Parent company	95,058

During the year ended March 31, 2023, the Company was charged $ 550,203 from following related parties

Name of the party	Relationship	March 31, 2023
Mphasis Corporation	Parent company	533,948
Mphasis Limited	Intermediate Parent company	16,255

As at March 31, 2023, the company has $ 5,151,765 as balance payable to following related parties;

Name of the party	Relationship	March 31, 2023
Mphasis Corporation	Parent company	$ 4,745,482
Mphasis Limited	Intermediate Parent company	12,494
Others	Subsidiary of Intermediate Parent company	393,789

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 $ 9,884 included in statement of comprehensive income.

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 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 2023 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 2023 is set out below:	No of Options
Options outstanding at the beginning	457
Granted	-
Options outstanding at the end	**457**

Effective 22 November 2021, the parent company instituted the Restricted Stock Unit Plan-2021(RSU 2021). 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 2023 have an exercise price of ₹10.

The movements in the options under the RSU 2021 plan for the year ended 31 March 2023 is set out below:	No of Options
Options outstanding at the beginning	576
Exercise	(14)
Options outstanding at the end	**562**

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 - 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.

DATALYTYX LIMITED

REGISTERED NUMBER: 09147644

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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
Auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX
Company Secretary	Jemma Line (resigned on 9 December 2022) Congress Company Secretarial Services Limited (effective from 16 December 2022) Secretary 7 St John's Road Harrow Middlesex HA1 2EY

CONTENTS

	Page
Strategic report	1-3
Directors' report	4
Statement of directors' responsibilities	5
Unaudited statement of comprehensive income	6
Unaudited statement of financial position	7
Unaudited statement of changes in equity	8
Notes to the unaudited financial statements	9-15

Strategic Report for the year ended 31 March 2023

The Directors present their strategic report for the year ended 31 March 2023.

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 ($C=X2C^{2}_{TM}=1$) 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.

According to McKinsey's recent Global Economics Intelligence summary, the growth estimates for 2023 and 2024 have become less acute pointing towards a shorter slowdown, with an anticipated rebound in 2024. Even in the backdrop of this dynamic environment, enterprise IT spending is strong and is projected at $4.6 trillion in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner.

This duality in the environment is a result of the different economic realities being faced by consumers and enterprises. Enterprises are continuing to increase spending on digital business initiatives despite the slowdown. A divergence from previous cyclical downturns can be explained by modern enterprises prioritizing segments of tech spend as a means of transforming their business and becoming more innovative, with a view towards optimizing current revenue streams or creating new ones. This is also evident by the fact that leaders in enterprise technology are growing five times faster than laggards today, whereas this gap was only two times before the pandemic. Leveraging technology is going to be a critical factor in an enterprise's catalyst of the future.

In this dynamic environment, Mphasis continues to move forward from a position of strength. Mphasis has a foundation of strong industry solutions, marquee client base and earnings and cash flow; all these aspects will help Mphasis to continue to execute its growth strategy and insulate it from the market challenges. Mphasis continues to work with its clients to build their transformation capabilities and get them future-ready. The tech investing super cycle that started in 2021 is still underway and Mphasis foresees that enterprises will continue to prioritize investments in areas such as cloud, data engineering and strategic data assets, as well as areas like cybersecurity, customer experience and support transformation, as the latter also leads to a significant cost takeout opportunity. This will necessitate a pivot for the entire industry from maintenance and infrastructure services to transformation that can enable clients to deliver better services to customers and go-to-market faster using data analytics.

The Company is confidently embracing this unique environment and leading it by staying true to its purpose, implementing playbooks, to protect the core, ensure repeatable growth in capability-led transformation and to accelerate from "Run" to "Change", at the speed of our clients.

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 £ 7,855,650 compared to £9,245,338 for the previous year. The loss for the year ended 31 March 2023 amounted to £648,871 (loss for 31 March 2022: £ 3,003,061). The directors have not recommended a dividend for the year ended 31 March 2023 (31 March 2022: £ nil).

The operating 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:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The Company had a revenue £7,855,650 during the year ended 31 March 2023 and the loss for the year amounted to £648,871. The Company is making continued efforts in acquiring revenue contracts from customers.

Strategic Report for the year ended 31 March 2023 (continued)

Financial risk management objectives, risks and policies

Being in the IT / ITES industry, the Company thrives in a very dynamic business environment. Apart from the global economic slowdown and the recession risks, a variety of factors including the rapid pace of technological changes and geopolitical conflict affects the business environment in which the Company operates. The Risk Management Program of the Company is centrally managed by its parent company, based at India and comprehensively manages the risks which can be classified as – Strategic, Operational, Financial, Information Security and Compliance. While the Company faces several risks, prominent ones are discussed below:

Volatile Global Political and Economic Situation: The Company derives a considerable portion of its revenue from its client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity.

Cybersecurity Risks: The increasing reliance on technology exposes IT/ITES companies to cyber threats, including data breaches, hacking, malware, and ransomware attacks. These risks can result in financial losses, reputational damage, and legal liabilities.

To mitigate these risks, the Company has implemented several measures including robust IT security frameworks and a Cyber Security Strategy. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks.

Data Privacy and Confidentiality: The IT/ITES industry deals with sensitive customer data and intellectual property. Breaches of data privacy or confidentiality can lead to legal consequences, reputational damage, loss of client trust, and regulatory penalties.

To mitigate this risk, the Company has implemented a Privacy Risk Management Framework comprising adequate controls encompassing people, process, and technology to ensure compliance with the relevant and applicable privacy laws including but not limited to European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Australian Data Privacy Principles, etc.

Continuity and Disaster Recovery Risk: Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery.

The Company has implemented Disaster Recovery for all the identified critical enterprise applications.

Talent Acquisition and Retention: The IT/ITES industry faces intense competition for skilled professionals. There is a constant need to attract and retain top talent to maintain a competitive edge. Failure to attract and retain skilled employees can result in project delays, decreased productivity, and increased recruitment costs.

The Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. The Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent.

Vendor and Supply Chain Risks: Risks associated with vendor performance, supply chain disruptions, contract disputes, or the failure of critical suppliers can impact the company's operations, delivery timelines, and customer satisfaction.

The Company has adequate monitoring mechanisms in place to regularly assess the vendor / third parties' performance, adherence to contracts, etc. and faces no major issues.

Project Execution and Delivery Risks: Failure to deliver projects on time, within budget, and meeting quality standards can result in financial losses, contract terminations, reputational damage, and legal disputes.

To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

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 key financial risks such as liquidity risk, forex fluctuation, etc. are also well managed by the centralized Treasury function.

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 2023 and is making continued efforts in getting revenue contracts from customers. The Company being part of the Mphasis Group leverages 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.

Strategic Report for the year ended 31 March 2023 (continued)

The Company is continuously monitoring the after-effects of the Pandemic 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 2023.

Company number 09147644

Directors' Report for the year ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

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 2023, 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 2023

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 2023

	Note	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Turnover	2	**7,855,650**	**9,245,338**
Cost of sales		(6,437,439)	(8,343,416)
Gross profit		**1,418,211**	**901,922**
Administrative expenses		(2,166,792)	(4,137,903)
Operating loss	3	**(748,581)**	**(3,235,981)**
Interest receivable and similar income	5	93,550	57,820
Loss on ordinary activities before taxation		**(655,031)**	**(3,178,161)**
Tax on loss from ordinary activities	7	6,160	175,100
Loss for the financial year attributable to the owners of the company		**(648,871)**	**(3,003,061)**
Total comprehensive income for the year attributable to the owners of the company		**(648,871)**	**(3,003,061)**

All amounts relate to continuing operations.

The notes on pages 9 to 15 form part of these financial statements.

