

Walker ChandioK & Co LLP

Walker ChandioK & Co LLP
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Independent Auditor's Report

To the Members of Hinduja Tech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Hinduja Tech Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Information other than the Financial Statements and Auditor's Report thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

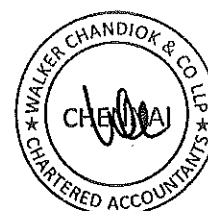
In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone 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 Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.
6. In preparing the financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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.



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9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

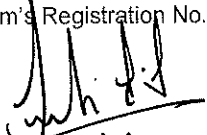
12. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 3.01 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2022
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.;



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- iv.
- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 3.16 (iii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 3.16 (iii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sumesh E S
Partner
Membership No.: 206931
UDIN: 22206931AJFITA9158



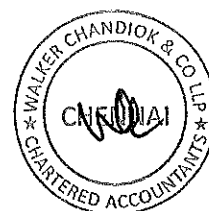
Place: Chennai
Date: 12 May 2022

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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) (a) During the year, the Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in two subsidiaries, amounting to ₹ 61.59 lakhs and in our opinion, and according to the information and explanations given to us, the investments made are, prima facie, not prejudicial to the interest of the Company.



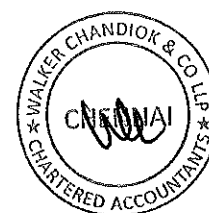
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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Tax and Penalty	16.81	2.55	FY 2009-10 & FY 2010-11	Customs Excise and Service Tax Appellate Tribunal, Chennai

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) 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 taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

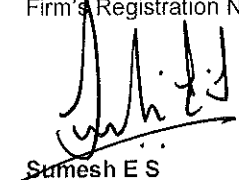


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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sumesh E S
Partner
Membership No.: 206931
UDIN: 22206931AJFITA9158



Place: Chennai
Date: 12 May 2022

Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

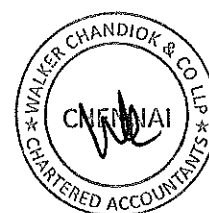
1. In conjunction with our audit of the standalone financial statements of Hinduja Tech Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .



Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the standalone financial statements for the year ended 31 March 2022

Meaning of Internal Financial Controls with Reference to Financial Statements

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

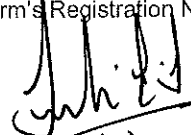
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

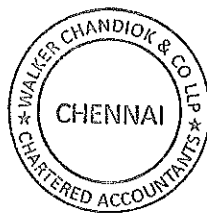
7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial controls criteria established by the management considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sumesh E S
Partner
Membership No.: 206931
UDIN: 22206931AJFITA9158



Place: Chennai
Date: 12 May 2022

Hinduja Tech Limited
 Standalone Balance Sheet as at March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	1.01	396.19	203.92
Intangible assets	1.02	438.05	197.09
Capital work-in-progress	1.01	3.59	12.50
Right-of-use assets	1.03	1,223.54	1,730.35
Financial assets			
(i) Investments	1.04	1,046.33	984.74
(ii) Loans	1.05	-	596.93
(iii) Other financial assets	1.06	292.64	266.27
Deferred Tax Asset (Refer Note No. 3.09)		437.09	-
Non-current tax assets (net)	1.07	452.72	757.95
Other non-current assets	1.08	23.61	42.38
Total non-current assets		4,313.76	4,792.13
Current assets			
Financial assets			
(i) Trade receivables	1.09	3,106.73	2,029.29
(ii) Cash and cash equivalents	1.10a	1,401.39	526.20
(iii) Bank balances other than (ii) above	1.10b	-	11.09
(iv) Other financial assets	1.11	5,390.34	5,346.21
Contract asset - unbilled revenue		1,717.84	1,599.28
Other current assets	1.12	798.68	192.39
Total current assets		12,414.98	9,704.46
TOTAL ASSETS		16,728.74	14,496.59
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.13	15,565.13	15,395.00
Other equity	1.14	(6,106.10)	(8,644.30)
Total equity		9,459.03	6,750.70
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	1.15	883.67	1,425.22
Provisions	1.16	178.17	142.86
Total non-current liabilities		1,061.84	1,568.08
Current liabilities			
Financial liabilities			
(i) Lease liabilities	1.17	541.55	475.95
(ii) Borrowings	1.18	-	626.63
(iii) Trade payables	1.19		
-Total outstanding dues to micro and small enterprises		65.64	36.04
-Total outstanding dues to other than micro and small enterprises		113.19	244.78
(iv) Other financial liabilities	1.20	4,522.78	4,125.82
Contract liabilities		314.24	189.96
Other current liabilities	1.21	319.15	149.47
Provisions	1.22	327.53	329.16
Current Tax Liabilities (Net)		3.79	-
Total current liabilities		6,207.87	6,177.81
TOTAL EQUITY AND LIABILITIES		16,728.74	14,496.59

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

In terms of our report attached

For Walker Chandlok & Co LLP
 Chartered Accountants

Sumesh E'S
 Partner
 Membership No. 206931



Place : Chennai
 Date :12-May-2022

For and on behalf of the Board of Directors of
 Hinduja Tech Limited

Kumar Prabhas
 Chief Executive Officer

Dheeraj G Hinduja
 Chairman
 DIN: 00133410

S. Gandpathyraman
 Chief financial Officer

Abhishek N S
 Company Secretary

Place : Chennai
 Date : 12-May-2022

Hinduja Tech Limited
 Standalone Statement of Profit and Loss for the Year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	2.01	17,387.81	13,485.01
Other income	2.02	613.90	280.33
Total Income		18,001.71	13,765.34
Expenses			
Cost of outsourced services and materials consumed	2.03	1,780.21	1,466.27
Employee benefits expense	2.04	11,349.40	9,763.45
Finance costs	2.05	187.03	211.19
Depreciation and amortisation expense	2.06	872.56	840.76
Other expenses	2.07	1,816.61	1,262.26
Total Expenses		16,005.81	13,543.93
Profit before tax		1,995.90	221.41
Tax expense:			
Current tax		3.65	-
Deferred tax		(437.09)	-
Total Tax expense		(433.44)	-
Profit for the year		2,429.34	221.41
Other Comprehensive Income			
Items that will not be reclassified to profit or Loss			
- Remeasurement of Defined Benefit Plans		(56.69)	8.13
Income tax on items that will not be reclassified to profit or loss		-	-
		(56.69)	8.13
Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		51.88	(6.14)
Income tax on items that will be reclassified to profit or loss		-	-
		51.88	(6.14)
Other comprehensive Income for the year		(4.81)	1.99
Total comprehensive Income for the year		2,424.53	223.40
Earnings per equity share on profit for the year			
Basic and diluted (in ₹)	3.13	1.57	0.14

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

In terms of our report attached

For Walker Chandio & Co LLP
 Chartered Accountants

Suprakash E S
 Partner
 Membership No. 206931



Place : Chennai
 Date :12-May-2022

For and on behalf of the Board of Directors of
 Hinduja Tech Limited

Kumar Prabhakar D. Hinduja

Kumar Prabhakar
 Chief Executive Officer

Dheeraj G Hinduja
 Chairman
 DIN: 00133410

S. Ganapathyraman
 S. Ganapathyraman
 Chief financial Officer

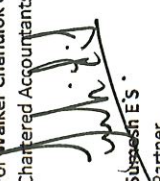
Abhishek N S
 Abhishek N S
 Company Secretary

Place : Chennai
 Date : 12-May-2022

Hinduja Tech Limited
 Standalone Statement of Changes in Equity for the Year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)


Particulars	Equity share capital	Other equity				Total other equity
		Surplus		Other reserves		
		Stock option outstanding account	Retained earnings	Securities Premium	Accumulated other comprehensive income	
Balance as at April 01, 2020	15,395.00	53.50	(8,744.54)	-	(217.34)	(8,908.38)
Add: Profit for the year	-	-	221.41	-	-	221.41
Add: Other comprehensive income for the year	-	-	-	-	1.99	1.99
Add: Recognition of share based payment	-	40.68	-	-	-	40.68
Balance as at March 31, 2021	15,395.00	94.18	(8,523.13)	-	(215.35)	(8,644.30)
Add: Profit for the year	-	-	2,429.34	-	-	2,429.34
Add: Other comprehensive income for the year	-	-	-	-	(4.81)	(4.81)
Add: Recognition of share based payment	-	-	-	-	-	-
Add: Share Application money received	-	113.67	-	-	-	113.67
Shares issued during the year	170.13	(87.63)	-	87.63	-	-
Balance as at March 31, 2022	15,565.13	120.22	(6,093.79)	87.63	(220.16)	(6,106.10)


The accompanying notes form an integral part of these standalone financial statements
 In terms of our report attached


For: Walker Chandiook & Co LLP
 Chartered Accountants

 Subhash E S.
 Partner
 Membership No. 206931



For and on behalf of the Board of Directors of
 Hinduja Tech Limited


 Kumar Prabhas
 Chief Executive Officer


 Dheeraj G Hinduja
 Chairman
 DIN: 00133410


 Abhishek N S
 Company Secretary

Place : Chennai
 Date : 12-May-2022

Place : Chennai
 Date : 12-May-2022

Hinduja Tech Limited

Standalone Statement of Cash flows for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flows from operating activities		
Profit before tax	1,995.90	221.41
Adjustments for :		
Allowance for credit losses	-	32.29
Provision for gratuity	70.26	75.21
Provision for compensated absences	107.51	85.85
Depreciation	872.56	840.76
Unrealised foreign exchange gain	2.66	4.25
Employee stock option expenses	113.67	40.68
Interest on bank borrowings	22.44	8.89
Interest on lease liabilities	164.59	202.30
Interest income	(508.40)	(242.04)
Loss on sale of property, plant and equipment	-	-
Operating profit before working capital changes	2,841.20	1,269.60
Adjustments for changes in :		
Decrease/(Increase) in trade receivables	(1,097.60)	2,583.39
(Increase)/Decrease in financial assets	(172.03)	(423.47)
Decrease/(Increase) in other assets	(587.52)	183.24
Decrease in provisions	(200.78)	(36.74)
Decrease in trade payables	(101.99)	(121.77)
Increase/(Decrease) in other financial liabilities	396.96	189.13
(Decrease)/Increase in other liabilities	293.95	(179.55)
Cash flow used in operations	1,372.18	3,463.83
Income Tax refund/(paid)	305.37	522.17
Net cash flow generated / (used) in operating activities (A)	1,677.55	3,986.00
Cash flows from Investing activities		
Purchase of property, plant and equipment and intangible assets	(790.05)	(217.60)
Proceeds from sale of property, plant and equipment	-	-
Loan given to subsidiaries, net	596.93	(24.50)
Investment in Subsidiaries	(61.59)	-
Investment in Intercorporate deposits	(5,300.00)	(8,050.00)
Proceeds from Intercorporate deposits	5,300.48	4,585.61
Interest on bank/Intercorporate deposits	508.40	242.04
Proceeds from bank deposits	11.09	-
Net cash flow (used in) / generated from Investing activities (B)	265.26	(3,464.45)
Cash flows from financing activities		
(Repayment)/ Proceeds from short term borrowings	(626.63)	483.87
Repayment of interest on short term borrowings	(22.44)	(8.89)
Repayment of principal of lease liabilities	(475.95)	(419.51)
Repayment of interest on lease liabilities	(164.59)	(202.30)
Share application money received	170.13	-
Net cash flow (used in) financing activities (C)	(1,119.48)	(146.83)
Net Cash Inflow (A+B+C)	823.33	374.73
Opening cash and cash equivalents	526.20	157.70
Effects of foreign currency translation	51.85	(6.22)
Cash and cash equivalents at the end of the year	1,401.39	526.20
Cash and cash equivalents comprise of :		
- Balances with banks in current account	1,401.39	526.20
Cash and cash equivalents at the end of the year (Refer note 1.10)	1,401.39	526.20

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

In terms of our report attached

For Walker Chandlok & Co LLP
Chartered Accountants

Sumesh E S
Partner
Membership No. 206931



Place : Chennai
Date : :12-May-2022

For and on behalf of the Board of Directors of
Hinduja Tech Limited

Kumar Prabhas

Kumar Prabhas
Chief Executive Officer

S. Ganapathyraman
Chief Financial Officer

Place : Chennai
Date :12-May-2022

DheeraJ G Hinduja
Chairman
DIN: 00133410

Ashish N S
Company Secretary

Notes to the Standalone Financial Statements:

1. Background

Hinduja Tech Limited ('the Company') was incorporated in 24 June 2009 as an Unlisted Public Limited Company. The Company is principally engaged in providing integrated engineering and digital technology solutions and services to global customers.

The Company has (a) Development and Delivery centres in Chennai, Pune and Bengaluru, (b) branch offices in UK, France, Japan and Mexico and (c) wholly owned subsidiaries in Germany, USA, China and Canada.

The Company is domiciled in India and has its registered office at 1, Sardar Patel Road Guindy, Chennai, Tamil Nadu – 600032.

2. Basis of preparation of financial statements

General information and statement of compliance with Indian Accounting Standard (IND AS)

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and the relevant provisions of the Act.

The standalone financial statements as at and for the year ended 31 March 2022 are approved and authorized for issue by the Board of Directors on 12 May 2022.

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These standalone financial statements are presented in lakhs of Indian rupees, except per share data and as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

Assets and liabilities are classified as current and non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of work, the company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Summary of significant accounting policies

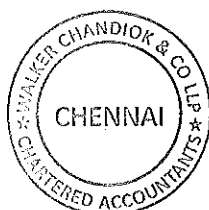
a. Overall considerations

The standalone financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These accounting policies have been used throughout all periods presented in the standalone financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Investment in subsidiaries

The Company's investment in equity instruments in subsidiaries are accounted for 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 transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.



c. Foreign currency translation

Functional and presentation currency

The standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the respective functional currency of the branches of the Company, (which is its local currency) using the exchange rates prevailing at the dates of the transactions, duly approximated. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in Other Comprehensive Income and from the measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized as other income in statement of profit and loss.

Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

d. Revenue recognition

Revenue is primarily derived from product engineering services and digital technology solutions. The Company recognizes revenue from contract based on IND AS 115. To determine whether to recognize revenue from contracts with customers, the Company follows a 5-step process:

1. Identifying the contract with customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

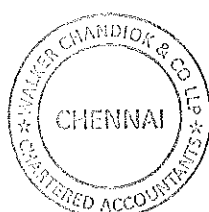
Revenue from contracts with customers is recognised upon transfer of control of promised services to the customer at an amount that reflects the consideration the company expects to receive in exchange for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue in fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue), while invoicing in excess of revenue are classified as contract liabilities (which we refer as unearned revenue).

On the recognition of the receivable from customer, the company recognizes a contract liability which is then recognised as revenue, once the services are rendered. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less. For other cases, the revenue reflects the cash selling price that the customer would have paid for the promised services when the services are transferred to customer. Thus there is no significant financing component.



Interest and Dividend Income

Income from interest is recognized using effective interest method taking into account the amount outstanding and the applicable rate of interest.

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

e. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

The Company makes contribution to the statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan, and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

1. Gratuity

The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income. The plan assets represent qualifying insurance policies that are administered by an Insurance company.

2. Compensated absences

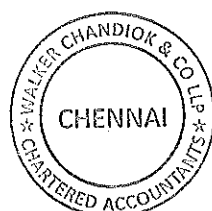
Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such losses or gains are determined.

f. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. Subsequent expenditures 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.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Property, plant and equipment are depreciated under the straight-line method over the estimated useful lives of the assets, based on technical evaluation, which are different from the lives prescribed under Schedule II to the Companies Act, 2013.



f. Property, plant and equipment (continued)

Useful lives adopted by the Company for various class of assets are as follows:

Particulars	Useful life (years)	Useful life (years) as per Sch II
Computer equipment	3	3
Furniture and fittings	4	10
Plant and machinery	4	15
Motor Vehicles	6	10

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful life and residual values are reviewed periodically and updates as required, at each financial year end and adjusted prospectively, if appropriate.

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Software is stated at cost less accumulated amortization and are being amortized on a straight line basis over the estimated useful life of 3 years. Amortization has been included within depreciation and amortization expense.

Gains or losses that arise on disposal or retirement of an intangible asset are measured as the difference between net disposal proceeds and the carrying value of an intangible asset and are recognized in profit and loss when the intangible asset is derecognized.

The amortization period and method are reviewed at each balance sheet date. Residual values and useful lives are reviewed at each reporting date.

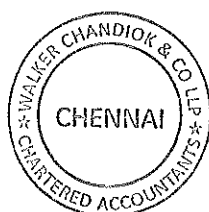
h. Impairment of property, plant and equipment and intangible assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

i. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.



i. Leases (continued)

With effect from 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

As a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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, borrowing are considered for determining the incremental Borrowing rate.

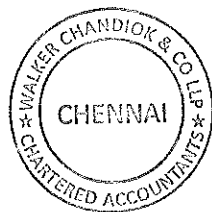
Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- Amounts expected to be payable under a residual value guarantee.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

Short-term leases and leases of low-value assets

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



j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortized cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- Amortized cost
- Fair Value Through Other Comprehensive Income (FVTOCI) or
- Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets are impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at amortized cost

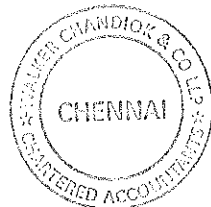
A financial asset is subsequently measured at amortized cost using effective interest rate if it is held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss.



j. Financial instruments (continued)

De-recognition of Financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs. Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these non-cumulative Preference Shares are recognised in Profit or Loss, upon declaration, as finance cost.