Company number 09147644

Unaudited statement of financial position as at 31 March 2023

	Note		2023		2022
			£		£
Fixed assets					
Tangible fixed assets	6		10,830		23,378
Investments	8		381,979		381,979
			392,809		**405,357**
Current assets					
Debtors	9	3,726,920		4,421,846	
Cash at bank and in hand		863,003		1,281,186	
		4,589,923		**5,703,032**	
Creditors : amounts falling due within one year	10	(6,168,550)		(6,645,336)	
Net current assets			**(1,578,627)**		**(942,304)**
Total assets less current liabilities			**(1,185,818)**		**(536,947)**
Net assets			**(1,185,818)**		**(536,947)**
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		(2,331,684)		(1,682,813)
Shareholders' equity			**(1,185,818)**		**(536,947)**

The notes on pages 9 to 15 form part of these financial statements.

Company number 09147644

Unaudited statement of changes in equity as at 31 March 2023

	Called-up share capital	Share premium	Profit and loss account	Total
At 1 April 2021	**145,312**	**1,000,554**	**1,320,248**	**2,466,114**
Loss for the financial year	-	-	(3,003,061)	**(3,003,061)**
Total comprehensive loss	-	-	(3,003,061)	**(3,003,061)**
At 31 March 2022	**145,312**	**1,000,554**	**(1,682,813)**	**(536,947)**
At 1 April 2022	**145,312**	**1,000,554**	**(1,682,813)**	**(536,947)**
Loss for the financial year	-	-	(648,871)	**(648,871)**
Total comprehensive loss	-	-	(648,871)	**(648,871)**
At 31 March 2023	**145,312**	**1,000,554**	**(2,331,684)**	**(1,185,818)**

The notes on pages 9 to 15 form part of these financial statements.

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

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 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 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 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.

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 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 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.

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. 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 year ended 31 March 2023

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 2023

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 ended 31 March 2023 £	Year ended 31 March 2022 £
United Kingdom	7,831,328	9,184,239
Rest of the world	24,322	61,099
	7,855,650	**9,245,338**

Analysis of turnover by customer	Year ended 31 March 2023 £	Year ended 31 March 2022 £
External revenue	7,230,855	8,436,146
Revenue from fellow group undertakings	624,795	809,192
	7,855,650	**9,245,338**

3. OPERATING LOSS

The Operating loss is stated after charging	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Depreciation of tangible fixed assets	12,548	13,544
Office space rentals	63,992	64,638
Auditors' remuneration	12,000	11,260
Foreign exchange loss	(9,158)	4,384

4. STAFF COSTS

Staff costs including directors' remuneration, were as follows:	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Wages and salaries	1,996,520	3,464,381
Social security costs	312,158	337,649
Pension contributions	83,264	91,154
	2,391,942	**3,893,184**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

4. STAFF COSTS (Continued)

The average monthly number of employees, including the directors, during the year were as follows:

Category	Year ended 31 March 2023 No.	Year ended 31 March 2022 No.
Direct production	16	21
Sales	6	7
Administration	1	5
	23	**33**

Directors' emoluments and transactions	Year ended 31 March 2023 £	Year ended 31 March 2022 £
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 ended 31 March 2023 £	Year ended 31 March 2022 £
Interest on loans given to fellow undertaking	93,550	57,820

6. TANGIBLE FIXED ASSETS

	Furniture, fixtures and office equipment £	Computer equipment £	Vehicles £	Total Tangible Assets £
Cost				
At 1 April 2022	516	48,150	2,397	51,063
Disposals	(387)	(14,716)	(2,397)	(17,500)
At 31 March 2023	**129**	**33,434**	**-**	**33,563**
Depreciation				
At 1 April 2022	503	24,865	2,317	27,685
Charge for the year	13	12,456	80	12,549
Disposals	(387)	(14,717)	(2,397)	(17,501)
At 31 March 2023	**129**	**22,604**	**(0)**	**22,733**
Net book value				
At 31 March 2023	**(0)**	**10,830**	**0**	**10,830**
At 31 March 2022	**13**	**23,285**	**80**	**23,378**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

7. TAXATION

(a) Tax expense included in the Statement of comprehensive income	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (period ended 31 March 2022 - 19%)	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(6,160)	(175,100)
Total deferred tax	**(6,160)**	**(175,100)**
Total tax credit	**(6,160)**	**(175,100)**

b) Reconciliation of tax credit included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is equivalent to the standard rate of corporation tax in the UK of 19% (2022: 19%) .The differences are reconciled as follows.

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
(Loss)/profit on ordinary activities before taxation	(655,031)	(3,178,161)
Income tax calculated at 19% (2022-19%)	(124,456)	(603,851)
Expenses not deductible for tax purposes	126,173	456,021
Other timing differences	(1,717)	147,830
Tax expense for the year	-	-
Deferred tax credit for the year	(6,160)	(175,100)
Total tax credit for the year	**(6,160)**	**(175,100)**

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)	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Provision for employee benefits	72,260	2,990
Net operating losses	109,000	172,110
Total	**181,260**	**175,100**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

8. INVESTMENTS

	2023	2022
	£	£
At 1 April 2022	381,979	381,979
- Impairment of investment	-	-
At 31 March 2023	**381,979**	**381,979**

Datalytyx MSS Limited made a profit after tax of £5,288 in the year ending 31 March 2023 and had net assets of £205,168 at 31 March 2023 and Dynamyx Limited made a loss after tax of £104,981 in the year ending 31 March 2023 and had net assets of £12,489 at 31 March 2023.

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

	2023	2022
	£	£
Trade debtors	830,037	1,746,991
Amounts owed by group undertakings	2,359,653	1,931,257
Other debtors	10,042	13,895
Prepayments	11,327	30,941
Amount receivable on contracts	334,601	523,662
Deferred tax asset	181,260	175,100
	3,726,920	**4,421,846**

10. CREDITORS

	2023	2022
	£	£
Amounts falling due within one year		
Trade creditors	206,749	99,946
Amounts owed to group undertakings	4,370,396	1,837,755
Social security and other taxes	170,060	277,706
Accruals and deferred income	1,421,345	4,429,929
	6,168,550	**6,645,336**

11. SHARE CAPITAL AND RESERVES

	2023	2022
Authorized, allotted, called up and fully paid and reserves	£	£
117,811,972 Ordinary A shares of £ 0.001 each & 27,500,000 Ordinary B shares of £ 0.001 each	145,312	145,312

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.

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

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.

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:

	2023	2022
Buildings	**£**	**£**
Operating lease payments due		
Within 1 year	9,776	27,876
Total	**9,776**	**27,876**

14. EMPLOYEE BENEFITS

	2023	2022
Compensated absences	**£**	**£**
Charge to statement of comprehensive income	11,913	2,482
Liability in GBP	28,049	34,230
Assumptions		
Discount rate	3.22%	4.80%
Salary escalation rate	1.00%	1.00%
Withdrawal Rate	5.00%	5.00%
Retirement Age	60	60

15. FINANCIAL INSTRUMENTS

	2023	2022
Financial assets measured at amortised cost	**£**	**£**
Trade and other debtors	840,079	1,760,886
Amounts owed from holding and related companies	2,359,653	1,931,257
	3,199,732	**3,692,143**

	2023	2022
Financial Liabilities measured at amortised cost	**£**	**£**
Trade creditors	206,749	99,946
Amounts due to holding and related companies	4,370,396	1,837,755
	4,577,145	**1,937,701**

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 year ended 31 March 2023 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

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 MSS LIMITED

REGISTERED NUMBER: 06729562

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 (resigned on 9 December 2022) Congress Company Secretarial Services Limited (effective from 16 December 2022) Secretary 7 St John's Road Harrow Middlesex HA1 2EY

CONTENTS

	Page
Strategic report	1-3
Directors' report	4
Statement of directors' responsibilities	5
Unaudited statement of comprehensive income	6
Unaudited statement of financial position	7
Unaudited statement of changes in equity	8
Notes to the unaudited financial statements	9-13

Strategic report for the year ended 31 March 2023

The Directors present their strategic report for the year ended 31 March 2023.

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 ($C=X2C^{2}_{TM}=1$) 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.

According to McKinsey's recent Global Economics Intelligence summary, the growth estimates for 2023 and 2024 have become less acute pointing towards a shorter slowdown, with an anticipated rebound in 2024. Even in the backdrop of this dynamic environment, enterprise IT spending is strong and is projected at $4.6 trillion in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner.

This duality in the environment is a result of the different economic realities being faced by consumers and enterprises. Enterprises are continuing to increase spending on digital business initiatives despite the slowdown. A divergence from previous cyclical downturns can be explained by modern enterprises prioritizing segments of tech spend as a means of transforming their business and becoming more innovative, with a view towards optimizing current revenue streams or creating new ones. This is also evident by the fact that leaders in enterprise technology are growing five times faster than laggards today, whereas this gap was only two times before the pandemic. Leveraging technology is going to be a critical factor in an enterprise's catalyst of the future.

In this dynamic environment, Mphasis continues to move forward from a position of strength. Mphasis has a foundation of strong industry solutions, marquee client base and earnings and cash flow; all these aspects will help Mphasis to continue to execute its growth strategy and insulate it from the market challenges. Mphasis continues to work with its clients to build their transformation capabilities and get them future-ready. The tech investing super cycle that started in 2021 is still underway and Mphasis foresees that enterprises will continue to prioritize investments in areas such as cloud, data engineering and strategic data assets, as well as areas like cybersecurity, customer experience and support transformation, as the latter also leads to a significant cost takeout opportunity. This will necessitate a pivot for the entire industry from maintenance and infrastructure services to transformation that can enable clients to deliver better services to customers and go-to-market faster using data analytics.

The Company is confidently embracing this unique environment and leading it by staying true to its purpose, implementing playbooks, to protect the core, ensure repeatable growth in capability-led transformation and to accelerate from "Run" to "Change", at the speed of our clients.

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 £108,051 compared to £ 157,268 during the previous year. The profit for the year ended 31 March 2023 amounted to £ 5,288 (for 31 March 2022: £ 51,370). The directors have not recommended a dividend for the year ended 31 March 2023 (31 March 2022: £ nil).

The operating 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:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The company had revenue £108,051 during the year ended 31 March 2023 and the profit for the year amounted to £5,288. The company is making continued efforts in acquiring revenue contracts from customers.

Strategic report for the year ended 31 March 2023 (continued)

Financial risk management objectives, risks and policies

Being in the IT / ITES industry, the Company thrives in a very dynamic business environment. Apart from the global economic slowdown and the recession risks, a variety of factors including the rapid pace of technological changes and geopolitical conflict affects the business environment in which the Company operates. The Risk Management Program of the Company is centrally managed by its parent company, based at India and comprehensively manages the risks which can be classified as – Strategic, Operational, Financial, Information Security and Compliance. While the Company faces several risks, prominent ones are discussed below:

Volatile Global Political and Economic Situation: The Company derives a considerable portion of its revenue from its client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity.

Cybersecurity Risks: The increasing reliance on technology exposes IT/ITES companies to cyber threats, including data breaches, hacking, malware, and ransomware attacks. These risks can result in financial losses, reputational damage, and legal liabilities.

To mitigate these risks, the Company has implemented several measures including robust IT security frameworks and a Cyber Security Strategy. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks.

Data Privacy and Confidentiality: The IT/ITES industry deals with sensitive customer data and intellectual property. Breaches of data privacy or confidentiality can lead to legal consequences, reputational damage, loss of client trust, and regulatory penalties.

To mitigate this risk, the Company has implemented a Privacy Risk Management Framework comprising adequate controls encompassing people, process, and technology to ensure compliance with the relevant and applicable privacy laws including but not limited to European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Australian Data Privacy Principles, etc.

Continuity and Disaster Recovery Risk: Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery.

The Company has implemented Disaster Recovery for all the identified critical enterprise applications.

Talent Acquisition and Retention: The IT/ITES industry faces intense competition for skilled professionals. There is a constant need to attract and retain top talent to maintain a competitive edge. Failure to attract and retain skilled employees can result in project delays, decreased productivity, and increased recruitment costs.

The Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. The Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent.

Vendor and Supply Chain Risks: Risks associated with vendor performance, supply chain disruptions, contract disputes, or the failure of critical suppliers can impact the company's operations, delivery timelines, and customer satisfaction.

The Company has adequate monitoring mechanisms in place to regularly assess the vendor / third parties' performance, adherence to contracts, etc. and faces no major issues.

Project Execution and Delivery Risks: Failure to deliver projects on time, within budget, and meeting quality standards can result in financial losses, contract terminations, reputational damage, and legal disputes.

To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

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 key financial risks such as liquidity risk, forex fluctuation, etc. are also well managed by the centralized Treasury function.

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 2023 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.

Strategic report for the year ended 31 March 2023 (continued)

The Company is continuously monitoring the after-effects of the Pandemic 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 2023.

Company number 06729562

Directors' report for the year ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

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 2023, 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.

Company number 06729562

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2023

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 06729562

Unaudited statement of comprehensive income for the financial year ended 31 March 2023

	Note	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Turnover	2	**108,051**	**157,268**
Cost of sales		(83,334)	(117,533)
Gross profit		**24,717**	**39,735**
Administrative expenses		(19,429)	(40,396)
Other operating gains		-	52,031
Operating profit	3	**5,288**	**51,370**
Impairment of investment in subsidiaries		-	-
Interest receivable and similar income		-	-
Profit on ordinary activities before taxation		**5,288**	**51,370**
Tax on profit from ordinary activities	5	-	-
Profit for the financial year attributable to the owners of the company		**5,288**	**51,370**
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the owners of the company		**5,288**	**51,370**

All amounts relate to continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

Company number 06729562

Unaudited statement of financial position as at 31 March 2023

	Note		2023		2022
			£		£
Current assets					
Debtors	6	316,843		325,172	
Cash at bank and in hand		181,610		52,921	
		498,453		**378,093**	
Creditors : amounts falling due within one year	7	(293,285)		(178,213)	
Net current assets			**205,168**		**199,880**
Total assets less current liabilities			**205,168**		**199,880**
Net assets			**205,168**		**199,880**
Capital and reserves					
Called up share capital	8		8,420		8,420
Capital redemption reserve	8		1,580		1,580
Profit and loss account	8		195,168		189,880
Shareholders' equity			**205,168**		**199,880**

The notes on pages 9 to 13 form part of these financial statements.

Company number 06729562

Unaudited statement of changes in equity as at 31 March 2023

	Called-up share capital	Capital redemption reserve	Profit and loss account	Total
At 1 April 2021	**8,420**	**1,580**	**138,510**	**148,510**
Profit for the financial year	-	-	51,370	**51,370**
Total comprehensive profit	-	-	51,370	**51,370**
At 31 March 2022	**8,420**	**1,580**	**189,880**	**199,880**
At 1 April 2022	**8,420**	**1,580**	**189,880**	**199,880**
Profit for the financial year	-	-	5,288	**5,288**
Total comprehensive profit	-	-	5,288	**5,288**
At 31 March 2023	**8,420**	**1,580**	**195,168**	**205,168**

The notes on pages 9 to 13 form part of these financial statements.

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

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.

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 Unaudited Financial Statements for the year ended 31 March 2023

Deferred income tax assets are recognized 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 recognized 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 2023 £	Year ended 31 March 2022 £
United Kingdom	108,051	157,268
	108,051	**157,268**

Analysis of turnover by customer	Year ended 31 March 2023 £	Year ended 31 March 2022 £
External revenue	107,000	151,290
Revenue from fellow group undertakings	1,051	5,978
	108,051	**157,268**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

3. OPERATING PROFIT

The Operating profit is stated after charging	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Auditors' remuneration	7,500	7,160
Foreign exchange loss	336	172

4. STAFF COSTS

The average monthly number of employees, including the directors, during the year were 3 (year ended 31 March 2022 – 3). The company does not have a payroll and therefore there are no staff costs (year ended 31 March 2022: £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

(a) Tax expense included in the Statement of comprehensive income	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (period ended 31 March 2022 - 19%)	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Total tax credit	-	-

b) Reconciliation of tax credit included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for year is equivalent to the standard rate of corporation tax in the UK of 19% (2022: 19%) .The differences are reconciled as follows.