Classification, subsequent measurement and de-recognition of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost. The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method except financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in statement of profit and loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in statement of profit and loss are included within finance costs or finance income.

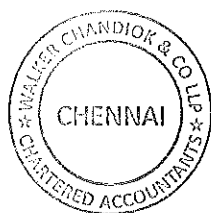
De-recognition of Financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets not designated as at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).



k. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

l. Borrowing cost

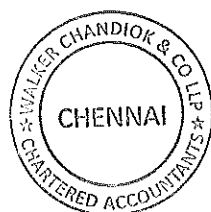
General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepared the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs including Unwinding of discount on Redeemable Preference Shares computed using the market rate are expensed in the period in which they are incurred.

m. Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income are also disclosed under the same head.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future opening results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.



m. Income taxes (continued)

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in statement of profit and loss, except where they relate to items that are recognized in other comprehensive income (such as re-measurement of net defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

n. Cash and Cash Equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

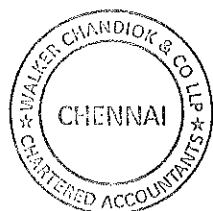
o. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has identified the following as reportable segments: a) Product engineering services, b) Digital technology services. Per Para 4 of Ind AS 108 Operating segments, when entity's financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS well as the parent's separate financial statement, segment information is required only in the consolidated financial statements for the year ended 31 March 2022.

p. Earnings/ (Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



q. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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 not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

The Company does not recognize contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the standalone financial statements.

r. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of 3 months or less, as applicable.

s. Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant management estimates and judgements

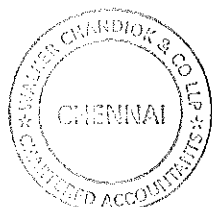
The following are significant management estimates and judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Revenue recognition:

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method 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. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.



Evaluation of indicators for impairment of assets

The evaluation of existence for indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable / amortizable assets

Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Provisions and contingencies

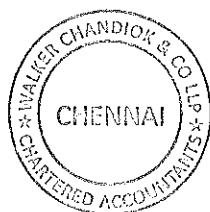
Management applies key assumptions about the likelihood and magnitude of an outflow of resources to account for the recognition and measurement of provisions and contingencies which is reviewed by the management at each reporting date.

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuations. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes to the Standalone Financial Statements.



Hinduja Tech Limited
Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.01 Property, plant and equipment

DESCRIPTION	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	April 01, 2021	Additions	Disposals	Net exchange differences	March 31, 2022	Charge during the year		Reversal on disposals	Net exchange differences
Computer equipment	416.24	285.72	-	(0.05)	701.91	81.99	-	(0.06)	442.28
Furniture and fittings	113.66	38.61	-	-	152.27	36.89	-	-	52.45
Plant and equipment	145.59	20.56	-	-	166.15	33.75	-	-	129.41
Total	675.49	344.89	-	(0.05)	1,020.33	152.63	-	(0.06)	624.14

DESCRIPTION	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	April 01, 2020	Additions	Disposals	Net exchange differences	March 31, 2021	Charge during the year		Reversal on disposals	Net exchange differences
Computer equipment	398.12	17.96	-	0.16	416.24	93.86	-	0.02	360.35
Furniture and fittings	1.69	111.97	-	-	113.66	14.05	-	-	15.56
Plant and equipment	145.59	0.00	-	-	145.59	61.93	-	-	95.66
Total	545.40	129.93	-	0.16	675.49	141.64	-	0.02	471.57

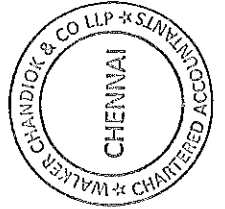
Capital Work-in Progress

Description	Capitalised during the year		Adjustments	March 31, 2022
	April 01, 2021	April 01, 2022		
Capital work-in-progress	12.50	0.18	-	3.59
Total	12.50	0.18	-	12.50

CWIP Ageing Schedule

Amount in CWIP for a period of	As at March 31, 2022		Total
	Less than 1 year	1-2 years	
Projects in progress	0.18	3.41	3.59
Projects temporarily suspended	-	-	-
Total	0.18	3.41	3.59

Amount in CWIP for a period of	As at March 31, 2021		Total
	Less than 1 year	1-2 years	
Projects in progress	12.50	-	12.50
Projects temporarily suspended	-	-	-
Total	12.50	-	12.50



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.02 Intangible assets

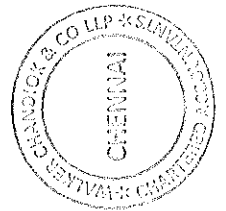
DESCRIPTION	GROSS BLOCK				ACCUMULATED AMORTISATION			NET BLOCK March 31, 2022	
	April 01, 2021	Additions	Disposals	March 31, 2022	April 01, 2021	Charge during the year	Reversal on Disposals		March 31, 2022
	Computer software - Acquired	1,339.30	454.08	-	1,793.38	1,142.21	213.12		-
Total	1,339.30	454.08	-	1,793.38	1,142.21	213.12	-	1,355.33	

DESCRIPTION	GROSS BLOCK				ACCUMULATED AMORTISATION			NET BLOCK March 31, 2021	
	April 01, 2020	Additions	Disposals	March 31, 2021	April 01, 2020	Charge during the year	Reversal on Disposals		March 31, 2021
	Computer software - Acquired	1,264.13	75.17	-	1,339.30	943.48	198.73		-
Total	1,264.13	75.17	-	1,339.30	943.48	198.73	-	1,142.21	

1.03 Right-of-use assets

DESCRIPTION	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK March 31, 2022	
	April 01, 2021	Additions	Disposals	March 31, 2022	April 01, 2021	Charge during the year	Reversal on Disposals		March 31, 2022
	Right-of-use assets - Buildings	2,446.08	-	-	2,446.08	715.73	506.81		-
Total	2,446.08	-	-	2,446.08	715.73	506.81	-	1,222.54	

DESCRIPTION	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK March 31, 2021	
	April 01, 2020	Additions	Disposals	March 31, 2021	April 01, 2020	Charge during the year	Reversal on Disposals		March 31, 2021
	Right-of-use assets - Buildings	2,329.94	116.14	-	2,446.08	215.34	500.39		-
Total	2,329.94	116.14	-	2,446.08	215.34	500.39	-	715.73	



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.04 Non current - financial assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Investments at cost		
Investment in unquoted equity instruments of wholly - owned subsidiaries		
983,000 (March 31, 2021 - 983,000) equity shares of Euro 1 each in Hinduja Tech GmbH, Germany- fully paid up	615.91	615.91
700,000 (March 31, 2021 - 700,000) equity shares of US Dollar 1 each in Hinduja Tech Inc, USA- fully paid up	368.83	368.83
75,000 USD investment in Hinduja Tech (Shanghai) Co. Ltd.	55.71	-
10,000 (March 31, 2021 -NIL) equity shares of CAD 1 each in Hinduja Tech Canada Inc.	5.88	-
Aggregate amount of unquoted investment carried at cost	1,046.33	984.74

1.05 Non current financial assets - Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Loans to subsidiaries*		
- Hinduja Tech GmbH, Germany	-	596.93
	-	596.93

*Loans to subsidiaries were repayable on demand. These loans carried an interest rate of 8% p.a.

1.06 Other non-current financial assets

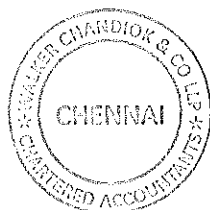
Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Security deposits	292.64	266.27
	292.64	266.27

1.07 Non current tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax deducted at source	452.72	757.95
	452.72	757.95

1.08 Other non current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	23.61	42.38
	23.61	42.38



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.09 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables - unsecured		
(i) Considered good		
- Related parties (Also, refer note 3.05 (d))	1,059.08	646.82
- Others	2,047.65	1,382.47
(ii) Significant increase in credit risk		
- Others	32.29	32.29
	3,139.02	2,061.58
Allowance for expected credit loss		
(i) Receivables which have significant increase in credit risk	32.29	32.29
	3,106.73	2,029.29
Movement in allowance for expected credit loss:		
Opening Balance	32.29	80.98
Allowance during the year	-	32.29
Written off	-	(79.96)
Reversal during the year	-	(1.06)
Translation exchange difference	-	0.04
Closing Balance	32.29	32.29

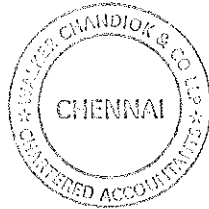
The Company has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at March 31, 2022				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed trade receivables – considered good					
- Related parties	1,058.61	0.47	-	-	1,059.08
- Others	2,047.64	0.01	-	-	2,047.65
(ii) Undisputed trade receivables – Significant increase in credit risk					
- Related parties	-	-	-	-	-
- Others	2.16	22.86	-	7.27	32.29

Particulars	Outstanding for following periods from due date of payment as at March 31, 2021				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed trade receivables – considered good					
- Related parties	500.59	101.17	45.06	-	646.82
- Others	1,361.04	21.43	-	-	1,382.47
(ii) Undisputed trade receivables – Significant increase in credit risk					
- Related parties	-	-	-	-	-
- Others	-	11.35	16.62	4.32	32.29

Note: Un-billed receivables as at March 31, 2022 and March 31, 2021 is ₹ 1,717.84 Lakhs and ₹ 1,599.28 lakhs respectively.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.10 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
a. Cash and cash equivalents		
Balances with banks in current account	1,401.39	526.20
Total cash and cash equivalents	1,401.39	526.20
b. Other bank balances		
- Deposits with original maturity more than 3 months but less than 12 months	-	11.09
Total other bank balances	-	11.09
	1,401.39	537.29

Note:- There are no repatriation restrictions with regard to cash and bank balances as at the end of the reporting period and the prior period.

1.11 Other current financial assets

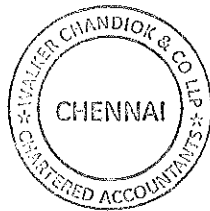
Particulars	As at March 31, 2022	As at March 31, 2021
Derivative assets	17.51	-
Employee advances	1.96	0.14
Inter corporate deposits*	5,300.00	5,300.48
Other receivables		
- Related parties	-	1.23
- Others	69.43	33.26
Security deposits	1.44	11.10
	5,390.34	5,346.21

*Inter corporate deposits to Hinduja Group Limited are repayable on demand. These deposits carry an interest rate of 9% p.a.

1.12 Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for services	390.72	39.50
Travel advance	26.82	9.97
Balances with government authorities	2.55	2.55
Prepaid expenses	378.59	139.80
Grant receivable	-	0.57
	798.68	192.39
Balances with government authorities comprises of:		
- Service tax paid under protest	2.55	2.55

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.13 Share capital

(a) Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised 22,00,00,000 (2021 - 16,16,50,000) equity shares of Rs. 10/- each	22,000.00	16,165.00
	22,000.00	16,165.00
Issued 15,56,51,250 (2021 - 15,39,50,000) equity shares of Rs. 10/- each	15,565.13	15,395.00
	15,565.13	15,395.00
Subscribed and fully paid up 15,56,51,250 (2021 - 15,39,50,000) equity shares of Rs. 10/- each	15,565.13	15,395.00
	15,565.13	15,395.00

(i) Reconciliation of number of equity shares subscribed

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	153,950,000	153,950,000
Add: Issued during the year #	1,701,250	-
Balance as at the end of the year	155,651,250	153,950,000

The shares have been issued on exercise of right by employees in Employee Stock option Scheme.

(ii) Shares issued in preceding 5 years

There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the last 5 years immediately preceding 31 March 2022.

(iii) Shareholders holding more than 5% of the total share capital

Name of the Shareholder	As at March 31, 2022	As at March 31, 2021
	No. of Shares	No. of Shares
Ashok Leyland Limited (2022 - 98.91%)* (2021 - 99.99%)	153,950,000	153,950,000
TOTAL	153,950,000	153,950,000

* 10,000 (2021 - 10,000) shares jointly held by 7 individuals and with Ashok Leyland Limited is included in the number of shares held and % disclosed above.

(iv) Shares held by promoter at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the year
Ashok Leyland Limited	153,950,000	98.91%	-1.08%

(v) Rights, preferences and restrictions in respect of equity shares issued by the Company

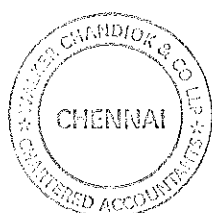
The equity shareholders are entitled to receive dividend as and when declared, a right to vote in proportion of holding and other rights, preferences and restrictions are governed by / in terms of their issue and the provisions of the Companies Act, 2013.

(b) Preference share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised 2,40,00,000 (2021 - 2,40,00,000) 1% non cumulative and non convertible redeemable preference shares of Rs.10/- each	2,400.00	2,400.00
	2,400.00	2,400.00

(i) Issued, Subscribed and fully paid up

The company has issued 23,900,000 1% non cumulative and non convertible redeemable preference shares of Rs. 10 each which has been subscribed and fully paid-up - Also, refer note 1.20



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.14 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Stock option outstanding account		
Balance as at the beginning of the year	94.18	53.50
Add: Share based payment cost for the year	113.67	40.68
Less: Transfer on account of exercise of options	(87.63)	-
Balance as at the end of the year	120.22	94.18
Retained earnings		
Balance as at the beginning of the year	(8,523.13)	(8,744.54)
Add: Transferred from statement of profit and loss	2,429.34	221.41
Balance as at the end of the year	(6,093.79)	(8,523.13)
Securities Premium		
Balance as at the beginning of the year	-	-
Add: Transfer on account of exercise of options	87.63	-
Balance as at the end of the year	87.63	-
Accumulated other comprehensive income		
Balance as at the beginning of the year	(215.35)	(217.34)
Add: Transfer from other comprehensive income	(4.81)	1.99
Balance as at the end of the year	(220.16)	(215.35)
Total other equity	(6,106.10)	(8,644.30)

Notes to other equity :

(a) Stock option outstanding account

The account is used to recognise the grant date fair value of options issued to the employees of the Company by under the Employee stock option scheme. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees.

(b) Retained earnings

Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc.

(c) Securities Premium

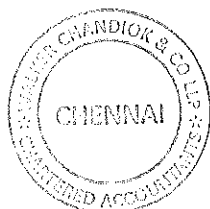
Amounts received on issue of securities in excess of par value has been classified as securities premium.

(d) Accumulated other comprehensive income

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and represents exchange differences on translation of foreign operations.

1.15 Non - current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Also, refer note 3.12)	883.67	1,425.22
	883.67	1,425.22



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.16 Non current provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Compensated absences (Also, refer note 3.06 (b))	178.17	142.86
	178.17	142.86

1.17 Current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured borrowings		
Loans from banks (Also, refer note (i) below)	-	626.63
	-	626.63

(i) The overdraft facility carry interest rates at 7.5% p.a. linked to 3 months Repo (2021: 6 months I-MCLR + 0.70% p.a). During the year company has utilized the cash credit facilities which are secured by hypothecation of book debts of the Company and submitted the receivables statements periodically which are inline with the books maintained by the company.

(ii) The Company is generally regular in repayment of its borrowings and hence, it has not been declared as wilful defaulter by any banks.

(iii) The Company has duly registered all the creation and satisfaction of the charges with the Registrar of Companies on or before the prescribed time limit.

1.18 Current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Also, refer note 3.12)	541.55	475.95
	541.55	475.95

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.19 Trade payables

Particulars	As at	As at
	March 31, 2022	March 31, 2021
i. Micro and small enterprises (Also, refer note 3.02)	65.64	36.04
ii. Other trade payables	113.19	244.78
	178.83	280.82

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	65.64	-	-	-	65.64
(ii)Others	108.49	-	-	-	108.49
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	4.70	-	4.70

Particulars	Outstanding for following periods from due date of payment as at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	36.04	-	-	-	36.04
(ii)Others	240.08	-	-	-	240.08
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	4.70	-	-	4.70

1.20 Other current financial liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Non-cumulative non-convertible redeemable preference shares*	2,390.00	2,390.00
Employee benefits	720.79	672.19
Accrued expenses	1,407.88	891.94
Rent deposit received	-	36.94
Other Payables	4.11	134.75
- Related parties		
	4,522.78	4,125.82

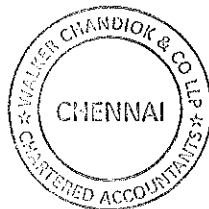
*The company had issued 2,39,00,000 1% non-cumulative non-convertible redeemable preference shares of Rs. 10/- each initially redeemable on October 27, 2016 but was extended and the current due date for redemption is October 2022.