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
(Loss)/profit on ordinary activities before taxation	5,288	51,370
Income tax calculated at 19% (2022-19%)	1,005	9,760
Expenses not deductible for tax purposes		
Other timing differences	(1,005)	(9,760)
Tax expense for the year	-	-
Deferred tax credit for the year	-	-
Total tax credit for the year	-	-

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 Unaudited Financial Statements for the year ended 31 March 2023

6. DEBTORS

	2023	2022
	£	£
Amounts owed by group undertakings	300,000	307,197
Prepayments	56	56
Other debtors	16,787	17,919
	316,843	**325,172**

7. CREDITORS

	2023	2022
	£	£
Amounts falling due within one year		
Amounts owed to group undertakings	278,955	166,049
Accruals and deferred income	14,330	12,164
	293,285	**178,213**

8. SHARE CAPITAL AND RESERVES

	2023	2022
Authorized, allotted, called up and fully paid and reserves	£	£
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

	2023	2022
Financial assets measured at amortised cost	£	£
Trade and other debtors	16,787	17,919
Amounts owed from holding and related companies	300,000	307,197
	316,787	**325,116**

	2023	2022
Financial Liabilities measured at amortised cost	£	£
Amounts due to holding and related companies	278,955	166,049
	278,955	**166,049**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

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 year ended 31 March 2023 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

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

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 (resigned on 9 December 2022) Congress Company Secretarial Services Limited (effective from 16 December 2022) Secretary 7 St John's Road Harrow Middlesex HA1 2EY

CONTENTS

	Page
Strategic report	1-3
Directors' report	4
Statement of directors' responsibilities	5
Unaudited statement of comprehensive income	6
Unaudited statement of financial position	7
Unaudited statement of changes in equity	8
Notes to the unaudited financial statements	9-14

Strategic report for the year ended 31 March 2023

The Directors present their strategic report for the year ended 31 March 2023.

Principal activities and review of business

Dynamyx Limited ("the Company or "Dynamyx") 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 ($C=X2C^{2}_{TM}=1$) 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..

According to McKinsey's recent Global Economics Intelligence summary, the growth estimates for 2023 and 2024 have become less acute pointing towards a shorter slowdown, with an anticipated rebound in 2024. Even in the backdrop of this dynamic environment, enterprise IT spending is strong and is projected at $4.6 trillion in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner.

This duality in the environment is a result of the different economic realities being faced by consumers and enterprises. Enterprises are continuing to increase spending on digital business initiatives despite the slowdown. A divergence from previous cyclical downturns can be explained by modern enterprises prioritizing segments of tech spend as a means of transforming their business and becoming more innovative, with a view towards optimizing current revenue streams or creating new ones. This is also evident by the fact that leaders in enterprise technology are growing five times faster than laggards today, whereas this gap was only two times before the pandemic. Leveraging technology is going to be a critical factor in an enterprise's catalyst of the future.

In this dynamic environment, Mphasis continues to move forward from a position of strength. Mphasis has a foundation of strong industry solutions, marquee client base and earnings and cash flow; all these aspects will help Mphasis to continue to execute its growth strategy and insulate it from the market challenges. Mphasis continues to work with its clients to build their transformation capabilities and get them future-ready. The tech investing super cycle that started in 2021 is still underway and Mphasis foresees that enterprises will continue to prioritize investments in areas such as cloud, data engineering and strategic data assets, as well as areas like cybersecurity, customer experience and support transformation, as the latter also leads to a significant cost takeout opportunity. This will necessitate a pivot for the entire industry from maintenance and infrastructure services to transformation that can enable clients to deliver better services to customers and go-to-market faster using data analytics.

The Company is confidently embracing this unique environment and leading it by staying true to its purpose, implementing playbooks, to protect the core, ensure repeatable growth in capability-led transformation and to accelerate from "Run" to "Change", at the speed of our clients.

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 £128,916 compared to £400,572 during the previous year. The loss for the year ended 31 March 2023 amounted to £104,981 (loss for 31 March 2022: £102,733). 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 2023 (31 March 2022: £ nil).

The operating 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:

- The company closely monitors its financial positions.
- Delivery of contracted services against agreed Service Level Agreements.
- Client satisfaction measures.
- The company had a revenue £128,916 during the year ended 31 March 2023 and the loss for the year amounted to £104,981. The company is making continued efforts in acquiring revenue contracts from customers.

Strategic report for the year ended 31 March 2023 (continued)

Financial risk management objectives, risks and policies

Being in the IT / ITES industry, the Company thrives in a very dynamic business environment. Apart from the global economic slowdown and the recession risks, a variety of factors including the rapid pace of technological changes and geopolitical conflict affects the business environment in which the Company operates. The Risk Management Program of the Company is centrally managed by its parent company, based at India and comprehensively manages the risks which can be classified as – Strategic, Operational, Financial, Information Security and Compliance. While the Company faces several risks, prominent ones are discussed below:

Volatile Global Political and Economic Situation: The Company derives a considerable portion of its revenue from its client's discretionary spending which is linked to their business outlook. Political disruptions or volatile economic conditions impact business globally, potentially resulting in reduced spending by our clients and prospects, restricting revenue growth opportunities.

Mphasis is proactively partnering with the clients and prospects in their re-evaluation of geo-diversity and workload distribution plans for business continuity.

Cybersecurity Risks: The increasing reliance on technology exposes IT/ITES companies to cyber threats, including data breaches, hacking, malware, and ransomware attacks. These risks can result in financial losses, reputational damage, and legal liabilities.

To mitigate these risks, the Company has implemented several measures including robust IT security frameworks and a Cyber Security Strategy. The Company implemented certain highly sophisticated technology security solutions to deftly ward off the threat of data breaches and cyber-attacks.

Data Privacy and Confidentiality: The IT/ITES industry deals with sensitive customer data and intellectual property. Breaches of data privacy or confidentiality can lead to legal consequences, reputational damage, loss of client trust, and regulatory penalties.

To mitigate this risk, the Company has implemented a Privacy Risk Management Framework comprising adequate controls encompassing people, process, and technology to ensure compliance with the relevant and applicable privacy laws including but not limited to European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Australian Data Privacy Principles, etc.

Continuity and Disaster Recovery Risk: Increased disruptions due to manmade and natural calamities pose a risk to the enterprise Information Technology infrastructure and in turn to business operations. Recovery and availability of enterprise applications and infrastructure, post any such disruptions, have become critical for uninterrupted service delivery.

The Company has implemented Disaster Recovery for all the identified critical enterprise applications.

Talent Acquisition and Retention: The IT/ITES industry faces intense competition for skilled professionals. There is a constant need to attract and retain top talent to maintain a competitive edge. Failure to attract and retain skilled employees can result in project delays, decreased productivity, and increased recruitment costs.

The Company has taken several measures to ensure that this risk is adequately managed. Various initiatives have been rolled out to identify critical talents across the company and to reduce attrition. Assessing risk by categorizing employees into Critical Risk, High Risk and Low Risk profiles and providing mitigation plans like role / project change, onsite assignments, salary increases, and promotions have helped in maintaining the right workforce. The Company also ensures that HR interventions such as employee engagement, job enrichment and job rotations are used to retain critical employee talent.

Vendor and Supply Chain Risks: Risks associated with vendor performance, supply chain disruptions, contract disputes, or the failure of critical suppliers can impact the company's operations, delivery timelines, and customer satisfaction.

The Company has adequate monitoring mechanisms in place to regularly assess the vendor / third parties' performance, adherence to contracts, etc. and faces no major issues.

Project Execution and Delivery Risks: Failure to deliver projects on time, within budget, and meeting quality standards can result in financial losses, contract terminations, reputational damage, and legal disputes.

To manage this risk the Company has implemented comprehensive programs to ensure compliance with contractual commitments both quantitatively and qualitatively. The program includes the entire lifecycle of SLA management from identification, monitoring delivery of SLAs and reporting them to the right stakeholders.

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 key financial risks such as liquidity risk, forex fluctuation, etc. are also well managed by the centralized Treasury function.

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 2023 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.

Strategic report for the year ended 31 March 2023 (continued)

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 after-effects of the Pandemic 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 2023.

Company number 03713250

Directors' report for the year ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

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 2023, 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.

Company number 03713250

Statement of Directors' responsibilities in respect of the Directors' report and Financial Statements for the year ended 31 March 2023

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 03713250

Unaudited statement of comprehensive income for the financial year ended 31 March 2023

	Note	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Turnover	2	**128,916**	**400,572**
Cost of sales		(188,683)	(491,899)
Gross loss		**(59,767)**	**(91,327)**
Administrative expenses		(69,868)	(72,707)
Operating loss	3	**(129,635)**	**(164,034)**
Interest receivable and similar income	5	4	1
Loss on ordinary activities before taxation		**(129,631)**	**(164,033)**
Tax on loss from ordinary activities	7	24,650	61,300
Loss for the financial year attributable to the owners of the company		**(104,981)**	**(102,733)**
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the owners of the company		**(104,981)**	**(102,733)**

All amounts relate to continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Company number 03713250

Unaudited statement of financial position as at 31 March 2023

	Note		2023		2022
			£		£
Fixed assets					
Tangible fixed assets	6		436		604
			436		**604**
Current assets					
Debtors	8	213,115		234,239	
Cash at bank and in hand		118,535		57,500	
		331,650		**291,739**	
Creditors : amounts falling due within one year	9	(319,597)		(174,873)	
Net current assets			**12,053**		**116,866**
Total assets less current liabilities			**12,489**		**117,470**
Net assets			**12,489**		**117,470**
Capital and reserves					
Called up share capital	10		108,420		108,420
Profit and loss account	10		(95,931)		9,050
Shareholders' equity			**12,489**		**117,470**

The notes on pages 9 to 14 form part of these financial statements

Company number 03713250

Statement of changes in equity as at 31 March 2023

	Called-up share capital	Profit and loss account	Total
At 1 April 2021	**108,420**	**111,783**	**220,203**
Loss for the financial period	-	(102,733)	**(102,733)**
Total comprehensive loss	-	(102,733)	**(102,733)**
At 31 March 2022	**108,420**	**9,050**	**117,470**
At 1 April 2022	**108,420**	**9,050**	**117,470**
Loss for the financial period	-	(104,981)	**(104,981)**
Total comprehensive loss	-	(104,981)	**(104,981)**
At 31 March 2023	**108,420**	**(95,931)**	**12,489**

The notes on pages 9 to 14 form part of these financial statements.

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

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.

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

c. 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.

d. 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.

e. 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.

f. 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 recognized 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.

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 2023 £	Year ended 31 March 2022 £
United Kingdom	128,916	400,572
	128,916	**400,572**

Analysis of turnover by customer	Year ended 31 March 2023 £	Year ended 31 March 2022 £
External revenue	122,171	384,214
Revenue from fellow group undertakings	6,745	16,358
	128,916	**400,572**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

3. OPERATING LOSS

The Operating loss is stated after charging	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Depreciation of tangible fixed assets	574	539
Office space rentals	4,794	3,165
Auditors' remuneration	7,160	7,160
Foreign exchange loss	(2)	223

4. STAFF COSTS

The average monthly number of employees, including the directors, during the year were 3 (year ended 31 March 2022 – 3). The company does not have a payroll and therefore there are no staff costs (year ended 31 March 2022: £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 ended 31 March 2023 £	Year ended 31 March 2022 £
Interest on loans given to fellow undertaking	4	1

6. TANGIBLE ASSETS

	Furniture, fixtures and office equipment £	Total Tangible Assets £
Cost		
At 1 April 2022	2,716	2,716
Additions	406	406
Disposals	(1,707)	(1,707)
At 31 March 2023	**1,415**	**1,415**
Depreciation		
At 1 April 2022	2,112	2,112
Charge for the year	574	574
Disposals	(1,707)	(1,707)
At 31 March 2023	**979**	**979**
Net book value		
At 31 March 2023	**436**	**436**
At 31 March 2022	**604**	**604**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

7. TAXATION

(a) Tax expense included in the profit or loss	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Current tax on profit on ordinary activities		
UK corporation tax 19% (31 March 2022 - 19%)	-	-
Adjustments in respect of prior years	-	-
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of timing differences	(24,650)	(61,300)
Effect on opening deferred taxes of change in tax rate	-	-
Total deferred tax	**(24,650)**	**(61,300)**
Total tax expense included in profit /loss	**(24,650)**	**(61,300)**

b) Reconciliation of tax expense included in profit or loss

Tax on profit / (loss) on ordinary activities for year is equivalent to the standard rate of corporation tax in the UK of 19% (2022: 19%) .The differences are reconciled as follows.

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Profit on ordinary activities before taxation	(129,631)	(164,033)
Income tax calculated at 19% (2022-19%)	(24,630)	(31,166)
Expenses not deductible for tax purposes	-	-
Utilisation of tax losses, previously unrecognised	-	-
Other timing differences	24,630	31,166
Tax expense for the year	**-**	**-**
Adjustment in respect of prior years	-	-
Deferred tax expense for the year	(24,650)	(61,300)
Total tax expense for the year	**(24,650)**	**(61,300)**

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)	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Fixed assets	(80)	(110)
Net operating losses	86,030	61,410
Total	**85,950**	**61,300**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

8. DEBTORS

	2023	2022
	£	£
Trade debtors	1,819	40,169
Amounts owed by group undertakings	116,889	107,705
Other debtors	3,003	11,500
Prepayments	1,259	1,125
Amount receivable on contracts	-	8,246
Other assets	4,194	4,194
Deferred tax asset	85,950	61,300
	213,114	**234,239**

9. CREDITORS

	2023	2022
	£	£
Amounts falling due within one year		
Trade creditors	1,482	1,349
Amounts owed to group undertakings	287,304	153,225
Social security and other taxes	7,601	-
Accruals and deferred income	23,194	20,299
Other creditors	15	-
	319,596	**174,873**

10. SHARE CAPITAL AND RESERVES

	2023	2022
Authorized, allotted, called up and fully paid and reserves	£	£
1,084,200 Ordinary shares of £0.1 each	108,420	108,420

The Company has 1062500 Ordinary A shares and 21700 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.

11. 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.

12. FINANCIAL INSTRUMENTS

	2023	2022
Financial assets measured at amortised cost	£	£
Trade and other debtors	4,822	51,669
Amounts owed from holding and related companies	116,889	107,705
	121,711	**159,374**

	2023	2022
Financial Liabilities measured at amortised cost	£	£
Trade creditors and Other creditors	1,497	1,349
Amounts due to holding and related companies	287,304	153,225
	288,801	**154,574**

Notes to the Unaudited Financial Statements for the year ended 31 March 2023

13. 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 year ended 31 March 2023 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

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.

MRALD LIMITED

REGISTERED NUMBER: 13738366

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

MRALD LIMITED

COMPANY INFORMATION

Directors	Mr. Nitin Rakesh Mr. Anurag Bhatia Mr. Ravi Vasantraj Mr. Eric Winston Mr. Richard Ward Mr. Scott Hough
Company number	13738366
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
Unaudited statement of comprehensive loss	1
Unaudited statement of financial position	2
Unaudited statement of changes in equity	3
Notes to the unaudited financial statements	4-10

Company number 13738366

Unaudited statement of comprehensive loss for the year ended 31 March 2023

	Note	11 November 2021 to 31 March 2023 £
Turnover	2	**-**
Cost of sales		-
Gross loss		**-**
Administrative expenses		24,926
Operating loss	3	**24,926**
Interest payable and similar charges	5	406
Tax on loss from ordinary activities	6	-
Loss for the financial year attributable to the owners of the company		**(25,332)**
Other comprehensive income		-
Total comprehensive loss for the year attributable to the owners of the company		**(25,332)**

All amounts relate to continuing operations.