1.21 Other current liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory liabilities	319.15	149.47
	319.15	149.47

1.22 Current provisions

Particulars	As at	As at
	March 31, 2022	March 31, 2022
Provision for employee benefits		
- Compensated absences (Also, refer note 3.06 (b))	53.90	47.42
- Gratuity (Also, refer note 3.06 (a))	4.14	52.92
- Severance pay	269.49	228.82
	327.53	329.16



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

2.01 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from engineering and IT services	16,453.18	12,534.72
Other operating revenue	934.63	950.29
	17,387.81	13,485.01

2.02 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest received on financial assets - carried at amortised cost		
- Bank/ deposits	487.96	200.70
- Loan to subsidiaries	20.44	41.34
Interest on income tax refund	45.86	37.23
Foreign exchange gain - net	58.89	-
Provisions no longer required, written back	-	1.06
Miscellaneous income	0.75	-
	613.90	280.33

2.03 Cost of outsourced services and materials consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials purchased and consumed	1,037.18	515.73
Contract costs	743.03	950.54
	1,780.21	1,466.27

2.04 Employee benefits expenses

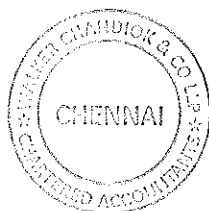
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	10,272.97	8,882.06
Contribution to provident, gratuity and other funds	620.68	608.18
Employee stock option expenses*	113.67	40.68
Staff welfare expenses	342.08	232.53
	11,349.40	9,763.45

* For stock option given by the company to the employees under the employee stock option plan (Also, refer note: 3.10)

2.05 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on bank borrowings	22.44	8.89
Interest on lease liabilities	164.59	202.30
	187.03	211.19

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the Year ended March 31, 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

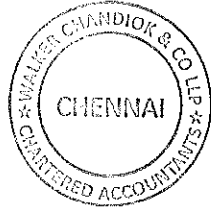
2.06 Depreciation and amortisation expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (Also, refer note 1.01)	152.63	141.64
Amortisation of intangible assets (Also, refer note 1.02)	213.12	198.73
Amortisation of right-of-use assets (Also, refer note 1.03)	506.81	500.39
	872.56	840.76

2.07 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	93.92	76.17
Rent	35.43	14.71
Software support and annual maintenance charges	675.46	274.37
Repairs and maintenance- others	82.66	72.86
Insurance	17.44	17.26
Rates and taxes	70.51	20.83
Selling and administration expenses	136.93	174.81
Professional and legal charges	319.90	290.77
Travel and conveyance	205.71	122.29
Communication expenses	93.43	81.50
Payment to auditor*	14.00	10.00
Bad debts written off	-	79.96
Allowance for credit losses (Also, refer note 1.09)	-	(47.67)
Foreign exchange loss - net	-	15.55
CSR expenditure (Also, refer note 3.03)	25.12	16.04
Miscellaneous expenses	46.10	42.81
	1,816.61	1,262.26
* Payment to auditor comprises of:		
- Statutory audit	11.00	8.50
- Limited review	3.00	1.50
	14.00	10.00

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.01 Contingent liabilities and commitments

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Claims against the Company not acknowledged as debts:		
i) Vendor claims	-	7.40
ii) Claims by Service Tax authorities pending in appeal	16.81	16.81
Bank guarantees (The outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved)	-	7.40
Contractual commitments for acquisition of property, plant and equipment	217.44	9.48

3.02 The information required to be disclosed under the micro, small and medium enterprises development Act, 2006 has been determined on the basis of information available with the Company. The amount of principal and interest outstanding is given below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i) Principal amount paid after appointed date during the year	-	-
ii) Amount of interest due and payable for the delayed payment of principal amount	-	-
iii) Principal amount remaining unpaid as at the year end (over due)	-	-
iv) Principal amount remaining unpaid as at the year end (not due)	65.64	36.04
v) Interest due and payable on principal amount unpaid as at the year end	-	-
vi) Total amount of interest accrued and unpaid as at the year end	-	-
vii) Further interest remaining due and payable for earlier years	-	-

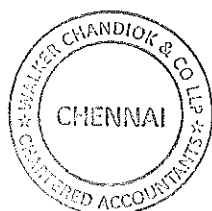
3.03 Corporate social responsibility

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	25.12	16.04
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	25.12	16.04
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	NA	NA

As per Section 135 of the Companies Act, 2013 and the relevant rules made thereunder, the Company had to spend ₹ 25.12 lakhs towards CSR obligations. The aforesaid amount has been utilized towards Road to School Program falling under promoting education under schedule VII of the Companies Act, 2013. The CSR activity is implemented through Learning Links Foundation (LLF) an NGO which is a non-related party to the company.

3.04 Remuneration to Key Management Personnel

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
The remuneration to Chief Executive Officer		
Salary and allowances	340.50	192.36
Contribution to provident fund	7.50	7.00
Performance linked variable pay (including provision)	195.77	87.08
Perquisites (evaluated as per IT rules for certain items)	50.56	-
	594.33	286.44
The remuneration to Chief Financial Officer:		
Salary and allowances	80.30	64.57
Contribution to provident fund	0.22	2.36
Performance linked variable pay (including provision)	35.09	17.46
Perquisites (evaluated as per IT rules for certain items)	5.37	0.24
	120.98	84.63
The remuneration to Company Secretary:		
Salary and allowances	13.76	12.04
Contribution to provident fund	0.51	0.44
Performance linked variable pay (including provision)	3.75	1.72
Perquisites (evaluated as per IT Rules for certain items)	-	0.24
	18.02	14.44



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.05 Related party disclosure - as per Companies Act/ IND AS 24

a) Having transactions with Company during the year

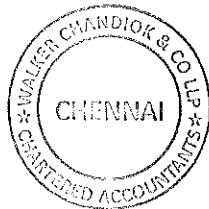
Name of the related party	Nature of relationship
Ashok Leyland Limited	Holding Company / Venturer company
Nissan International Holding B.V, Netherlands*	Venturer company
Hinduja Automotive Limited, United Kingdom	Holding company of Ashok Leyland Limited
Hinduja Tech Inc, USA	Subsidiary
Hinduja Tech GmbH, Germany	Subsidiary
Hinduja Tech Canada Inc.	Subsidiary
Hinduja Tech (Shanghai) Co., Ltd	Subsidiary
Gulf Oil Lubricants India Limited	Fellow subsidiary of Ashok Leyland Limited
Aibonair (India) Private Ltd	Subsidiary of Ashok Leyland Limited
Optare Group plc	Subsidiary of Ashok Leyland Limited
Ashok Leyland (UAE) LLC	Subsidiary of Ashok Leyland Limited
Nissan Motors Co Ltd, Japan*	Significant Influence on Hinduja Tech Limited
Renault Nissan Automotive India Private Limited*	Significant Influence on Hinduja Tech Limited
Nissan Renault Financial Services India Private Limited*	Subsidiary of Nissan International Holdings B.V
Nissan Motor India Private Limited*	Fellow subsidiary of Nissan International Holdings B.V
Ashley Alteams India Limited	Joint Venture of Ashok Leyland Limited
Hinduja Investments and Project services limited	Significant Influence on Hinduja Tech Limited
Switch Mobility Limited	Fellow subsidiary
Switch Mobility Automotive Limited	Fellow subsidiary
Mr. Kumar Prabhas, Chief Executive Officer	Key Managerial Personnel
Mr. S. Ganapathyraman, Chief Financial Officer	Key Managerial Personnel
Mr. Abhishek, Company Secretary	Key Managerial Personnel
Mr. Aditya Sapru	Independent director
Ms. Bhumika Batra	Independent director
Mr. Rangan Mohan	Independent director

* On 25th February, 2021 Ashok Leyland Limited has entered into a share purchase agreement with Nissan International Holding BV and acquired its entire stake in the Company. Consequently the Company has become a wholly owned subsidiary of Ashok Leyland Limited and it ceased to be a related party of Nissan International Holding BV and its group companies with effect from the aforementioned date.

b) Key managerial personnel compensation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short term employee benefits	669.17	375.23
Post employment benefits	8.23	9.80
Share based payment	55.93	0.48
Total compensation	733.33	385.51

Note : Share based payment has been computed proportionate to number of options held by the Key managerial personnel. As Gratuity and Compensated absences are being computed for all the employees as a whole, the amount relating to Key managerial personnel cannot be determined separately, hence not included above.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

c) Details of transactions with related parties

Name of related party	Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
Ashok Leyland Limited	Income from services	2,582.82	2,721.73
	Reimbursement of expenses	31.15	73.05
	Rent	0.72	0.72
Optare Group PLC	Income from services	-	19.19
Ashok Leyland (UAE) LLC	Income from services	-	0.62
Nissan Motors Co Ltd, Japan*	Income from services	-	120.43
Hinduja Automotive Limited, United Kingdom	Rent paid	16.24	15.57
Hinduja Investments and Project services limited	Retainer fee paid	20.30	15.41
Gulf Oil Lubricants India Limited	Income from services	8.25	10.58
Switch Mobility Limited	Income from services	364.99	-
Switch Mobility Automotive Limited	Income from services	72.84	-
Nissan Renault Financial Services India Private Limited*	Income from services	-	19.39
Nissan Motor India Private Limited*	Income from services	-	9.32
Renault Nissan Automotive India Private Limited*	Income from services	-	19.39
Hinduja Tech Inc, USA	Income from services	1,400.53	836.05
	Income from support charges	934.63	950.29
	Travel advance paid	11.75	-
Hinduja Tech GmbH, Germany	Income from services	484.48	10.65
	Interest income	20.44	41.34
	Reimbursement of expenses	-	1.18
	Expenditure Incurred	-	145.49
Hinduja Tech Canada Inc.	Capital Infusion	5.88	-
	Income from services	155.67	-
Hinduja Tech (Shanghai) Co., Ltd	Capital Infusion	55.71	-
Mr. Kumar Prabhas, Chief Executive Officer	Remuneration	594.33	286.44
Mr. S. Ganapathyraman, Chief Financial Officer	Remuneration	120.98	84.63
Mr. Abhishek, Company Secretary (Appointed w.e.f June 03, 2019)	Remuneration	18.02	14.44
Mr. Aditya Sapru	Sitting fees paid	1.80	1.80
Ms. Bhumika Batra	Sitting fees paid	2.80	2.60
Mr. Rangan Mohan	Sitting fees paid	5.50	5.00

* Ceased to be related party w.e.f 25th February 2021, hence transactions reported till that date.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

d) Details of balances receivable from and payable to related parties as follows:

Name of Related Party	Nature of transaction	As at March 31, 2022	As at March 31, 2021
Ashok Leyland Limited	Trade receivable	139.01	66.53
	Unbilled revenue	196.92	250.46
Switch Mobility Limited	Trade receivable	96.17	-
	Unbilled revenue	51.68	-
Switch Mobility Automotive Limited	Trade receivable	53.19	-
	Unbilled revenue	27.60	-
Gulf Oil Lubricants India Limited	Unbilled revenue	-	0.65
Hinduja Tech Canada Inc.	Trade receivable	155.67	-
Hinduja Tech Inc, USA	Trade receivable	428.68	478.93
Hinduja Tech GmbH	Trade receivable	186.35	101.36
	Other receivables	-	1.23
	Trade payable	-	139.94
	Long term loan	-	596.93
Hinduja Investments and Project services limited	Trade Payable	11.93	19.14

e) Details of advances in the nature of loans (excluding interest accrued)

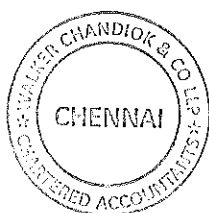
Name of the Company	As at March 31, 2022			
	Status	Outstanding amount	Maximum loan outstanding during the year	Investment in shares of the company
Hinduja Tech INC	Subsidiary	-	-	368.83
Hinduja Tech GMBH	Subsidiary	-	596.93	615.91
Hinduja Tech (Shanghai) Co., Ltd.	Subsidiary	-	-	55.71
Hinduja Tech Canada Inc.	Subsidiary	-	-	5.88

Name of the Company	As at March 31, 2021			
	Status	Outstanding amount	Maximum loan outstanding during the year	Investment in shares of the company
Hinduja Tech INC	Subsidiary	-	-	368.83
Hinduja Tech GMBH	Subsidiary	596.93	596.93	615.91
Hinduja Tech (Shanghai) Co., Ltd.	Subsidiary	-	-	-
Hinduja Tech Canada Inc.	Subsidiary	-	-	-

f) Disclosure as required under section 186(4) of the Companies Act, 2013

Particulars	As at March 31, 2022	As at March 31, 2021	Purpose
(i) Loans outstanding			
- Hinduja Tech INC	-	-	Funding for working capital
- Hinduja Tech GMBH	-	596.93	Funding for working capital
(ii) Investments (Refer note 1.04)	1046.33	984.74	
(iii) Inter Corporate Deposits			
- Hinduja Group Limited *	5,300.00	5,300.48	Funding for working capital

* Maximum outstanding balance during the year is ₹ 5,300.00 lakhs (PY - ₹5,300.48 lakhs). The terms are in compliance with Section 186(7) of the Companies Act, 2013.



3.06 Employee benefits

1) Defined contribution plans

The Company makes provident fund and Labour Welfare Fund contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company has recognised the following contributions in the statement of profit and loss which are at rates specified in the rules of the respective schemes.

The total expense recognised in profit or loss of ₹ 352.00 lakhs (for the year ended March 31, 2021 - ₹ 333.99 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

2) Defined benefit plans

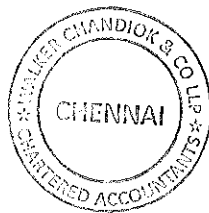
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company makes annual contributions to a funded Company gratuity scheme administered by the Life Insurance Corporation of India.

Company's liability towards gratuity (funded) and compensated absences are actuarially determined at each reporting date using the projected unit credit method.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 a) Employees benefits - Defined benefit plan (Gratuity)

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.20%	5.80%
Expected rate of salary increase	7.00%	5.00%
Attrition rate	20.00%	20.00%
Average longevity at retirement age - past service (years)	2.73	3.28
Average longevity at retirement age - future service (years)	4.90	4.91

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 in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	72.29	70.64
Net interest expense	(2.03)	(1.03)
Components of defined benefit costs recognised in profit or loss	70.26	69.61
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gain)/loss for year - obligation	51.23	(4.01)
Actuarial (gain)/loss for year - plan assets	5.46	(4.12)
Components of defined benefit costs recognised in other comprehensive income	56.69	(8.13)
Total	126.95	61.48

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	497.08	394.40
Fair value of plan assets	492.94	341.48
Net liability arising from defined benefit obligation	4.14	52.92
Funded	-	-
Unfunded	4.14	52.92
Total	4.14	52.92

Movements in the present value of the defined benefit obligation in the current year were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	394.40	362.52
Current service cost	72.29	70.64
Interest cost	21.64	20.29
Actuarial loss/(gain)	51.23	(4.01)
Benefits paid	(42.48)	(55.04)
Closing defined benefit obligation	497.08	394.40

Movements in the fair value of the plan assets in the current year were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening fair value of plan assets	341.48	317.88
Expected return on plan assets	23.67	19.26
Contributions	175.73	55.25
Benefits paid	(42.48)	(55.04)
Actuarial (loss)/gain	(5.46)	4.12
Closing fair value of plan assets	492.94	341.48



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 a) Employee benefits (continued)

The Company had funded its liability towards Gratuity to its employees through group gratuity scheme with Life Insurance Corporation of India which manages the plan assets. Contributions made to the said scheme net of provisions made upto the end of earlier year have been charged to Statement of Profit and Loss of the year.

The actual return on plan assets was March 31, 2022 : ₹ 18.21 lakhs (March 31, 2021: ₹ 23.38 lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2022				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on defined benefit obligation	(10.81)	11.30	11.99	(11.58)
31 March 2021				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on defined benefit obligation	(8.35)	8.71	9.37	(9.05)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Employee benefits - Maturity profile

The expected maturity analysis of undiscounted gratuity benefit obligation after balance sheet date is as follow:

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	80.67	64.47
Year 2	78.07	65.88
Year 3	84.08	58.67
Year 4	64.18	60.20
Year 5	60.76	46.02
Over 5 years	187.11	143.49
Total	554.87	438.73

The average duration of the benefit obligation as at March 31, 2022 is 5.2 years (as at March 31, 2021: 5.1 years).

Major categories of plan assets (as percentage of total plan assets)

Funds managed by Insurer - 100% (2020-21 - 100%)



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 b) Employees Benefits - Compensated absences

The Company has determined the liability for Employee benefits - Compensated absences in accordance with the IND AS 19 - Employee benefits. The details of the said Employee benefits are as under:

Particulars	As at March 31, 2022	As at March 31, 2021
i) Expense recognised in the statement of Profit and Loss for the year		
Current service cost	43.40	44.84
Interest cost	9.13	7.72
Expected return on plan assets	-	-
Net actuarial (gain) / loss	54.99	31.53
Total expense	107.52	84.09
ii) Net Asset/ (Liability) recognised in the Balance Sheet		
Present value of the obligation	(232.07)	(190.28)
Net Asset/ (Liability) recognised in the Balance Sheet	(232.07)	(190.28)
iii) Change in present value of the obligation during the year		
Present value of obligation as at beginning of year	190.28	148.60
Current service cost	43.40	44.84
Interest cost	9.13	7.72
Benefits paid	(65.73)	(42.41)
Actuarial (gain) / loss on obligation	54.99	31.53
Present value of obligation as at end of year	232.07	190.28
iv) Actuarial assumptions		
Discount rate	6.20%	5.80%
Attrition rate	20.00%	20.00%
Future salary increase (consider inflation, promotion, seniority and other relevant factors.)	7.00%	5.00%

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2022				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on liability	(4.63)	4.84	4.78	(4.62)
31 March 2021				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on liability	(3.60)	3.76	3.77	(3.64)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

v) Movement in provision : (Refer Notes 1.17 and 1.22)

Particulars	Opening balance	Utilised during the year	Additional provision Made	Closing balance
Employee Benefits: (₹ lakhs)				
- Compensated absences	190.28	65.73	107.52	232.07
	148.60	42.41	84.09	190.28



3.07 Financial instruments

The carrying value of the company's assets and liabilities are equal to fair value.

a) Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company is required to comply with certain covenants under the arrangements executed for its borrowings and the Company has complied with all such covenants.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Debt to Equity Ratio

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	3,815.22	4,917.80
Total equity	9,459.03	6,750.70
Debt to total equity ratio	0.40	0.73
Categories of financial instruments:		
Financial assets		
a. Measured at amortised cost:		
Cash and bank balances	1,401.39	537.29
Trade receivables	3,106.73	2,029.29
Loans	-	596.93
Others	5,682.98	5,612.48
a. Measured at fair value through profit or loss (FVTPL):		
Derivative instruments	17.51	-
Financial liabilities		
a. Measured at amortised cost:		
Borrowings	-	626.63
Trade payables	178.83	280.82
Lease liabilities	1,425.22	1,901.17
Others	4,522.78	4,125.82

Investments in subsidiaries as at 31 March 2022 : ₹ 1,046.33 (31 March 2021 : ₹ 984.74) are recorded at cost.

The derivative instruments are measured at fair value through profit or loss based on level 2 inputs of fair value hierarchy.

b) Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including interest rate risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by hedging the exposures. The use of hedging method is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk management and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

c) Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.07 Financial Instruments (continued)

d) Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a treasury division and uses derivative instruments (foreign currency forward contracts) to mitigate the risks from such exposures which are regularly monitored by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2022 (all amounts are in equivalent ₹ lakhs):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	758.84	758.84	-	-
EUR	-	-	-	263.05	102.28	160.77	160.77
GBP	-	-	-	199.12	156.55	42.57	42.57
CAD	-	-	-	328.98	72.87	256.11	256.11
Others	2.61	-	2.61	17.22	-	17.22	14.61

As on March 31, 2021 (all amounts are in equivalent ₹ lakhs):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	836.23	-	836.23	836.23
EUR	111.58	-	111.58	715.82	-	715.82	604.24
GBP	-	-	-	39.18	-	39.18	39.18
CAD	-	-	-	-	-	-	-
Others	2.76	-	2.76	113.51	-	113.51	110.75

Note: - Some of the derivatives reported under this column are not designated in hedging relationships but have been taken to economically hedge the foreign currency exposure.

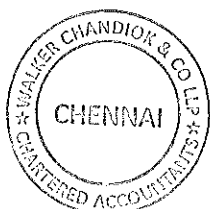
Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The following table details the Company's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. This 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Currency	Equity		Profit or Loss	
	As at March 31, 2022	As at March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
USD Impact	-	16.72	-	16.72
EUR Impact	3.22	12.08	3.22	12.08
GBP Impact	0.85	0.78	0.85	0.78
CAD Impact	5.12	-	5.12	-
Others	0.29	2.22	0.29	2.22

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.07 Financial instruments (continued)

e) Derivatives and risk management:

The following table details the foreign currency forward contracts outstanding at the end of the reporting period:

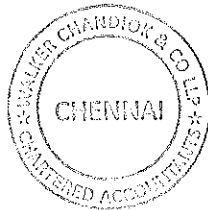
March 31, 2022	Foreign currency		Notional value in ₹	Fair value assets* (liabilities) in ₹	Maturity date
Fair value hedges:					
Sell USD	USD	16.50	1,250.58	8.12	Dec-22
Sell GBP	GBP	1.50	149.18	6.59	Dec-22
Sell EUR	EUR	1.20	101.06	1.96	Dec-22
Sell CAD	CAD	1.20	72.59	0.84	Jun-22

March 31, 2021	Foreign currency		Notional value in ₹	Fair value assets (liabilities) in ₹	Maturity date
Fair value hedges:					
Sell GBP	GBP	-	-	-	-
Sell EUR	EUR	-	-	-	-

Note:

*Included in the balance sheet under 'other financial assets' (Also, refer note 1.11)

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3.07 Financial instruments (continued)

f) Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings .

The exposure of company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	-	626.63
Fixed rate borrowings	2,390.00	2,390.00

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/ lower, the Company's profit for the year ended March 31, 2022 would decrease/ increase by NIL (2020-21: decrease/ increase by ₹ 1.57 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

g) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. 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's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Company's trade and other receivables consists of a large number of customers, across geographies, hence the Company is not exposed to concentration risk.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjustment is determined to be NIL. The Company makes an allowance for doubtful debts on a case to case basis wherever applicable. Expected credit loss for other than trade receivables has been assessed and based on life-time expected credit loss, loss allowance provision has been made where applicable.

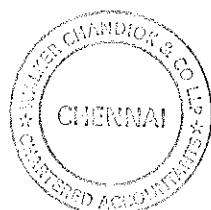
The credit risk on liquid funds and fixed deposits is limited because the counterparties are banks with high credit-ratings.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables and other financial assets excluding equity investments.

h) Offsetting related disclosures:

Offsetting of cash and cash equivalents to borrowings as per the working capital facility agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy. Hence these disclosures are not required.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.07 Financial instruments (continued)

i) Liquidity risk management

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 has obtained fund and non-fund based working capital lines from banks. The Company invests its surplus funds in bank fixed deposit which carry minimal mark to market risks. Where available, there are no restrictions on the amount of undrawn borrowing facilities that are available for operating and capital commitments as at March 31, 2022.

Particulars	As at March 31, 2022	As at March 31, 2021
Bank overdraft and other facilities	3,500.00	2,873.00
Total	3,500.00	2,873.00

Liquidity tables:

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As at				
March 31, 2022				
Trade payables	178.83	-	-	178.83
Preference shares classified as financial liability	2,390.00	-	-	2,390.00
Other financial liabilities	2,132.78	-	-	2,568.83
Borrowings (including interest accrued thereon upto the reporting date)	-	-	-	-
Lease Liability	657.04	972.82	-	1,425.22
Total	5,358.65	972.82	-	6,562.88
As at				
March 31, 2021				
Trade payables	280.82	-	-	280.82
Preference shares classified as Borrowings	2,390.00	-	-	2,390.00
Other financial liabilities	1,735.82	-	-	1,735.82
Borrowings (including interest accrued thereon upto the reporting date)	626.63	-	-	626.63
Lease Liability	640.53	1,629.86	-	1,901.17
Total	5,673.80	1,629.86	-	6,934.44

The maturity profile for its derivative financial liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement is as follows for foreign exchange forward contracts ₹ 1,573.41 Lakhs (2020-21 ₹.NIL) to be settled within the next year.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required) : Management consider that the carrying all amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

3.08 Segment Information

The company's primary segment is based on nature of service rendered, risks, returns and the internal business reporting system and secondary segment is identified based on geographical location of the customers as per Indian Accounting Standard 108. The Company has disclosed the details in the consolidated financial statements as per para 4 of Ind AS 108- "Operating Segments".

The Company has more than 10% revenue from transactions with approximately seven major customers whose identities are chosen not be disclosed.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.09 Income taxes relating to continuing operations

a) Current tax

The current tax expense is calculated under the Income Tax Act, 1961 for the year after considering admissible deductions / allowances. The tax effect on the components in other comprehensive income is Nil.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits.

c) Income tax recognised in profit or loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	3.65	-
Deferred tax-net	(437.09)	-
Total income tax expense recognised in the current year	(433.44)	-

d) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	1,995.90	221.41
Income tax expense calculated at 25.17%	502.37	55.73
Effect of:		
Impact of brought forward losses and other deductions	(502.37)	(55.73)
Deferred Tax Asset recognized during the year	(437.09)	-
Others	3.65	-
Income tax expense recognised in profit or loss	(433.44)	-

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

e) Deferred tax balances

The following is the analysis of deferred tax assets presented in the statement of financial position:

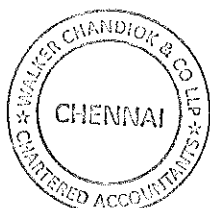
Particulars	As at March 31, 2022	As at March 31, 2021
Un-absorbed depreciation	136.87	-
Provisions for employee benefit obligations	137.58	-
Property, plant and equipment and other intangible assets	103.75	-
Expected credit loss	8.13	-
Lease accounting as per Ind AS 116	50.76	-
Deferred tax asset	437.09	-

In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced. All deferred tax assets have been recognized in the balance sheet.

f) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Particulars	As at March 31, 2022	As at March 31, 2021
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- unused tax losses	-	2,187.63
- Unabsorbed depreciation	-	1,508.77

Note: The unused tax losses will expire in various years as per the Income Tax Act 1961 and the applicable rules.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.10 Share based payments

Details of employees stock option plan of the Company

The Company has Employees Stock Options Plan (ESOP) scheme granted to employees which has been approved by the shareholders of the Company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the Company. Each employee share option converts into one equity share of the Company on exercise at the exercise price as per the scheme. The options carry neither rights to dividend nor voting rights. These are graded vesting options which vests on varying dates within the expiry date mentioned below with an option life of 5 years after vesting. Options can be exercised at any time within 5 years from the expiry date.

The following share based payment arrangements were in existence during the current year:

Option series	Number	Grant date	Expiry date	Exercise price
ESOP 1	7,058,500	19-Jul-18	18-Jul-21	10.00
ESOP 2	70,000	15-Nov-18	14-Nov-21	10.00
ESOP 3	255,000	12-Feb-19	11-Feb-22	10.00
ESOP 4	350,000	29-Jul-19	28-Jul-22	10.00
ESOP 5	190,000	6-Nov-19	5-Nov-22	10.00
ESOP 6	100,000	6-Jan-20	19-Jul-23	10.00
ESOP 7	195,000	23-Apr-21	19-Jul-23	12.00
ESOP 8	446,750	16-Aug-21	19-Jul-23	12.00

Fair value of stock options granted during the year

There are 641,750 stock options issued during the financial year (the weighted average fair value of the stock options granted during FY22 is ₹ 5.24). Options were priced using a binomial option pricing model. Where relevant, the expected life used in the model has been adjusted based on Management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price of similar listed Companies.

Movements in stock options during the year

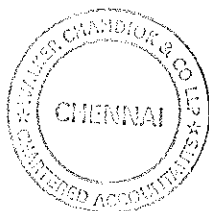
Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Numbers	Weighted average exercise price (₹)	Numbers	Weighted average exercise price (₹)
Opening at the beginning of the year	7,153,500	10.00	7,523,500	10.00
Granted during the year	641,750	12.00	-	-
Exercised during the year	1,701,250	10.00	-	-
Lapsed during the year	140,500	10.00	370,000	10.00
Balance at the end of the year	5,953,500	10.21	7,153,500	10.00

Stock options vested but not exercised

Number of stock options vested but not exercised - 5,067,250 (March 31, 2021 : 3,425,000)

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 10.21 (as at March 31, 2021: ₹ 10) and a weighted average remaining contractual life of 5 years (as at March 31, 2021: 6 years).

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.11 Revenue from contracts with customers

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Disaggregated revenue information		
Type of goods and service		
-Income from Engineering and IT Services	16,453.18	12,534.72
-Other Operating income	934.63	950.29
Total revenue from contract with customers	17,387.81	13,485.01
India	8,309.40	7,773.72
Outside India	9,078.41	5,711.29
Total revenue from contract with customers	17,387.81	13,485.01
(b) Contract balances		
Trade receivables	3,106.73	2,029.29
Contract assets (Refer note (c) below)	1,717.84	1,599.28
Contract liabilities	314.24	189.96
(c) Trade receivables are non-interest bearing and are generally on terms of credit period upto 60 days. Revenue recognised in excess of invoicing (referred to as unbilled revenue) are referred as contract assets whereas Invoicing is in excess of the revenue recognition (referred to as unearned revenue) is termed as contract liabilities.		
(d) Revenue recognised in relation to contract liabilities		
Amounts included in contract liabilities at the beginning of the year	189.96	159.78
Performance obligations satisfied in the current year	111.74	56.55
Performance obligations unsatisfied or partially unsatisfied in the current year	78.22	86.73
(e) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	17,387.81	13,485.01
Adjustments		
Rebates and discounts	-	-
Revenue from contract with customers	17,387.81	13,485.01

The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.12 Leases

With effect from 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate (9.75% p.a) and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The following is the movement in right-of-use assets during the year ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Buildings		
Opening Balance	1,730.35	2,114.60
Additions	-	116.14
Deletions	-	-
Depreciation charge	(506.81)	(500.39)
Closing Balance	1,223.54	1,730.35

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,901.17	2,204.54
Additions	-	116.14
Deletions	-	-
Finance costs accrued through the year	164.59	202.30
Payment of lease liabilities	(640.53)	(621.81)
Closing Balance	1,425.23	1,901.17

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

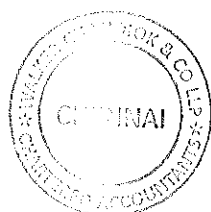
Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	883.67	1,425.22
Current	541.55	475.95
Total	1,425.22	1,901.17

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	657.04	640.53
One to five years	972.82	1,629.86
More than five years	-	-
Total	1,629.86	2,270.39

Amounts recognised in the statement of profit and loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on lease liabilities	164.59	202.30
Expense relating to short term lease	35.43	14.71
	200.02	217.01



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.13 Earnings per share (EPS):

Particulars	March 31, 2022	March 31, 2021
Basic and Diluted earnings per share (EPS) (₹)		
On profit for the year	1.57	0.14
On total comprehensive income for the year	1.57	0.15
Face value of share	10.00	10.00
EPS has been calculated as under:		
a) Profit after Tax	2,429.34	221.41
b) Total comprehensive income for the year	2,424.53	223.40
c) Actual number of Equity shares outstanding (No's)	155,651,250	153,950,000
d) Weighted average number of Equity shares outstanding (No's)	154,479,073	153,950,000

3.14 Going concern assumption

The Company has made a profit during the current year but has incurred losses in the preceding years which has resulted in accumulated losses as on March 31, 2022. The future plans as approved by the Board of Directors of the Company, share capital infusion by shareholders in earlier years and the fund availability indicate sufficient support from stake holders to enable the Company to continue its operations, recoup past losses within a reasonable period of time and settle its obligations as and when they fall due. On this basis, standalone financial statements continued to be prepared on a going concern basis.

3.15 Reconciliation of cash flows arising out of financing activities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
1. Cash and bank balances	1,401.39	537.29
2. Current borrowings	-	(626.63)
3. Preference shares	(2,390.00)	(2,390.00)
4. Lease liabilities	(1,425.22)	(1,901.17)
Net debt	(2,413.83)	(4,380.51)

Particulars	Other assets	Liabilities from financing activities			Total
	Cash and bank balances	Preference shares	Current borrowings	Lease liabilities	
Net debt as at March 31, 2020	168.79	(2,390.00)	(142.76)	(2,204.54)	(4,568.51)
Addition/deletion of lease liability (net)	-	-	-	(116.14)	(116.14)
Cash flows (net)	368.50	-	(483.87)	419.51	304.14
Interest expense	-	-	(8.89)	(202.30)	(211.19)
Interest paid	-	-	8.89	202.30	211.19
Net debt as at March 31, 2021	537.29	(2,390.00)	(626.63)	(1,901.17)	(4,380.51)
Cash flows (net)	864.10	-	626.63	475.95	1,966.68
Interest expense	-	-	(22.44)	(164.59)	(187.03)
Interest paid	-	-	22.44	164.59	187.03
Net debt as at March 31, 2022	1,401.39	(2,390.00)	-	(1,425.22)	(2,413.83)

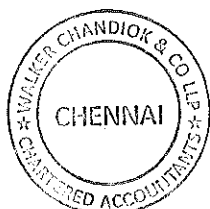
3.16 Others

(i) The Company has made investment in one of its subsidiary Company, Hinduja Tech GmbH, Germany amounting to INR 616 lakhs as at March 31, 2022. Even though the subsidiary made profit in the current financial year, the subsidiary has been incurring losses in the previous financial years there by accumulated losses. As there are orders from customers of the subsidiary, the management believes that the realisable amount is higher than the carrying value of the investment, due to which the aforesaid investment balances are considered to be fully recoverable. Accordingly, no provision of aforesaid amounts has been recognised in the accompanying standalone financial statements.

(ii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Company has neither advanced nor received any funds, guarantees, securities etc., to/ from any entity which shall be further invested or advanced on behalf of the Ultimate Beneficiaries.