The notes on pages 4 to 10 form part of these financial statements.

Company number 13738366

Unaudited statement of financial position as at 31 March 2023

	Note		2023
			£
Investments	7		2
			2
Noncurrent assets			
Current assets			
Debtors	8	236	
Cash at bank and in hand		5,690	
		5,926	
Creditors : amounts falling due within one year	9	(31,160)	
Net current assets			**(25,234)**
Total assets less current liabilities			**(25,232)**
Net assets			**(25,232)**
Capital and reserves			
Called up share capital	10		100
Profit and loss account			(25,332)
Shareholders' equity			**(25,232)**

The notes on pages 4 to 10 form part of these financial statements.

Company number 13738366

Unaudited statement of changes in equity as at 31 March 2023

	Called-up share capital	Profit and loss account	Total
At 11 November 2021			**-**
Loss for the period	-	(25,332)	**(25,332)**
Shares issued	100	-	**100**
Total comprehensive loss	-	(25,332)	**(25,332)**
At 31 March 2023	**100**	**(25,332)**	**(25,232)**

The notes on pages 4 to 10 form part of these financial statements.

Notes to the unaudited financial Statements for the year ended 31 March 2023

GENERAL INFORMATION

Mrald limited is a private company limited by shares incorporated in United Kingdom.

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 IT and ITES enabled 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 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 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.

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 Company is included, can be obtained as detailed in note 13.

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 2023 have been prepared from 11 November 2021 to 31 March 2023.

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal during the period, 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

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 year ended 31 March 2023

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. 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'.

e. 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

f. 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.

g. 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.

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.

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.

Notes to the unaudited financial Statements for the year ended 31 March 2023

h. 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.

i. 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:

  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 IT and ITES enabled services.
A geographical analysis of turnover is as follows:

Geographical analysis of turnover	11 November 2021 to 31 March 2023
	£
United Kingdom	-
Rest of the world	-
	-

Analysis of turnover by customer	11 November 2021 to 31 March 2023
	£
External revenue	-
Revenue from fellow group undertakings	-
	-

Notes to the unaudited financial Statements for the year ended 31 March 2023

3. OPERATING LOSS

The Operating loss is stated after charging / (crediting)	11 November 2021 to 31 March 2023 £
Depreciation of tangible and intangible fixed assets	-
Operating lease rentals	-
Auditor's remuneration	15,000
Foreign exchange loss	-

4. STAFF COSTS

Staff costs including directors' remuneration, were as follows:	11 November 2021 to 31 March 2023 £
Wages and salaries	-
Social security costs	-
Pension contributions	-
	-

The average monthly number of employees, including the directors, during the year were as follows:

Category	11 November 2021 to 31 March 2023 No.
Direct production	-
Sales	-
Administration	-
	-

Directors' emoluments and transactions	11 November 2021 to 31 March 2023 £
Remuneration	-
Pension scheme contributions	-
	-

Emoluments of the highest paid director

Remuneration	-
Pension scheme contributions	-
	-
The number of directors who exercised share options	-

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.

Notes to the unaudited financial Statements for the year ended 31 March 2023

5. INTEREST

Interest payable and similar charges	11 November 2021 to 31 March 2023 £
Interest on loans taken from fellow undertaking	406
	406

6. TAXATION

6.TAXATION

	2023
(a) Tax expense included in the statement of comprehensive income	£
Current tax on profit on ordinary activities	
UK corporation tax 19%	-
Adjustments in respect of prior years	-
Total current tax	**-**
Deferred tax	
Origination and reversal of timing differences	-
Effect on opening deferred taxes of change in tax rate	
Total deferred tax	**-**
Total tax expense included in the statement of comprehensive income	**-**

b) Reconciliation of tax expense included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for period is equivalent to standard rate of corporation tax in the UK of 19%. The differences are reconciled as follows.

	2023
	£
Profit on ordinary activities before taxation	(10,332)
Income tax calculated at 19%	(1,963)
Expenses not deductible for tax purposes	
Utilisation of tax losses, previously unrecognised	-
Other timing differences	1,963
Tax expense for the period	**-**
Adjustment in respect of prior years	-
Deferred tax (income) / expense for the period	-
Total tax expense for the period	**-**

	2023
Deferred Tax Asset (net)	£
Fixed assets	-
Provision for employee benefits	-
Net operating losses	-
Total	**-**

Notes to the unaudited financial Statements for the year ended 31 March 2023

7. INVESTMENTS

	2023
	£
At 11 November 2021	-
Investments during the period	2
Closing balance	**2**

Direct subsidiaries	Country of registration	Direct holding	Activity
Mrald Services Limited 1 Ropemaker Street, London, United Kingdom, EC2Y 9HT	UK	100%	IT Services and ITES enabled services

8. DEBTORS

	2023
	£
Debtors due within the period	
Other debtors	236
	236

9. CREDITORS

	2023
	£
Amounts falling due within the period	
Amounts owed to group undertakings	10,404
Social security and other taxes	(424)
Accruals and deferred income	21,180
	31,160

10. SHARE CAPITAL AND RESERVES

	2023
Authorized, allotted, called up and fully paid and reserves	£
100 Ordinary shares of GBP 1 each	100

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.

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 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 2023

12. FINANCIAL INSTRUMENTS

	2023
Financial assets measured at amortised cost	**£**
Trade and other debtors	236
Cash and cash equivalents	5,690
	5,926

	2023
Financial Liabilities measured at amortised cost	**£**
Amounts due to holding and related companies	10,404
	10,404

13. 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 2023 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.

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.

MRALD SERVICES LIMITED

REGISTERED NUMBER: 13739981

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

MRALD SERVICES LIMITED

COMPANY INFORMATION

Directors	Mr. Ravi Vasantraj Mr. Eric Winston Mr. Stephen Barwell
Company number	13739981
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
Unaudited statement of comprehensive loss	1
Unaudited statement of financial position	2
Unaudited statement of changes in equity	3
Notes to the unaudited financial statements	4-10

Company number 1373998

Unaudited statement of comprehensive loss for the year ended 31 March 2023

	Note	12 November 2021 to 31 March 2023 £
Turnover	2	**1,715,695**
Cost of sales		2,621,953
Gross loss		**(906,258)**
Administrative expenses		1,286,480
Operating loss	3	**(2,192,738)**
Interest payable and similar charges	5	63,778
Loss on ordinary activities before taxation		**(2,256,516)**
Tax on loss from ordinary activities	6	420,190
Loss for the financial year attributable to the owners of the company		**(1,836,326)**
Other comprehensive income		-
Total comprehensive loss for the year attributable to the owners of the company		**(1,836,326)**

All amounts relate to continuing operations.

The notes on pages 4 to 10 form part of these financial statements.

Company number 13739981

Unaudited statement of financial position as at 31 March 2023

	Note		2023
			£
Current assets			
Debtors	7	985,494	
Cash at bank and in hand		99,698	
		1,085,192	
Creditors : amounts falling due within one year	8	(2,921,516)	
Net current assets			**(1,836,324)**
Total assets less current liabilities			**(1,836,324)**
Net assets			**(1,836,324)**
Capital and reserves			
Called up share capital	9		2
Profit and loss account			(1,836,326)
Shareholders' equity			**(1,836,324)**

The notes on pages 4 to 10 form part of these financial statements.