(iv) The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.17 Key Financial Ratios

Particulars	Formula Used	As at March 31, 2022	As at March 31, 2021	Variance	Reasons for Variance
Current Ratio	Current Assets / Current Liabilities	2.00	1.57	27%	Increase in Current Assets
Return on Equity Ratio	Profit after Tax / Avg. Total Equity	0.30	0.03	796%	Increase in profit after Tax
Trade Receivables Turnover Ratio	Revenue from Operations / Average Receivables (including Un-Billed)	4.11	2.86	44%	Reduction in average receivables as % of revenue in FY-22.
Trade payables Turnover ratio	Cost of outsourced services and materials consumed / Avg. Trade Payables	7.75	4.29	81%	Reduction in average payables as % of cost of services/goods outsourced in FY-22
Net capital turnover ratio	Revenue from Operations / Average working capital	3.57	4.42	-19%	NA
Net Profit ratio	Profit after Tax / Revenue from operations	0.14	0.02	751%	Increase in Profit after Tax.
Return on capital employed	Earnings before interest & taxes / Capital Employed	0.21	0.05	299%	Increase in operating profit
Debt Equity Ratio	Total Debt / Total Equity	0.40	0.73	-45%	Repayment of Debt

3.18 Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the report release date.

3.19 Previous year figures have been regrouped / reclassified wherever necessary to correspond to current year's classification / disclosure.

In terms of our report attached

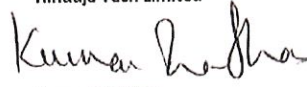
For Walker Chandlok & Co LLP
Chartered Accountants



Sumesh E S
Partner
Membership No. 206931



Place : Chennai
Date :12-May-2022

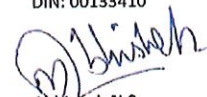
For and on behalf of the Board of Directors of
Hinduja Tech Limited


Kumar Prabhas
Chief Executive Officer


S. Ganapathyraman
Chief financial Officer

Place : Chennai
Date :12-May-2022


Dheeraaj G Hinduja
Chairman
DIN: 00133410


Abhishek N S
Company Secretary

Walker Chandiook & Co LLP

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471, Anna Salai, Mylapore Division,
Teynampet, Chennai – 600 035,
Tamilnadu, India
T +91 44 4294 0099
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Independent Auditor's Report

To the Members of Hinduja Tech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Hinduja Tech Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.



Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

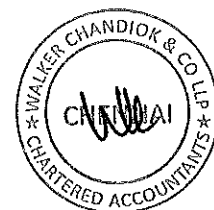
Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and
 - 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.
 - Obtain sufficient appropriate audit evidence regarding financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

Other Matter

12. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets of ₹ 3,673 lakhs and net assets of ₹ 477 lakhs as at 31 March 2022, total revenues of ₹ 10,989 lakhs and net cash inflows amounting to ₹ 1,329 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, all of these subsidiaries, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

13. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets of ₹ 249 lakhs and net assets of ₹ 57 lakhs as at 31 March 2022, total revenues of ₹ 213 lakhs and net cash inflows amounting to ₹ 186 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

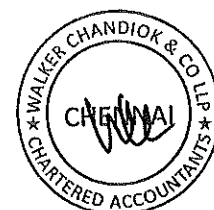
Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

14. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 12, on separate financial statements of the subsidiaries, we report that the Holding Company, whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to subsidiary companies, since none of such companies is a public company as defined under section 2(71) of the Act.



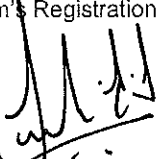
15. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 12 above, of companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
16. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries,
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in note 3.01 to the consolidated financial statements;
 - ii. The Holding Company, its subsidiary companies, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2022

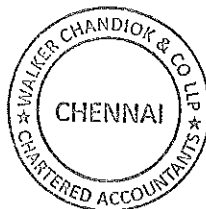


Walker Chandiook & Co LLP

- iv.
- a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 3.02 (iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 3.02 (iii) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company, its subsidiary companies, have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sumesh E S
Partner
Membership No.: 206931
UDIN: 22206931AJFITP2318



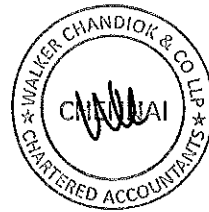
Place: Chennai
Date: 12 May 2022

Walker Chandiook & Co LLP

Annexure 1

List of subsidiaries of Hinduja Tech Limited ("Holding Company") included in Consolidated Financial Statements:

- 1) Hinduja Tech Inc., USA
- 2) Hinduja Tech GmbH., Germany
- 3) Hinduja Tech (Shanghai) Co., Ltd
- 4) Hinduja Tech Canada Inc.



Annexure A to the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the consolidated financial statements for the year ended 31 March 2022

Annexure A

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Hinduja Tech Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, which is a company covered under the Act, are responsible for establishing and maintaining internal financial controls based on criteria established by the Company considering the essential components of internal financial controls stated in the guidance Note on Audit of internal financial controls over financial Reporting issued by Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid.



Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Hinduja Tech Limited on the consolidated financial statements for the year ended 31 March 2022

Meaning of Internal Financial Controls with Reference to Financial Statements

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

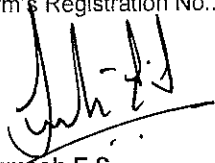
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Holding Company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial controls criteria established by the management considering the essential components of internal financial controls stated in the Guidance note issued by the ICAI.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sumesh E S
Partner
Membership No.: 206931
UDIN: 22206931AJFITP2318



Place: Chennai
Date: 12 May 2022

Hinduja Tech Limited
 Consolidated Balance Sheet as at March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	1.01	400.77	206.27
Intangible assets	1.02	438.04	197.08
Capital work-in-progress	1.01	3.59	12.50
Right-of-use assets	1.03	1,223.54	1,730.35
Financial assets			
(i) Other financial assets	1.04	292.64	266.27
Deferred Tax Asset (Net) (Refer Not No. 3.13)		437.09	-
Non-current tax assets (net)	1.05	584.17	864.25
Other non-current assets	1.06	23.61	42.38
Total non-current assets		3,403.45	3,319.10
Current assets			
Financial assets			
(i) Trade receivables	1.07	3,249.06	1,882.94
(ii) Cash and cash equivalents	1.08a	3,356.07	937.11
(iii) Bank balances other than (ii) above	1.08b	-	11.09
(iv) Other financial assets	1.09	5,401.43	5,351.37
Contract asset - unbilled revenue		2,178.09	2,204.32
Other current assets	1.10	1,245.95	262.85
Total current assets		15,430.60	10,649.68
TOTAL ASSETS		18,834.05	13,968.78
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.11	15,565.13	15,395.00
Other equity	1.12	(6,618.49)	(9,578.50)
Total equity		8,946.64	5,816.50
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	1.13	883.62	1,425.22
Provisions	1.14	178.17	142.85
Total non-current liabilities		1,061.79	1,568.07
Current liabilities			
Financial liabilities			
(i) Lease liabilities	1.15	541.60	475.95
(ii) Borrowings	1.16	-	626.63
(iii) Trade payables	1.17	-	-
-Total outstanding dues to micro and small enterprises		65.64	36.04
-Total outstanding dues to other than micro and small enterprises		150.65	226.58
(iv) Other financial liabilities	1.18	5,114.66	4,476.16
Contract Liabilities		2,214.52	222.67
Other current liabilities	1.19	376.15	155.55
Provisions	1.20	327.54	329.16
Current tax liabilities (net)		34.87	35.47
Total current liabilities		8,825.62	6,584.21
TOTAL EQUITY AND LIABILITIES		18,834.05	13,968.78

The accompanying notes form an integral part of these consolidated financial statements
 In terms of our report attached

For Walker Chandlok & Co LLP
 Chartered Accountants

Suman E S
 Partner
 Membership No. 206931



Place : Chennai
 Date :12-May-2022

For and on behalf of the Board of Directors of
 Hinduja Tech Limited

Kumar Prabhas

Kumar Prabhas
 Chief Executive Officer

S. Ganapathyraman
 Chief Financial Officer

Place : Chennai
 Date :12-May-2022

Dheeraj G Hinduja

Dheeraj G Hinduja
 Chairman
 DIN: 00133410

Abhishek N S
 Company Secretary

Hinduja Tech Limited
 Consolidated Statement of Profit and Loss for the year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	2.01	25,614.65	18,898.34
Other income	2.02	572.41	238.99
Total Income		26,187.06	19,137.33
Expenses			
Cost of outsourced services and materials consumed	2.03	2,980.09	1,840.38
Employee benefits expense	2.04	17,335.25	14,306.04
Finance costs	2.05	187.03	211.19
Depreciation and amortisation expense	2.06	874.37	843.25
Other expenses	2.07	2,391.72	1,653.32
Total expenses		23,768.46	18,854.18
Profit before tax		2,418.60	283.15
Tax expense:			
Current tax		34.16	17.43
Deferred tax		(437.09)	-
Total tax expense		(402.93)	17.43
Profit for the year		2,821.53	265.72
Other comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(56.69)	8.13
Income tax on Items that will not be reclassified to profit or loss		-	-
		(56.69)	8.13
Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		81.50	(46.00)
Income tax on items that will be reclassified to profit or loss		-	-
		81.50	(46.00)
Other comprehensive income for the year		24.81	(37.87)
Total comprehensive income for the year		2,846.34	227.85
Earnings per equity share on profit for the year			
Basic and diluted (In Rs.)	3.14	1.83	0.17

The accompanying notes form an integral part of these consolidated financial statements
 In terms of our report attached

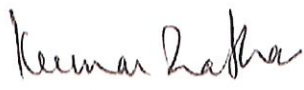
For Walker Chandlok & Co LLP
 Chartered Accountants

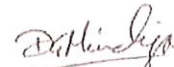

 Sumesh E S
 Partner
 Membership No. 206931



Place : Chennai
 Date :12-May-2022

For and on behalf of the Board of Directors of
 Hinduja Tech Limited


 Kumar Prabhas
 Chief Executive Officer


 Dheeraj G Hinduja
 Chairman
 DIN: 00133410


 S. Ganapathyraman
 Chief financial Officer


 Abhishek N S
 Company Secretary

Place : Chennai
 Date :12-May-2022

Hinduja Tech Limited
 Consolidated Statement of Changes in Equity for the Year ended March 31, 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Equity share capital	Other equity				Total other equity
		Surplus		Other reserves		
		Stock option outstanding account	Retained earnings	Securities Premium	Accumulated other comprehensive	
Balances as at April 1, 2020	15,395.00	53.50	(9,612.50)	-	(288.02)	(9,847.02)
Add: Profit for the year	-	-	265.72	-	-	265.72
Add: Other comprehensive income for the year	-	-	-	-	(37.87)	(37.87)
Add: Recognition of share based payment	-	40.67	-	-	-	40.67
Balance as at March 31, 2021	15,395.00	94.17	(9,346.78)	-	(325.89)	(9,578.50)
Add: Profit for the year	-	-	2,821.53	-	-	2,821.53
Add: Other comprehensive income for the year	-	-	-	-	24.81	24.81
Add: Recognition of share based payment	-	113.67	-	-	-	113.67
Add: Shares issued during the year	170.13	-87.63	-	87.63	-	-
Balance as at March 31, 2022	15,565.13	120.21	(6,525.24)	87.63	(301.08)	(6,618.49)

The accompanying notes form an integral part of these consolidated financial statements
 In terms of our report attached

For Walker Chandiook & Co LLP
 Chartered Accountants


 Supresh E S
 Partner
 Membership No. 206931



For and on behalf of the Board of Directors of
 Hinduja Tech Limited


 Kumar Prabhas
 Chief Executive Officer
 DIN: 00133410


 S. Ganeshbathiraman
 Chief financial Officer


 Abhishek N S
 Company Secretary

Place : Chennai
 Date :12-May-2022

Place : Chennai
 Date :12-May-2022

Hinduja Tech Limited
Consolidated Statement of Cash flows for the year ended March 31, 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flows from operating activities		
Profit before tax	2,418.60	283.15
Adjustments for :		
Allowance for credit losses		32.29
Provision for gratuity	70.26	75.21
Provision for compensated absences	107.51	85.85
Depreciation	874.37	843.25
Unrealised foreign exchange gain	2.87	4.04
Employee stock option expenses	113.67	40.67
Interest on bank borrowings	22.44	8.89
Interest on lease liabilities	164.59	202.30
Interest income	(487.96)	(200.70)
Loss on sale of property, plant and equipment		
Operating profit before working capital changes	3,286.35	1,374.95
Adjustments for changes in :		
Decrease/(Increase) in trade receivables	(1,386.49)	2,552.39
(Increase)/Decrease in financial assets	(33.17)	(105.41)
Decrease/(Increase) in other assets	(964.33)	186.74
Decrease in provisions	(200.76)	(36.75)
Decrease in trade payables	(46.33)	(254.82)
(Decrease)/Increase in other financial liabilities	638.50	(39.05)
(Decrease)/Increase in Other Liabilities	2,212.45	(210.66)
Cash generated from operations	3,506.22	3,467.39
Income Tax refund/(paid)	245.31	547.45
Net cash flow generated from operating activities (A)	3,751.53	4,014.84
Cash flows from Investing activities		
Purchase of property, plant and equipment and intangible assets	(794.03)	(217.59)
Investment in Intercompany deposits	(5,300.00)	(5,300.48)
Proceeds from Intercompany deposits	5,300.48	1,836.08
Interest on bank/intercompany deposits	487.96	200.70
Proceeds from bank deposits	11.09	
Net cash flow (used in)/ from investing activities (B)	(294.50)	(3,481.29)
Cash flows from financing activities		
Proceeds / (repayment) of short term borrowings	(626.63)	483.87
Repayment of interest on short term borrowings	(22.44)	(8.89)
Repayment of principal of lease liabilities	(475.95)	(419.51)
Repayment of interest on lease liabilities	(164.59)	(202.30)
Share application money received	170.13	
Net cash flow used in financing activities (C)	(1,119.48)	(146.83)
Net cash Inflow (A+B+C)	2,337.55	386.72
Opening cash and cash equivalents	937.11	596.27
Effects of foreign currency translation	81.41	(45.88)
Cash and cash equivalents at the end of the year	3,356.07	937.11
Cash and cash equivalents comprise of :		
- Balances with banks in current account	3,356.07	937.11
Cash and cash equivalents at the end of the year (Refer note 1.08)	3,356.07	937.11

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

In terms of our report attached

For Walker Chandiook & Co LLP
Chartered Accountants

Sumesh E S
Partner
Membership No. 206931



For and on behalf of the Board of Directors of
Hinduja Tech Limited

Kumar Prabhas
Chief Executive Officer

S. Ganapathyraman
Chief financial Officer

Dheeraj G Hinduja
Chairman
DIN: 00133410

Abhishek N S
Company Secretary

Place : Chennai
Date :12-May-2022

Place : Chennai
Date : 12-May-2022

Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

Notes to the Consolidated Financial Statements:

1. Background

Hinduja Tech Limited ('the Parent') was incorporated in 24 June 2009 as an Unlisted Public Limited Company. The Company is principally engaged in providing integrated engineering and digital technology solutions and services to global customers. Hinduja Tech Limited together with its subsidiaries is herein after referred to as 'the Group'.

The Group has (a) Development and Delivery centres in Chennai, Pune and Bengaluru, (b) branch offices in UK, France, Japan and Mexico and (c) wholly owned subsidiaries in Germany, USA, China and Canada.

The Parent Company is domiciled in India and has its registered office at 1, Sardar Patel Road Guindy, Chennai Tamil Nadu – 600032.

2. Basis of preparation of financial statements

General information and statement of compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and the relevant provisions of the Act.

The consolidated financial statements as at and for the year ended 31 March 2022 are approved and authorized for issue by the board of directors on 12 May 2022.

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These consolidated financial statements are presented in lakhs of Indian Rupees which is also the Parent's functional currency, except per share data and as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

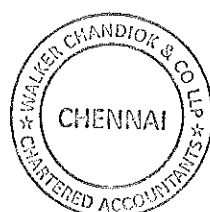
All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of work, the Group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Basis and Principles of consolidation:

The consolidated financial statements include the financial statements of the Parent and all of its subsidiaries as listed below. The financial statements of the subsidiaries forming part of these consolidated financial statements are drawn up to 31 March 2022. All material inter-company transactions and balances are eliminated on consolidation.

The following subsidiaries have been included in the consolidated financial statements:

Particulars	Country of incorporation	Percentage of holding as at	
		31 March 2022	31 March 2021
Hinduja Tech Inc., USA	USA	100	100
Hinduja Tech GmbH	Germany	100	100
Hinduja Tech (Shanghai) Co., Ltd	China	100	-
Hinduja Tech Canada Inc.	Canada	100	-



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

c) Revenue Recognition

Revenue is primarily derived from product engineering services and digital technology solutions. The Group recognizes revenue from contract based on IND AS 115. To determine whether to recognize revenue from contracts with customers, the Group follows a 5-step process:

1. Identifying the contract with customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligations are satisfied.

Revenue from contracts with customers is recognized upon transfer of control of promised services to the customer at an amount that reflects the consideration the Group expects to receive in exchange for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue in fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue), while invoicing in excess of revenue are classified as contract liabilities (referred to as unearned revenue).

On the recognition of the receivable from customer, the Group recognizes a contract liability which is then recognized as revenue, once the services are rendered. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less. For other cases, the revenue reflects the cash selling price that the customer would have paid for the promised services when the services are transferred to customer. Thus, there is no significant financing component.

d) Interest and Dividend Income

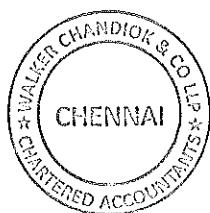
Income from interest is recognized using effective interest method taking into account the amount outstanding and the applicable rate of interest. Dividend income is recognized when the right to receive dividend is established by the reporting date.

e) Employee benefits:

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Short term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. The liabilities are presented as current employee obligations in the balance sheet.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

e) Employee benefits: (continued)

Defined contribution plan

The Group makes contribution to the statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan, and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee. The Group has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

Gratuity

The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.

The plan assets represent qualifying insurance policies that are administered by an Insurance company.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such losses or gains are determined.

Overseas entities

Defined contribution plan

The Group's contribution towards defined contribution plan is accrued in compliance with the requirement of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are done. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Employee's stock option plan

Share-based compensation benefits are provided to employees via "Employee Stock Option Scheme" of the Parent.

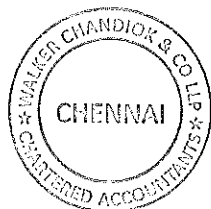
The fair value of options granted under the "Employees Stock Option Scheme" is recognized as an employee benefits expense with a corresponding increase in equity.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

Property, plant and equipment are depreciated under the straight-line method over the estimated useful lives of the assets, based on technical evaluation, which are different from the lives prescribed under Schedule II to the Companies Act, 2013.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

f) Property, plant and equipment (continued)

Useful lives adopted by the Group for various class of assets are as follows:

Particulars	Useful life (years)	Useful life (years) as per Sch II
Computer equipment	3	3
Furniture and fittings	4	10
Plant and machinery	4	15
Motor Vehicles	6	10

The Group has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013. Schedule II requires the Group to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful life and residual values are reviewed periodically and updates as required, at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Software is stated at cost less accumulated amortization and are being amortized on a straight line basis over the estimated useful life of 3 years.

Amortization has been included within depreciation and amortization expense.

Gains or losses that arise on disposal or retirement of an intangible asset are measured as the difference between net disposal proceeds and the carrying value of an intangible asset and are recognized in profit and loss when the intangible asset is derecognized.

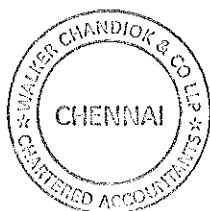
The amortization period and method are reviewed at each balance sheet date. Residual values and useful lives are reviewed at each reporting date.

h) Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

i) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.



i) Leases (continued)

In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

With effect from 01 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application.

As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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, borrowing are considered for determining the incremental Borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- Amounts expected to be payable under a residual value guarantee.

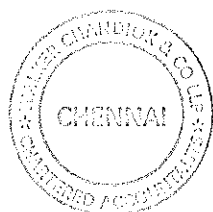
The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Short-term leases and leases of low-value assets

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

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortized cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Trade receivables are recognized at their transaction price as the same do not contain significant financing component. Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- Amortized cost
- Fair Value through Other Comprehensive Income (FVTOCI) or
- Fair Value through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets are impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at Amortized cost

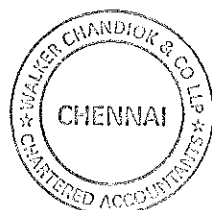
A financial asset is subsequently measured at amortized cost using effective interest rate if it is held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Group, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by instrument (i.e., share-by-share) basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

Financial assets at Fair Value through Profit or Loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.



j) Financial instruments

De recognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs. Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these non-cumulative Preference Shares are recognised in Profit or Loss, upon declaration, as finance cost.

Classification, subsequent measurement and De recognition of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost. The Group's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method except financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in statement of profit and loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in statement of profit and loss are included within finance costs or finance income.

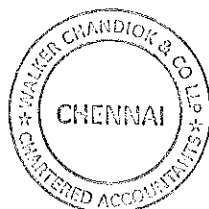
De-recognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Impairment of financial assets

The Group applies expected credit loss model for recognising impairment loss on financial assets not designated as at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

k) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

l) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepared the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs including Unwinding of discount on Redeemable Preference Shares computed using the market rate are expensed in the period in which they are incurred.

m) Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued and paid-up. Other components of equity include the following:

- i. Accumulated other comprehensive income which includes re-measurement of net defined benefit liabilities.
- ii. Retained Earnings represents the accumulated surplus transferred from the statement of profit and loss.
- iii. Surplus in the statement of profit and loss includes all current and previous period retained profits.
- iv. Stock option outstanding account includes the value of equity-settled share based payment transactions with employees.
- v. All transactions with owners of the parents are recorded separately within equity.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

n) Income Taxes:

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income are also disclosed under the same head.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future opening results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Group does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in statement of profit and loss, except where they relate to items that are recognized in other comprehensive income (such as re-measurement of net defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

o) Cash and Cash Equivalents:

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

p) Trade receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

q) Segment Reporting:

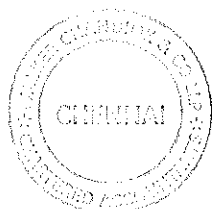
Identification of segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group's operations predominantly relate to providing end-to- end business solution thereby enhancing business performance of customers globally operating in various segments. The Operating segments have been identified on the basis of the nature of services.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

q) Segment Reporting:

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

Revenue and identifiable operating expenses in relating to segments are categorized based on items that are individually identifiable to that segment. Certain expenses such as depreciation, cannot be allocated as the underlying assets are used interchangeably. When the Chief Operational Decision Maker believes that it is not practicable to provide segment disclosure relating to certain cost and expenses, the same is separately disclosed as 'unallocated'.

Disclosure relating to total segment assets and liabilities are made wherever it is allocable to the particular segment. All other assets have been categorised as un-allocable assets. Fixed assets used in the Group's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments.

r) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to owners of the parent by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheque's on hand, balances with banks in current accounts and overdraft accounts and other short- term highly liquid investments with original maturities of 3 months or less, as applicable.

t) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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 not wholly within 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 or it cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

The Company does not recognize contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.



5. Significant management judgment in applying accounting policies and estimation uncertainty

Use of Estimates:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Group bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The following are significant management estimates and judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Revenue recognition:

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group 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. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

Evaluation of indicators for impairment of assets

The evaluation of existence for indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable / amortizable assets

Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Provisions and contingencies

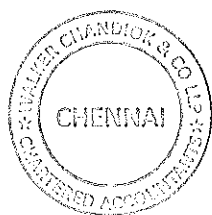
Management applies key assumptions about the likelihood and magnitude of an outflow of resources to account for the recognition and measurement of provisions and contingencies which is reviewed by the management at each reporting date.

Fair value measurements

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuations. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes to the Consolidated Financial Statements.

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Hinduja Tech Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.01 Property, plant and equipment

DESCRIPTION	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	April 01, 2021	Additions	Disposals	Net exchange differences	March 31, 2022	April 01, 2021		Charge during the year	Reversal on disposals	Net exchange differences
Computer equipment	430.01	289.72	-	0.44	720.17	373.24	85.56	-	0.43	457.23
Furniture and fittings	116.40	38.61	-	-	155.01	18.29	36.89	-	-	55.18
Plant and equipment	147.70	20.56	-	0.08	168.34	96.32	33.99	-	0.03	130.34
Total	694.11	348.89	-	0.53	1,043.52	487.85	154.44	-	0.46	642.75

DESCRIPTION	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	April 01, 2020	Additions	Disposals	Net exchange differences	March 31, 2021	April 01, 2020		Charge during the year	Reversal on disposals	Net exchange differences
Computer equipment	412.36	17.96	-	(0.31)	430.01	277.42	96.12	-	(0.30)	373.24
Furniture and fittings	4.43	111.97	-	-	116.40	4.24	14.05	-	-	18.29
Plant and equipment	147.77	-	-	(0.07)	147.70	62.37	33.96	-	(0.01)	96.32
Total	564.56	129.93	-	(0.38)	694.11	344.03	144.13	-	(0.31)	487.85

Capital Work-In Progress

Description	April 01, 2021	Additions	Capitalised during the year	Adjustments	March 31, 2022
Capital work-in-progress	12.50	0.18	9.09	-	3.59

Description	April 01, 2020	Additions	Capitalised during the year	Adjustments	March 31, 2021
Capital work-in-progress	-	12.50	-	-	12.50

CWIP Ageing Schedule

Amount in CWIP for a period of	As at March 31, 2022	
	Less than 1 year	1-2 years
Projects in progress	0.18	3.41
Projects temporarily suspended	-	-
Total	0.18	3.59

Amount in CWIP for a period of	As at March 31, 2021	
	Less than 1 year	1-2 years
Projects in progress	12.50	-
Projects temporarily suspended	-	-
Total	12.50	-



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.02 Intangible assets

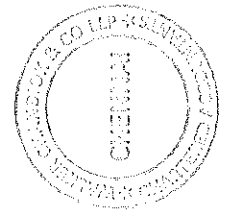
DESCRIPTION	GROSS BLOCK		ACCUMULATED AMORTISATION		NET BLOCK
	April 01, 2021	March 31, 2022	April 01, 2021	March 31, 2022	
Computer software - Acquired	1,339.29	1,793.37	1,142.21	1,355.33	438.04
Total	1,339.29	1,793.37	1,142.21	1,355.33	438.04

DESCRIPTION	GROSS BLOCK		ACCUMULATED AMORTISATION		NET BLOCK
	April 01, 2020	March 31, 2021	April 01, 2020	March 31, 2021	
Computer software - Acquired	1,264.13	1,339.29	943.48	1,142.21	197.08
Total	1,264.13	1,339.29	943.48	1,142.21	197.08

1.03 Right-of-use assets

DESCRIPTION	GROSS BLOCK		ACCUMULATED DEPRECIATION		NET BLOCK
	April 01, 2021	March 31, 2022	April 01, 2021	March 31, 2022	
Right-of-use assets - Buildings	2,446.08	2,446.08	715.73	1,222.54	1,223.54
Total	2,446.08	2,446.08	715.73	1,222.54	1,223.54

DESCRIPTION	GROSS BLOCK		ACCUMULATED DEPRECIATION		NET BLOCK
	April 01, 2020	March 31, 2021	April 01, 2020	March 31, 2021	
Right-of-use assets - Buildings	2,329.94	2,446.08	215.34	715.73	1,730.35
Total	2,329.94	2,446.08	215.34	715.73	1,730.35



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.04 Other non-current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
- Security deposits	292.64	266.27
	292.64	266.27

1.05 Non-current tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax deducted at source	584.17	864.25
	584.17	864.25

1.06 Other non current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	23.61	42.38
	23.61	42.38

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.07 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables - unsecured		
(i) Considered good		
- Related parties (Also, refer note 3.05 (d))	288.37	66.53
- Others	2,960.69	1,816.41
(ii) Significant increase in credit risk		
- Others	32.29	32.29
	3,281.35	1,915.23
Allowance for expected credit loss		
(i) Receivables which have significant increase in credit risk	32.29	32.29
	3,249.06	1,882.94
Movement in allowance for expected credit loss:		
Opening balance	32.29	80.98
Allowance during the year	-	32.29
Written off	-	(79.96)
Reversal during the year	-	(1.06)
Translation exchange difference	-	0.04
Closing Balance	32.29	32.29

The Group has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19. The Group believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at March 31, 2022					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good						
- Related parties	287.90	0.47	-	-	-	288.37
- Others	2,959.21	1.48	-	-	-	2,960.69
(ii) Undisputed Trade receivables - Significant increase in credit risk						
- Related parties	-	-	-	-	-	-
- Others	-	21.39	2.46	7.27	1.18	32.29

Particulars	Outstanding for following periods from due date of payment as at March 31, 2021					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good						
- Related parties	56.23	10.30	-	-	-	66.53
- Others	1,784.95	27.34	4.12	-	-	1,816.41
(ii) Undisputed Trade receivables - Significant Increase in credit risk						
- Related parties	-	-	-	-	-	-
- Others	-	-	13.48	4.53	14.28	32.29

Note: Un-billed receivables as at March 31, 2022 and March 31, 2021 is ₹ 2,178.09 Lakhs and ₹ 2,204.32 lakhs respectively.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.08 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
a. Cash and cash equivalents		
- Balances with banks in current account	3,356.07	937.11
Total cash and cash equivalents	3,356.07	937.11
b. Other bank balances		
- Deposits with original maturity more than 3 months but less than 12 months	-	11.09
Total other bank balances	-	11.09
	3,356.07	948.20

Note:- There are no repatriation restrictions with regard to cash and bank balances as at the end of the reporting period and the prior period.

1.09 Other current financial assets

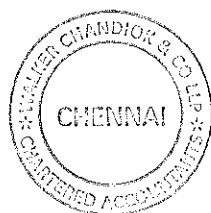
Particulars	As at March 31, 2022	As at March 31, 2021
Employee advances	1.96	0.14
Inter corporate deposits*	5,300.00	5,300.48
Derivative assets	17.51	-
Others receivables	73.55	33.26
Security deposits	8.41	17.49
	5,401.43	5,351.37

*Inter corporate deposits to Hinduja Group Limited are repayable on demand. These deposits carry an interest rate of 9% p.a.

1.10 Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for services	653.70	39.51
Travel advance	49.59	16.69
Balances with government authorities	2.55	2.55
Prepaid expenses	540.11	203.53
Grant receivable	-	0.57
	1,245.95	262.85
Balances with government authorities comprises of:		
- Service tax paid under protest	2.55	2.55

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Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.11 Share capital

(a) Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
22,00,00,000 (2021 - 16,16,50,000) equity shares of Rs. 10/- each	22,000.00	16,165.00
	22,000.00	16,165.00
Issued		
15,56,51,250 (2021- 15,39,50,000) equity shares of Rs. 10/- each	15,565.13	15,395.00
	15,565.13	15,395.00
Subscribed and fully paid up		
15,56,51,250 (2021- 15,39,50,000) equity shares of Rs. 10/- each	15,565.13	15,395.00
	15,565.13	15,395.00

(i) Reconciliation of number of equity shares subscribed

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	153,950,000	153,950,000
Add: Issued during the year #	1,701,250	-
Balance as at the end of the year	155,651,250	153,950,000

The shares have been issued on exercise of right by employees in Employee Stock option Scheme.

(ii) Shares issued in preceding 5 years

There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the last 5 years immediately preceding 31 March 2022.

(iii) Shareholders holding more than 5% of the total share capital

Name of the Shareholder	As at March 31, 2022 No. of Shares	As at March 31, 2021 No. of Shares
Ashok Leyland Limited (2022 - 98.91%)* (2021 - 99.99%)	153,950,000	153,950,000
TOTAL	153,950,000	153,950,000

* 10,000 (2021 - 10,000) shares jointly held by 7 individuals and with Ashok Leyland Limited is included in the number of shares held and % disclosed above.

(iv) Shares held by promoter at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the year
Ashok Leyland Limited	153,950,000	98.91%	-1.08%

(v) Rights, preferences and restrictions in respect of equity shares issued by the Parent Company

The equity shareholders are entitled to receive dividend as and when declared, a right to vote in proportion of holding and other rights, preferences and restrictions are governed by / in terms of their issue and the provisions of the Companies Act, 2013.

(b) Preference Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
2,40,00,000 (2020- 2,40,00,000) 1% non cumulative and non convertible redeemable preference shares of Rs.10/- each	2,400.00	2,400.00
	2,400.00	2,400.00

(i) Issued, Subscribed and fully paid up

The parent company has issued 2,39,00,000 1% Non cumulative and Non convertible Redeemable preference shares of Rs. 10 each which has been subscribed and fully paid-up - Also, refer note 1.18



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.12 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Stock option outstanding account		
Balance as at the beginning of the year	94.17	53.50
Add: Share based payment cost for the year	113.67	40.67
Less: Transfer on account of exercise of options	(87.63)	-
Balance as at the end of the year	120.21	94.17
Retained earnings		
Balance as at the beginning of the year	(9,346.78)	(9,612.50)
Add: Transferred from statement of profit and loss	2,821.53	265.72
Balance as at the end of the year	(6,525.25)	(9,346.78)
Securities Premium		
Balance as at the beginning of the year	-	-
Add: Transfer on account of exercise of options	87.63	-
Balance as at the end of the year	87.63	-
Accumulated other comprehensive income		
Balance as at the beginning of the year	(325.89)	(288.02)
Add: Transfer from other comprehensive income	24.81	(37.87)
Balance as at the end of the year	(301.08)	(325.89)
Total other equity	(6,618.49)	(9,578.50)

Notes to other equity :

(a) Stock option outstanding account

The account is used to recognise the grant date fair value of options issued to the employees of the Parent Company by under the Employee stock option scheme. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees.

(b) Retained earnings

Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc.

(c) Securities Premium

Amounts received on issue of securities in excess of par value has been classified as securities premium.

(d) Accumulated other comprehensive Income

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and represents exchange differences on translation of foreign operations.

1.13 Non-current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer note 3.12)	883.62	1,425.22
	883.62	1,425.22

1.14 Non current provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Compensated absences (Also, refer note 3.06 (b))	178.17	142.85
	178.17	142.85

1.15 Current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Also, refer note 3.12)	541.60	475.95
	541.60	475.95



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

1.16 Current borrowings

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Secured borrowings		
Loans from banks	-	626.63
	-	626.63

- (i) The overdraft facility carry interest rates at 7.5% p.a. linked to 3 months Repo (2021: 6 months I-MCLR + 0.70% p.a). During the year company has utilized the cash credit facilities which are secured by hypothecation of book debts of the Company and submitted the receivables statements periodically which are inline with the books maintained by the company.
- (ii) The Company is generally regular in repayment of its borrowings and hence, it has not been declared as wilful defaulter by any banks.
- (iii) The Company has duly registered all the creation and satisfaction of the charges with the Registrar of Companies on or before the prescribed time limit.