Company number 13739981

Unaudited Statement of changes in equity as at 31 March 2023

	Called-up share capital	Profit and loss account	Total
At 12 November 2021			**-**
Loss for the period	-	(1,836,326)	**(1,836,326)**
Shares issued	2	-	**2**
Total comprehensive loss	-	(1,836,326)	**(1,836,326)**
At 31 March 2023	**2**	**(1,836,326)**	**(1,836,326)**

The notes on pages 4 to 10 form part of these financial statements.

Notes to the unaudited financial Statements for the year ended 31 March 2023

GENERAL INFORMATION

Mrald Services limited is a private company limited by shares incorporated in United Kingdom

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 IT and ITES enabled 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 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 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.

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 Company is included, can be obtained as detailed in note 13.

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 2023 have been prepared for a period from 12 November 2021 to 31 March 2023.

a. Revenue recognition

Turnover represents the total value, excluding value added tax, of goods and services supplied to Customers as a principal during the period, 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

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 year ended 31 March 2023

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. 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'.

e. 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

f. 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.

g. 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.

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.

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.

Notes to the unaudited financial Statements for the year ended 31 March 2023

h. 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.

i. 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:

  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 IT and ITES enabled Services.
A geographical analysis of turnover is as follows:

Geographical analysis of turnover	12 November 2021 to 31 March 2023 £
United Kingdom	1,715,695
	1,715,695

Analysis of turnover by customer	12 November 2021 to 31 March 2023 £
External revenue	1,715,695
	1,715,695

3. OPERATING LOSS

The Operating loss is stated after charging	12 November 2021 to 31 March 2023 £
Auditor's remuneration	45,000
Foreign exchange loss	1,348

Notes to the unaudited financial Statements for the year ended 31 March 2023

4. STAFF COSTS

Staff costs including directors' remuneration, were as follows:	12 November 2021 to 31 March 2023 £
Wages and salaries	1,494,091
Social security costs	163,609
Pension contributions	50,195
	1,707,895

The average monthly number of employees, including the directors, during the year were as follows:

Category	12 November 2021 to 31 March 2023 No.
Direct production	11
	11

Directors' emoluments and transactions	12 November 2021 to 31 March 2023 £
Remuneration	-
Pension scheme contributions	-
	-
Emoluments of the highest paid director	
Remuneration	-
Pension scheme contributions	-
	-
The number of directors who exercised share options	

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 payable and similar charges	12 November 2021 to 31 March 2023 £
Interest on loans taken from fellow undertaking	63,778
	63,778

Notes to the unaudited financial Statements for the year ended 31 March 2023

6. TAXATION

	2023
(a) Tax expense included in the statement of comprehensive income	£
Current tax on profit on ordinary activities	
UK corporation tax 19%	-
Adjustments in respect of prior years	-
Total current tax	**-**
Deferred tax	
Origination and reversal of timing differences	(420,190)
Effect on opening deferred taxes of change in tax rate	
Total deferred tax	**(420,190)**
Total tax expense included in the statement of comprehensive income	**(420,190)**

b) Reconciliation of tax expense included in the statement of comprehensive income

Tax on profit / (loss) on ordinary activities for period is equivalent to the standard rate of corporation tax in the UK of 19%.The differences are reconciled as follows.

	2023
	£
Profit on ordinary activities before taxation	(2,211,516)
Income tax calculated at 19%	(420,188)
Expenses not deductible for tax purposes	
Other timing differences	420,188
Tax expense for the year	**-**
Deferred tax (income) / expense for the period	(420,190)
Total tax expense for the year	**(420,190)**

	2023
Deferred Tax Asset (net)	**£**
Net operating losses	420,190
Total	**420,190**

Notes to the unaudited financial Statements for the year ended 31 March 2023

7. DEBTORS

	2023 £
Debtors due within the period	
Trade debtors	331,916
Deferred tax (refer note 6)	420,190
Other debtors	7,824
Amount receivable on contracts	225,564
	985,494

8. CREDITORS

	2023 £
Amounts falling due within period	
Trade creditors	2,725
Amounts owed to group undertakings	2,737,890
Social security and other taxes	93,746
Accruals and deferred income	87,155
	2,921,516

9. SHARE CAPITAL AND RESERVES

Authorized, allotted, called up and fully paid and reserves	2023 £
2 Ordinary shares of £1 each	2

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.

10. 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 2023

11. EMPLOYEE BENEFITS

	2023
Compensated absences	**£**
Charge to statement of comprehensive income	21,565
Liability in GBP	16,103
Assumptions	
Discount rate	3.22%
Salary escalation rate	1.00%
Withdrawal Rate	5.00%
Retirement Age	60

12. FINANCIAL INSTRUMENTS

	2023
Financial assets measured at amortised cost	**£**
Trade and other debtors	339,740
Cash and cash equivalents	99,698
	439,438

	2023
Financial Liabilities measured at amortised cost	**£**
Trade creditors	2,725
Amounts due to holding and related companies	2,737,890
	2,740,615

13. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Mrald Limited. Mrald Limited is a joint- venture between Mphasis Consulting Ltd and Ardonagh Services 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 2023 is Mphasis Limited, a Company incorporated in India. The Mphasis Group accounts are available on www.mphasis.com.
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.

Mphasis Solutions Services Corporation

Unaudited financial statements as at and for the year ended March 31, 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Income	2
Unaudited Statement of Changes in Stockholder's Equity	3
Unaudited Statement of Cash Flows	4
Notes to Unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

	March 31, 2023
Assets	
Current assets:	
Cash and cash equivalents	$ 50,000
Total current assets	**$ 50,000**
Total assets	**$ 50,000**
Liabilities and Stockholders' equity	
Current liabilities:	
Accounts payable and accrued expenses	2,512
Total current liabilities	**$ 2,512**
Total liabilities	**$ 2,512**
Stockholders' equity	
Common stock: $ 1.00 par value; 50,000 shares issued and paid up	$ 50,000
Accumulated deficit	(2,512)
Total Stockholders' equity	**$ 47,488**
Total liabilities and Stockholders' equity	**$ 50,000**

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME YEAR MARCH 31, 2023

	March 31, 2023
Revenue:	
Total revenue	**$ -**
Cost of revenue	$ -
Gross profit	**$ -**
General and administrative	$ 2,512
Total operating expenses	**$ 2,512**
Operating profit	**$ (2,512)**
Total other income	**$ -**
Loss before income taxes	$ (2,512)
Tax Expense	$ -
Net loss	**$ (2,512)**
Other comprehensive income	-
Comprehensive loss	**$ (2,512)**

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

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2023

	Common Stock	Additional paid-in capital	Accumulated deficit	Stockholders' Equity
Balance at March 31, 2022	**$ 50,000**	**$ -**	**$ -**	**$ 50,000**
Comprehensive income				
Net loss	-	-	(2,512)	(2,512)
Balance at March 31, 2023	**$ 50,000**	**$ -**	**$ (2,512)**	**$ 47,488**

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

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH-2023

		March 31, 2023
Operating activities:		
Net loss	$	(2,512)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses		2,512
Net cash used in operating activities	**$**	**-**
Investing activities:		
Net cash flow generated from investing activities	**$**	**-**
Financing activities:	$	-
Net cash flow used in financing activities	**$**	**-**
Net decrease in cash and cash equivalents	$	-
Cash and cash equivalents, beginning of year		50,000
Cash and cash equivalents, end of year	**$**	**50,000**

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

NOTE 1 – CORPORATE INFORMATION

Nature of business

Mphasis Solutions Services Corporation having registered office at Corporate Creations Network Inc., 3411, Silverside Road, Tatnall Building, #104, Wilmington, Delaware, 19810, New Castle County was incorporated as a wholly owned subsidiary of Mphasis Corporation on 28 December 2021 in Delaware. The Company is engaged in the business of third-party administrators. The parent of Mphasis Corporation is Mphasis Limited, India and the ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd..

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")

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.

Recently issued accounting pronouncements

In March 2021, the FASB issued ASU No. 2022-06, Reference Rate Reform: The UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 -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.

Blink Interactive Inc.