1.17 Trade payables

Particulars	As at	As at
	March 31, 2022	March 31, 2021
i. Micro and small enterprises (Also, refer note 3.02)	65.64	36.04
ii. Other trade payables	150.65	226.58
	216.29	262.62

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	65.64	-	-	-	65.64
(ii) Others	145.95	-	-	-	145.95
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	4.70	-	4.70

Particulars	Outstanding for following periods from due date of payment as at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	36.04	-	-	-	36.04
(ii) Others	221.88	-	-	-	221.88
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	4.70	-	-	4.70

1.18 Other current financial liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Non-cumulative non-convertible redeemable preference shares*	2,390.00	2,390.00
Employee benefits	1,110.89	962.21
Accrued expenses	1,613.77	1,087.01
Rent deposit received	-	36.94
	5,114.66	4,476.16

* The Company had issued 2,39,00,000 1% non - cumulative non - convertible redeemable preference shares of Rs. 10/- each initially redeemable on October 27, 2016 but was extended and the current due date for redemption is October 2022.

1.19 Other current liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory liabilities	376.15	155.55
	376.15	155.55

1.20 Current provisions

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Provision for employee benefits		
- Compensated absences (Also, refer note 3.06 (b))	53.90	47.42
- Contribution to gratuity fund (Refer note 3.06 (a))	4.14	52.92
- Severance pay	269.50	228.82
	327.54	329.16



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

2.01 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from engineering and IT services	25,614.65	18,898.34
	25,614.65	18,898.34

2.02 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest received on financial assets- carried at amortised cost		
- Bank/deposits	487.96	200.70
Interest on income tax refund	45.86	37.23
Foreign exchange gain - net	37.84	-
Provisions no longer required, Written back	-	1.06
Miscellaneous income	0.75	-
	572.41	238.99

2.03 Cost of outsourced services and materials consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials purchased and consumed	1,983.65	632.11
Contract costs	996.44	1,208.27
	2,980.09	1,840.38

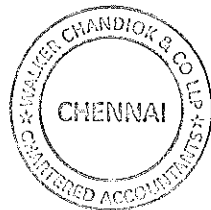
2.04 Employee benefits expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	15,439.98	12,788.33
Contribution to provident, gratuity and other funds	1,008.85	906.31
Employee stock option expenses*	113.67	40.67
Staff welfare expenses	772.75	570.73
	17,335.25	14,306.04

* For stock option given by the group to the employees under the employee stock option plan.

2.05 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on bank borrowings	22.44	8.89
Interest on lease liabilities	164.59	202.30
	187.03	211.19



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

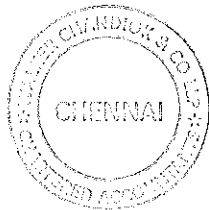
2.06 Depreciation and amortisation expenses

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment (Also, refer note 1.01)	154.44	144.13
Amortisation of intangible assets (Also, refer note 1.02)	213.12	198.73
Amortisation of right-of-use assets (Also, refer note 1.03)	506.81	500.39
	874.37	843.25

2.07 Other expenses

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Power and fuel	93.92	76.17
Rent	75.10	53.94
Software support and annual maintenance charges	682.07	274.51
Repairs and maintenance- others	82.66	72.92
Insurance	32.75	27.78
Rates and taxes	71.23	29.05
Sales and marketing expenses	241.37	202.08
Payment to auditor*	14.00	10.00
Professional and legal charges	396.93	313.37
Travel and conveyance	520.49	325.79
Communication expenses	99.27	88.38
Bank charges	18.31	18.31
Bad debts written off	-	79.96
Allowance for credit losses (Also, refer note 1.07)	-	(47.67)
Foreign exchange loss - net	-	15.36
CSR Expenditure (Also, refer note 3.03 (i))	25.12	16.04
Miscellaneous expenses	38.50	97.33
	2,391.72	1,653.32
* Payment to auditor comprise of:		
- Statutory audit	11.00	8.50
- Limited review	3.00	1.50
	14.00	10.00

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.01 Contingent liabilities and commitments

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Claims against the Company not acknowledged as debts:		
i) Vendor claims	-	7.40
ii) Claims by Service Tax authorities pending in appeal	16.81	16.81
Bank guarantees (The outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved)	-	7.40
Contractual commitments for acquisition of property, plant and equipment	217.44	9.48

3.02 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company. The amount of principal and interest outstanding is given below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i) Principal amount paid after appointed date during the year	-	-
ii) Amount of interest due and payable for the delayed payment of principal amount	-	-
iii) Principal amount remaining unpaid as at the year end (over due)	-	-
iv) Principal amount remaining unpaid as at the year end (not due)	65.64	36.04
v) Interest due and payable on principal amount unpaid as at the year end	-	-
vi) Total amount of interest accrued and unpaid as at the year end	-	-
vii) Further interest remaining due and payable for earlier years	-	-

3.03 (i) Corporate social responsibility

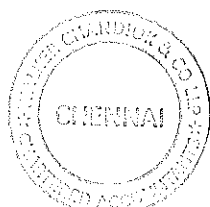
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent by the Group during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	25.12	16.04
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	25.12	16.04
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reasons for shortfall	NA	NA

As per Section 135 of the Companies Act, 2013 and the relevant rules made thereunder, the Group had to spend ₹ 25.12 lakhs towards CSR Obligations. The aforesaid amount has been utilized towards Road to School Program falling under promoting education under schedule VII of the Companies Act, 2013. The CSR activity is implemented through Learnig Links Foundation (LLF) an NGO which is a non-related party to the Group.

(ii) The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Group has neither advanced nor received any funds, guarantees, securities etc., to/ from any entity which shall be further invested or advanced on behalf of the Ultimate Beneficiaries.

(iv) The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020. The Group will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.04 Remuneration to Key Management Personnel

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
The remuneration to Chief Executive Officer		
Salary and allowances	340.50	192.36
Contribution to provident fund	7.50	7.00
Performance linked variable pay (including provision)	195.77	87.08
Perquisites (evaluated as per IT rules for certain items)	50.56	-
	594.33	286.44
The remuneration to Chief Financial Officer:		
Salary and allowances	80.30	64.57
Contribution to provident fund	0.22	2.36
Performance linked variable pay (including provision)	35.09	17.46
Perquisites (evaluated as per IT Rules for certain items)	5.37	0.24
	120.98	84.63
The remuneration to Company Secretary:		
Salary and allowances	13.76	12.04
Contribution to provident fund	0.51	0.44
Performance linked variable pay (including provision)	3.75	1.72
Perquisites (evaluated as per IT Rules for certain items)	-	0.24
	18.02	14.44

3.05 Related party disclosure - as per Companies Act/ IND AS 24

a) Having transactions with the Group during the year

Name of the related party	Nature of relationship
Ashok Leyland Limited	Holding Company / Venturer Company
Nissan International Holding B.V, Netherlands*	Venturer Company
Hinduja Automotive Limited, United Kingdom	Holding Company of Ashok Leyland Limited
Gulf Oil Lubricants India Limited	Fellow subsidiary of Ashok Leyland Limited
Albonair (India) Private Ltd	Subsidiary of Ashok Leyland Limited
Optare Group pic	Subsidiary of Ashok Leyland Limited
Ashok Leyland (UAE) LLC	Subsidiary of Ashok Leyland Limited
Nissan Motors Co Ltd, Japan*	Significant Influence on Hinduja Tech Limited
Renault Nissan Automative India Private Limited*	Significant Influence on Hinduja Tech Limited
Nissan Renault Financial Services India Pvt Ltd*	Subsidiary of Nissan International Holdings B.V
Nissan Motor India Pvt Ltd*	Fellow subsidiary of Nissan International Holdings B.V
Ashley Alteams India Limited	Joint Venture of Ashok Leyland Limited
Hinduja Investments and Project services limited	Significant Influence on Hinduja Tech Limited
Switch Mobility Limited	Fellow subsidiary
Switch Mobility Automotive Limited	Fellow subsidiary
Mr. Kumar Prabhas, Chief Executive Officer	Key Managerial Personnel
Mr. S. Ganapathyraman, Chief Financial Officer	Key Managerial Personnel
Mr. Abhishek, Company Secretary	Key Managerial Personnel
Mr. Aditya Sapru	Independent director
Ms. Bhumika Batra	Independent director
Mr. Rangan Mohan	Independent director

* On 25th February, 2021 Ashok Leyland Limited has entered into a share purchase agreement with Nissan International Holding BV and acquired Nissan's 38% per cent stake in Hinduja Tech Limited and consequently Hinduja Tech Limited has become a wholly owned subsidiary of Ashok Leyland Limited.

b) Key management personnel compensation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short term employee benefits	669.17	375.23
Post employment benefits	8.23	9.80
Share based payment	55.93	0.48
Total compensation	733.33	385.51

Note : Share based payment has been computed proportionate to number of options held by the Key managerial personnel. As Gratuity and Compensated absences are being computed for all the employees as a whole, the amount relating to Key managerial personnel cannot be determined separately, hence not included above.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

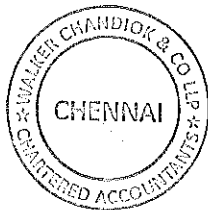
c) Details of transactions with related parties

Name of related party	Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2021
Ashok Leyland Limited	Income from services	2,582.82	2,721.73
	Reimbursement of expenses	31.15	73.05
	Rent	0.72	0.72
Optare Group PLC	Income from services	-	19.19
Ashok Leyland (UAE) LLC	Income from services	-	0.62
Nissan Motors Co Ltd, Japan*	Income from services	-	120.43
Hinduja Automotive Limited, United Kingdom	Rent paid	16.24	15.57
Hinduja Investments and Project services limited	Retainer fee paid	20.30	15.41
Gulf Oil Lubricants India Limited	Income from services	8.25	10.58
Switch Mobility Limited	Income from services	364.99	-
Switch Mobility Automotive Limited	Income from services	72.84	-
Albonair(India) Private Limited	Income from services	-	-
Nissan Renault Financial Services India Private Limited*	Income from services	-	19.39
Nissan Motor India Private Limited*	Income from services	-	9.32
Renault Nissan Automotive India Private Limited*	Income from services	-	19.39
Mr. Kumar Prabhas, Chief Executive Officer	Remuneration	594.33	286.44
Mr. S. Ganapathyraman, Chief Financial Officer	Remuneration	120.98	84.63
Mr. Abhishek, Company Secretary	Remuneration	18.02	14.44
Mr. Aditya Sapru	Sitting fees paid	1.80	1.80
Ms. Bhumika Batra	Sitting fees paid	2.80	2.60
Mr. Rangan Mohan	Sitting fees paid	5.50	5.00

* Ceased to be related party w.e.f 25th February 2021, hence transaction reported till that date.

d) Details of balances receivable from and payable to related parties as follows:

Name of related party	Nature of transaction	As at March 31, 2022	As at March 31, 2021
Ashok Leyland Limited	Trade receivable	139.01	66.53
	Unbilled revenue	196.92	250.46
Switch Mobility Limited	Trade receivable	96.17	-
	Unbilled revenue	51.68	-
Switch Mobility Automotive Limited	Trade receivable	53.19	-
	Unbilled revenue	27.60	-
Gulf Oil Lubricants India Limited	Unbilled revenue	-	0.65
Hinduja Investments and Project Services Limited	Trade payable	11.93	19.14



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 Employee benefits

1) Defined contribution plans

The Group makes provident fund and Labour Welfare Fund contributions which are defined contribution plans for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefit. The Group has recognised the following contributions in the statement of profit and loss which are at rates specified in the rules of the respective schemes.

The total expense recognised in consolidated statement of profit or loss of ₹ 352.00 lakhs (for the year ended March 31, 2021 - ₹ 333.99 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

2) Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The 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 years of service. The group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The group makes annual contributions to a funded group gratuity scheme administered by the Life Insurance Corporation of India.

Group's liability towards gratuity (funded) and compensated absences are actuarially determined at each reporting date using the projected unit credit method.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 a) Employees benefits - Defined benefit plan (Gratuity)

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.20%	5.80%
Expected rate of salary increase	7.00%	5.00%
Attrition rate	20.00%	20.00%
Average Longevity at retirement age - past service (years)	2.73	3.28
Average Longevity at retirement age - future service (years)	4.90	4.91

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 in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	72.29	70.64
Net interest expense	(2.03)	(1.03)
Components of defined benefit costs recognised in profit or loss	70.26	69.61
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gain)/loss for year - obligation	51.23	(4.01)
Actuarial (gain)/loss for year - plan assets	5.46	(4.12)
Components of defined benefit costs recognised in other comprehensive income	56.69	(8.13)
Total	126.95	61.48

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	497.08	394.41
Fair value of plan assets	492.94	341.48
Net liability arising from defined benefit obligation	4.14	52.92
Funded	-	-
Unfunded	4.14	52.92
Total	4.14	52.92

Movements in the present value of the defined benefit obligation in the current year were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	394.40	362.52
Current service cost	72.29	70.64
Interest cost	21.64	20.29
Actuarial loss/(gain)	51.23	(4.01)
Benefits paid	(42.48)	(55.04)
Closing defined benefit obligation	497.08	394.40

Movements in the fair value of the plan assets in the current year were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening fair value of plan assets	341.48	317.88
Expected return on plan assets	23.67	19.26
Contributions	175.73	55.26
Benefits paid	(42.48)	(55.04)
Actuarial (loss)/gain	(5.46)	4.12
Closing fair value of plan assets	492.94	341.48



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 a) Employee benefits (continued)

The Company had funded its liability towards Gratuity to its employees through group gratuity scheme with Life Insurance Corporation of India which manages the plan assets. Contributions made to the said scheme net of provisions made upto the end of earlier year have been charged to Statement of Profit and Loss of the year.

The actual return on plan assets was March 31, 2022 : ₹.18.21 lakhs (March 31, 2021: ₹ 23.38 lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2022				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on defined benefit obligation	(10.81)	11.30	11.99	(11.58)
31 March 2021				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on defined benefit obligation	(8.35)	8.71	9.37	(9.05)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Employee benefits - Maturity profile

The expected maturity analysis of undiscounted gratuity benefit obligation after balance sheet date is as follow:

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	80.67	64.47
Year 2	78.07	65.88
Year 3	84.08	58.67
Year 4	64.18	60.20
Year 5	60.76	46.02
Over 5 years	187.11	143.49
Total	554.87	438.73

The average duration of the benefit obligation as at March 31, 2022 is 5.2 years (as at March 31, 2021: 5.1 years).

Major categories of plan assets (as percentage of total plan assets)

Funds managed by Insurer - 100% (2020-21 - 100%)



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.06 b) Employees benefits - Compensated absences

The Company has determined the liability for Employee benefits - Compensated absences in accordance with the IND AS 19 - Employee benefits. The details of the said employee benefits are as under:

Particulars	As at March 31, 2022	As at March 31, 2021
i) Expense recognised in the statement of profit and loss for the year		
Current service cost	43.40	44.84
Interest cost	9.13	7.72
Expected return on plan assets	-	-
Net actuarial loss	54.97	31.53
Total expenses	107.50	84.09
ii) Net Asset/ (Liability) recognised in the Balance Sheet		
Present value of the obligation	(232.05)	(190.28)
Net Asset/ (Liability) recognised in the Balance Sheet	(232.05)	(190.28)
iii) Change in present value of the obligation during the year		
Present value of obligation as at beginning of year	190.28	148.60
Current service cost	43.40	44.84
Interest cost	9.13	7.72
Benefits paid	(65.73)	(42.41)
Actuarial (gain) / loss on obligation	54.97	31.53
Present value of obligation as at end of year	232.05	190.28
iv) Actuarial assumptions		
Discount rate	6.20%	5.80%
Attrition rate	20.00%	20.00%
Future salary increase (consider inflation, promotion, seniority and other relevant factors.)	7.00%	5.00%

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2022				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on liability	(4.63)	4.84	4.78	(4.62)
31 March 2021				
Sensitivity level	0.50%	0.50%	0.50%	0.50%
Impact on liability	(3.60)	3.76	3.77	(3.64)

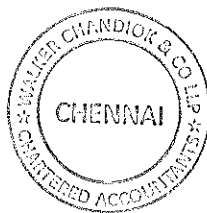
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

v) Movement in provision : (Refer notes 1.14 and 1.20)

Particulars	Opening balance	Utilised during the year	Additional provision made	Closing balance	
Employee benefits: (₹ lakhs)					
- Compensated absences	March 31, 2022	190.28	65.73	107.50	232.05
	March 31, 2021	148.60	42.41	84.09	190.28



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31. March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.07 Additional information required as per Schedule - III of the Companies Act, 2013:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at March 31, 2022								
Hinduja Tech Limited - Holding Company	95%	9,459.03	85%	2,429.34	-19%	(4.81)	85%	2,424.53
Wholly owned foreign subsidiaries:								
Hinduja Tech GmbH, Germany	-3%	(257.07)	11%	301.62	11%	2.61	11%	304.23
Hinduja Tech Inc, USA	7%	734.38	3%	97.58	100%	24.87	4%	122.45
Hinduja Tech (Shanghai) Co., Ltd. China	1%	46.27	0%	(11.31)	8%	1.87	0%	(9.44)
Hinduja Tech Canada Inc.	0%	10.45	0%	4.30	1%	0.27	0%	4.57
Total	100%	9,993.06	100%	2,821.53	100%	24.81	100%	2,846.34
Inter-company eliminations and other adjustments	-	(1,046.42)	-	-	-	-	-	-
Total for consolidated financial statements - March 31, 2022		8,946.64		2,821.53		24.81		2,846.34

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at March 31, 2021								
Hinduja Tech Limited - Holding Company	99%	6,750.68	83%	221.40	-5%	1.99	98%	223.39
Wholly owned foreign subsidiaries:								
Hinduja Tech GmbH, Germany	-8%	(561.30)	-4%	(10.34)	50%	(19.03)	-13%	(29.37)
Hinduja Tech Inc, USA	9%	611.86	21%	54.66	55%	(20.83)	15%	33.83
Hinduja Tech (Shanghai) Co., Ltd. China	0%	-	0%	-	0%	-	-	-
Total	100%	6,801.24	100%	265.72	100%	(37.87)	100%	227.85
Inter-company eliminations and other adjustments	-	(984.74)	-	-	-	-	-	-
Total for consolidated financial statements - March 31, 2021		5,816.50		265.72		(37.87)		227.85



3.08 Financial instruments

The carrying value of the group's assets and liabilities are equal to fair value.

a) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Group is required to comply with certain covenants under the arrangements executed for its borrowings and the Group has complied with all such covenants.