Unaudited financial statements as at and for the year ended March 31, 2023

	Page
Unaudited Balance Sheet	1
Unaudited Statement of Comprehensive Income	2
Unaudited Statement of Changes in Stockholder's Equity	3
Unaudited Statement of Cash Flows	4
Notes to the Unaudited Financial Statements	5

UNAUDITED BALANCE SHEET AS AT MARCH 31, 2023

		March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$	3,283,660
Accounts receivable, net		4,269,694
Unbilled receivables		1,047,189
Receivable from related parties		3,888,910
Income taxes receivable		418,245
Other current assets		490,503
Total current assets	**$**	**13,398,201**
Property and equipment, net	$	630,535
Operating lease-right-of-use		6,751,189
Deferred tax asset, net		625,800
Other non - current assets		73,613
Total non-current assets	**$**	**8,081,137**
Total assets	**$**	**21,479,338**
Liabilities and Stockholder's equity		
Current liabilities:		
Accounts payable and accrued expenses		232,174
Operating lease liabilities		1,607,303
Payable to related parties		73,852
Deferred tax liabilities, net		632,282
Deferred revenue		429,799
Other current liabilities		8,346,250
Total current liabilities	**$**	**11,321,660**
Operating lease liabilities	$	5,445,688
Total non - current liabilities	**$**	**5,445,688**
Total Liabilities	**$**	**16,767,348**
Stockholders' equity		
Shares authorised,shares issued and outstanding	$	2,468,350
Additional paid-in capital		12,312,518
Retained earnings		(10,068,878)
Total Stockholders' equity	**$**	**4,711,990**
Total liabilities and Stockholders' equity	**$**	**21,479,338**

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Revenue:		
Revenue	$	37,513,963
Revenue from related parties		4,191,532
Total revenue	**$**	**41,705,495**
Cost of revenue (excluding depreciation and amortization)		26,532,602
Gross profit	**$**	**15,172,893**
General and administrative	$	7,938,113
Sales and marketing		5,486,779
Depreciation and amortization		365,281
Operating lease expenses		1,858,303
Total operating expenses	**$**	**15,648,476**
Operating loss	**$**	**(475,583)**
Other income, net:		
Interest and other income net		6,267
Interest expense		(1,045)
Total other income, net	**$**	**5,222**
Loss before income taxes	**$**	**(470,361)**
Tax expense		783,378
Net loss	**$**	**(1,253,739)**
Other comprehensive income		-
Comprehensive loss	**$**	**(1,253,739)**

UNAUDITED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR YEAR ENDED MARCH 31, 2023

	Capital stock	Additional paid-in capital	Retained earnings	Stockholders' equity
Balance at March 31, 2022	**$ 2,468,350**	**$ 12,312,518**	**$ (8,815,139)**	**$ 3,497,379**
Comprehensive income				
Other comprehensive income	-	$ -	$ (1,253,739)	(1,253,739)
Balance at March 31, 2023	**$ 2,468,350**	**$ 12,312,518**	**$ (10,068,878)**	**$ 2,243,640**

UNAUDITED STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023

		March 31, 2023
Operating activities:		
Net profit	$	(1,253,739)
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation		365,281
Opreating lease expenses		1,858,303
Provision for expected credit loss		3,988
Profit on sale of property and equipment		573
Interest expenses		1,045
Interest income		(512)
Changes in operating assets and liabilities:		
Accounts and unbilled receivables		2,198,526
Receivable from related parties		(2,076,663)
Other assets		(166,299)
Accounts payable and accrued expenses		(257,913)
Repayment of operating lease liabilities		(1,709,656)
Income taxes payable		286,226
Deferred revenue		(472,854)
Other liabilities		2,824,471
Net cash flow used in operating activities	**$**	**1,042,347**
Investing activities		
Purchase of property and equipment		(149,417)
Proceeds from sale of property and equipment		(573)
Net cash flow generated from investing activities	**$**	**(149,990)**
Financing activities		
Interest paid		(1,045)
Net cash flow generated from financing activities	**$**	**(1,045)**
Net decrease in cash and cash equivalents	$	891,312
Cash and cash equivalents at the beginning of the year		2,392,348
Cash and cash equivalents, end of the year	**$**	**3,283,660**
Supplementry disclosure of cash flow information:		
Interest paid		1,045
Lease payments		1,709,656

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023

NOTE 1 – CORPORATE INFORMATION

Nature of Business

Blink Interactive Inc. ('the Company'), is a wholly owned subsidiary of Mphasis Corporation effective from 21 September 2021. The Company is engaged in the business of user experience research, strategy, and design firm working with some of the leading enterprises to create transformative digital products, brands, and experiences for clients. The parent of Mphasis Corporation is Mphasis Limited, India and the ultimate holding Company is BCP Asia (SG) Mirror Holding Pte Ltd.

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 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 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

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the transaction price (net of variable consideration) allocated to a particular performance obligation.

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 $ 3,283,660 in the bank accounts as at March 31, 2023.

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 —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).

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, 2023 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, 2023 is $ 5,000.

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 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.

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.

Recently issued accounting pronouncements

In March 2021, the FASB issued ASU No. 2022-06, Reference Rate Reform: The UK Financial Conduct Authority (FCA) announced that the intended cessation date of the overnight 1, 3, 6, and 12 month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date i.e December 31, 2022 of Topic 848. Accordingly, the ASU was issued to address concerns that the current relief may not cover a period of time when a significant number of modifications may take place. The ASU defers the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company is in the process of evaluating the impact of above on its financial statements and related disclosures.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as at March 31, 2023:

	Estimated useful Lives	March 31, 2023
Office equipment	5 years	$ 32,966
Computer equipment	3 years	801,242
Servers and networks	6 years	22,682
Furniture and fixtures	5 years	583,735
Leasehold improvements	Shorter of lease term or 10 years	853,002
Computer software	3 to 7 years	69,793
Total		**2,363,420**
Less: accumulated depreciation and amortisation		1,732,885
Property and equipment, net		**$ 630,535**

Depreciation and amortization expense for the year ended March 31, 2023, is $ 365,281.

NOTE 4 – LEASES

Operating leases

The Company 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 year ended March 31, 2023, were $ 1,858,303 and is included in operating lease expenses in the accompanying statement of comprehensive income.

Lease expense:	March 31, 2023
Operating lease expense	$ 1,858,303
Variable lease expense	179,123
Total	**$ 2,037,426**

Cash paid for amounts included in the measurement of operating lease liabilities	March 31, 2023
Operating cash flows	$ 1,709,656
Operating lease right-of-use obtained in exchange for operating lease liabilities	6,751,189
Weighted-average remaining lease term (in years) operating leases	4.33
Weighted-average discount rate operating leases	2.13%

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, 2023, are as follows:

Years	**March 31, 2023**
2024	1,757,193
2025	1,804,267
2026	1,586,851
2027	1,305,036
Thereafter	978,912
Total minimum payments	**7,432,259**
Less:Present value of discount	(379,268)
Operating lease liabilities	**$ 7,052,991**

NOTE 5 – INCOME TAXES

Income tax expense comprises:

Taxes:	**March 31, 2023**
Current taxes	$ 783,378
Total taxes	**$ 783,378**

NOTE 6 – 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 $ 3,684,768 to various social security schemes that have been recognized as an expense in the statement of comprehensive income for the year ended March 31, 2023.

NOTE 7 – RELATED PARTY

As at March 31, 2023, the Company has $ 3,888,911 as balance receivable including trade receivables from following related parties:

Name of the party	**Relationship**	**March 31, 2023**
Mphasis Corporation	Parent company	3,173,716
Mphasis Limited	Intermediate Parent company	534,924
Others	Subsidiary of company and parent company	180,271

As at March 31, 2023, the company has $73,852 as balance payable to following related parties;

Name of the party	**Relationship**	**March 31, 2023**
Mphasis Corporation	Parent company	73,852

NOTE 8 -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 9 - 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.