The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Gearing ratio:

Particulars	March 31, 2022	March 31, 2021
Debt	3,815.22	4,917.80
Total equity	8,946.64	5,816.50
Debt to total equity ratio	0.43	0.85
Categories of financial instruments:		
Financial assets		
a. Measured at amortised cost:		
Cash and bank balances	3,356.07	948.20
Trade receivables	3,249.06	1,882.94
Others	5,694.07	5,617.64
a. Measured at fair value through profit or loss (FVTPL):		
Derivative instruments	17.51	-
Financial liabilities		
a. Measured at amortised cost:		
Borrowings	-	626.63
Trade payables	216.29	262.62
Lease liabilities	1,425.22	1,901.17
Others	5,114.66	4,476.16

The derivative instruments are measured at fair value through profit or loss based on level 2 inputs of fair value hierarchy.

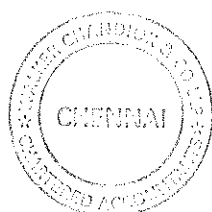
b) Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk analysis on degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by hedging the exposures. The use of hedging method is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk management and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

c) Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Group. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group actively manages its currency and interest rate exposures through a centralized treasury division and uses PCFC facility to mitigate the risks from such exposures. The use of PCFC facility is subject to limits and regular monitoring by appropriate levels of management.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.08 Financial instruments (continued)

d) Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group actively manages its currency rate exposures through a treasury division, uses PCFC facility and derivative instruments (foreign currency forward contracts) to mitigate the risks from such exposures which are regularly monitored by appropriate levels of management.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2022 :

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets - (net liabilities)
	Gross exposure	Exposure hedged	Net liability exposure on the currency	Gross exposure	Exposure hedged	Net asset exposure on the currency	
USD	-	-	-	330.16	330.16	-	-
EUR	-	-	-	75.47	29.48	45.99	45.99
GBP	-	-	-	199.12	156.55	42.57	42.57
CAD	-	-	-	173.31	38.39	134.92	134.92
Others	2.61	-	2.61	17.22	-	17.22	14.61

As on March 31, 2021 :

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets - (net liabilities)
	Gross exposure	Exposure hedged	Net liability exposure on the currency	Gross exposure	Exposure hedged	Net asset exposure on the currency	
USD	-	-	-	357.31	-	357.31	357.31
EUR	-	-	-	16.30	-	16.30	16.30
GBP	-	-	-	39.18	-	39.18	39.18
Others	2.76	-	2.76	113.51	-	113.51	110.75

Note: - Some of the derivatives reported under this column are not designated in hedging relationships but have been taken to economically hedge the foreign currency exposure.

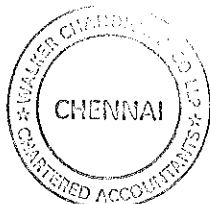
Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The following table details the Group's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. This 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Currency	Equity		Profit or Loss	
	As at March 31, 2022	As at March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
USD Impact	-	7.15	-	7.15
EUR impact	0.92	0.33	0.92	0.33
GBP impact	0.85	0.78	0.85	0.78
CAD Impact	2.70	-	2.70	-
Others	0.29	2.22	0.29	2.22

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.08 Financial instruments (continued)

e) Derivatives and risk management:

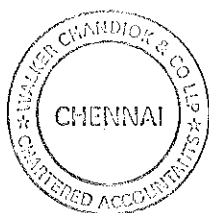
The following table details the foreign currency forward contracts outstanding at the end of the reporting period:

March 31, 2022	Foreign currency		Notional value in ₹	Fair value assets (liabilities) in ₹	Maturity date
Fair value hedges:					
Sell USD	USD	16.50	1,250.58	8.12	Dec-22
Sell GBP	GBP	1.50	149.18	6.59	Dec-22
Sell EUR	EUR	1.20	101.06	1.96	Dec-22
Sell CAD	CAD	1.20	72.59	0.84	Jun-22

March 31, 2021	Foreign currency		Notional value in ₹	Fair value assets (liabilities) in ₹	Maturity date
Fair value hedges:					
Sell USD	USD	-	-	-	-
Sell GBP	GBP	-	-	-	-
Sell EUR	EUR	-	-	-	-

Note:

Included in the balance sheet under other financial assets [Also, refer note 1.09]



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.08 Financial instruments (continued)

f) Interest rate risk management

The Group is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings

The exposure of companys borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	-	626.63
Fixed rate borrowings	2,390.00	2,390.00

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended March 31, 2022 would decrease/increase by NIL (March 31, 2021: decrease/increase by ₹ 1.57 Lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

g) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas and other receivables consists of a large number of customers, across geographies, hence the Group is not exposed to concentration risk.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjustment is determined to be NIL. The Group makes an allowance for doubtful debts on a case to case basis wherever applicable. Expected credit loss for other than trade receivables has been assessed and based on life-time expected credit loss, loss allowance provision has been made where applicable.

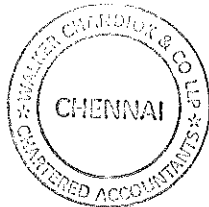
The credit risk on liquid funds and fixed deposits is limited because the counterparties are banks with high credit -ratings.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables and other financial assets excluding equity investments.

h) Offsetting related disclosures:

Offsetting of cash and cash equivalents to borrowings as per the working capital facility agreement is available only to the bank in the event of a default. Group does not have the right to offset in case of the counter party's bankruptcy. Hence these disclosures are not required.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.08 Financial Instruments (continued)

i) Liquidity risk management

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from banks. The Group invests its surplus funds in bank fixed deposit and Inter Corporate Deposits which carry minimal mark to market risks. Where available, there are no restrictions on the amount of undrawn borrowing facilities that are available for operating and capital commitments as at March 31, 2022.

Particulars	As at March 31, 2022	As at March 31, 2021
Bank overdraft and other facilities	3,500.00	2,873.00
Total	3,500.00	2,873.00

Liquidity tables:

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Particulars	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
March 31, 2022				
Trade payables	216.29	-	-	216.29
Preference shares classified as financial liability	2,390.00	-	-	2,390.00
Other financial liabilities	2,724.66	-	-	2,606.29
Borrowings (including interest accrued thereon upto the reporting date)	-	-	-	-
Lease Liability	657.04	972.82	-	1,425.22
Total	5,987.99	972.82	-	6,637.80
March 31, 2021				
Trade payables	262.62	-	-	262.62
Preference shares classified as financial liability	2,390.00	-	-	2,390.00
Other financial liabilities	2,086.16	-	-	2,652.62
Borrowings (including interest accrued thereon upto the reporting date)	626.63	-	-	626.63
Lease Liability	640.53	1,629.86	-	1,901.17
Total	6,005.94	1,629.86	-	7,833.04

The maturity profile for its derivative financial liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement is as follows for foreign exchange forward contracts ₹ 1,573.41 lakhs (March 31, 2021 : NIL) to be settled within the next year.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required): Management consider that the carrying all amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.



Hinduja Tech Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.09 Segment Information

Ind AS 108 establishes the standards for the way that business enterprises report information about operating segments, which is based on the "management approach". Under "management approach", the Chief Operating Decision Maker (CODM) considers and regularly reviews the segment operating results to assess the performance of the business segments and group as a whole. The Chief Executive Officer (CEO) is considered to be the Chief Operating Decision Maker (CODM) as defined in IND AS 108. The Operating Segment is the level at which discrete financial information is available. The CODM monitors the operating result of its business segment separately for the purpose of decision making about resource allocation and performance allocation and performance assessment. The group has Product engineering services and Digital technology services as its business segments.

Particulars	Product engineering services		Technology services		Total	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Income from software services	20,538.46	13,753.37	5,076.19	5,144.97	25,614.65	18,898.34
Identifiable operating expenses	14,381.95	10,295.51	3,854.19	4,078.53	18,236.14	14,374.03
Segment result	6,156.51	3,457.86	1,222.00	1,066.44	7,378.51	4,524.30
Other income	-	-	-	-	572.41	238.99
Unallocable expenses	-	-	-	-	5,532.32	4,480.14
Profit before tax	-	-	-	-	2,418.60	283.15
Tax Expense	-	-	-	-	(402.93)	17.43
Profit after tax	-	-	-	-	2,821.53	265.72

Particulars	Product engineering services		Technology services		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Assets:						
Receivables	2,506.26	1,431.75	742.80	451.19	3,249.06	1,882.94
Unbilled revenue	1,728.94	1,682.67	449.15	521.65	2,178.09	2,204.32
Unallocable assets	-	-	-	-	13,406.90	9,881.51
Total	4,235.20	3,114.43	1,191.95	972.84	18,834.05	13,968.77
Liabilities						
Unearned revenue	2,118.48	106.82	96.04	115.86	2,214.52	222.67
Equity and reserves	-	-	-	-	8,946.64	5,816.50
Unallocable liabilities	-	-	-	-	7,672.89	7,929.60
Total	2,118.48	106.82	96.04	115.86	18,834.05	13,968.77



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.10 Share based payments

Details of employees stock option plan of the Group

The Group has Employees Stock Options Plan (ESOP) scheme granted to employees which has been approved by the shareholders of the Group. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the Holding Company of the Group. Each employee share option converts into one equity share of the Company on exercise at the exercise price as per the scheme. The options carry neither rights to dividend nor voting rights. These are graded vesting options which vests on varying dates within the expiry date mentioned below with an option life of 5 years after vesting. Options can be exercised at any time within 5 years from the expiry date.

The following share based payment arrangements were in existence during the current year:

Option series	Number	Grant date	Expiry date	Exercise price
ESOP 1	7,058,500	19-Jul-18	18-Jul-21	10.00
ESOP 2	70,000	15-Nov-18	14-Nov-21	10.00
ESOP 3	255,000	12-Feb-19	11-Feb-22	10.00
ESOP 4	350,000	29-Jul-19	28-Jul-22	10.00
ESOP 5	190,000	6-Nov-19	5-Nov-22	10.00
ESOP 6	100,000	6-Jan-20	19-Jul-23	10.00
ESOP 7	195,000	23-Apr-21	19-Jul-23	12.00
ESOP 8	446,750	16-Aug-21	19-Jul-23	12.00

Fair value of stock options granted during the year

There are 641,750 stock options issued during the financial year (the weighted average fair value of the stock options granted during FY22 is ₹ 5.24). Options were priced using a binomial option pricing model. Where relevant, the expected life used in the model has been adjusted based on Management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price of similar listed companies.

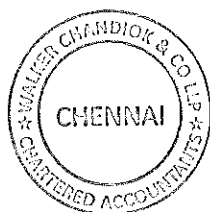
Movements in stock options during the year

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Numbers	Weighted average exercise price (₹)	Numbers	Weighted average exercise price (₹)
Opening at the beginning of the year	7,153,500	10.00	7,523,500	10.00
Granted during the year	641,750	12.00	-	-
Exercised during the year	1,701,250	10.00	-	-
Lapsed during the year	140,500	10.00	370,000	10.00
Balance at the end of the year	5,953,500	10.21	7,153,500	10.00

Stock options vested but not exercised

Number of stock options vested but not exercised - 5,067,250 (March 31, 2021 : 3,425,000)

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 10.21 (as at March 31, 2021: ₹ 10) and a weighted average remaining contractual life of 5 years (as at March 31, 2021: 6 years).



Hinduja Tech Limited

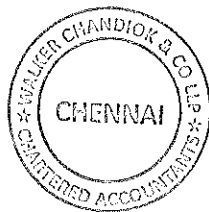
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.11 Revenue from contracts with customers:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Disaggregated revenue information		
Type of services		
Income from Engineering and IT services	25,614.65	18,898.34
Total revenue from contract with customers	25,614.65	18,898.34
India	8,309.40	7,773.72
Outside India	17,305.25	11,124.62
Total revenue from contract with customers	25,614.65	18,898.34
(b) Contract balances		
Trade receivables	3,249.06	1,882.94
Contract assets (Refer note (c) below)	2,178.09	2,204.32
Contract liabilities	2,214.52	222.67
(c) Trade receivables are non-interest bearing and are generally on terms of credit period upto 60 days. Revenue recognised in excess of invoicing (referred to as unbilled revenue) are referred as contract assets whereas Invoicing is in excess of the revenue recognition (referred to as unearned revenue) is termed as contract liabilities.		
(d) Revenue recognised in relation to contract liabilities		
Amounts included in contract liabilities at the beginning of the year	222.67	185.76
Performance obligations satisfied in the current year	131.36	82.54
Performance obligations unsatisfied or partially unsatisfied in the current year	91.31	119.45
(e) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price		
<i>Adjustments</i>	25,614.65	18,898.34
Rebates and discounts	-	-
Revenue from contract with customers	25,614.65	18,898.34

The Group has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.12 Leases

With effect from 01 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate (9.75% p.a) and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The following is the movement in right-of-use assets during the year ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Buildings		
Opening Balance	1,730.35	2,114.60
Additions	-	116.14
Deletions	-	-
Depreciation charge	(506.81)	(500.39)
Closing Balance	1,223.54	1,730.35

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,901.17	2,204.54
Additions	-	116.14
Deletions	-	-
Finance costs accrued through the period	164.59	202.30
Payment of Lease Liabilities	(640.53)	(621.81)
Closing Balance	1,425.23	1,901.17

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

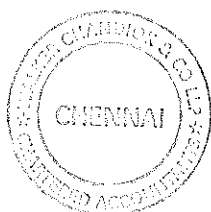
Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	883.62	1,425.22
Current	541.60	475.95
Total	1,425.22	1,901.17

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	657.04	640.53
One to five years	972.82	1,629.86
More than five years	-	-
Total	1,629.86	2,270.39

Amounts recognised in the statement of profit and loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on lease liabilities	164.59	202.30
Expense relating to short term lease	75.10	53.94
	239.69	256.24



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.13 Income taxes relating to continuing operations

a) Current tax

There is no current tax expense for the group for the year in view of admissible deductions / allowances except for tax expense relating to US subsidiary. The tax effect on the components in other comprehensive income is Nil.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits.

c) Income tax recognised in profit or loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	34.16	17.43
Deferred tax-net	(437.09)	-
Total income tax expense recognised in the current year	(402.93)	17.43

d) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	2,418.60	283.15
Income tax expense calculated at 25.17% (2020-21: 25.17%)	608.76	71.27
Impact of brought forward losses and other deductions	(502.37)	(55.73)
Difference between Indian and Foreign taxes	(75.88)	1.89
Deferred tax asset recognized during the year	(437.09)	-
Others	3.65	-
Income tax expense recognised in profit or loss	(402.93)	17.43

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

e) Deferred tax balances

The following is the analysis of deferred tax assets presented in the statement of financial position:

Particulars	As at March 31, 2022	As at March 31, 2021
Un-absorbed depreciation	136.87	-
Provisions for employee benefit obligations	137.58	-
Property, plant and equipment and other intangible assets	103.75	-
Expected credit loss	8.13	-
Lease accounting as per Ind AS 116	50.76	-
Deferred tax asset	437.09	-

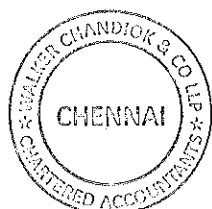
In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced. All deferred tax assets have been recognized in the balance sheet.

3.14 Earnings per share (EPS):

	March 31, 2022	March 31, 2021
Basic and Diluted earnings per share (EPS) (₹)		
On profit for the year	1.83	0.17
On total comprehensive income for the year	1.84	0.15
Face value of share	10.00	10.00
EPS has been calculated as under:		
a) Profit after tax	2,821.53	265.72
b) Total comprehensive income for the year	2,846.34	227.85
b) Actual number of equity shares outstanding (No.s)	155,651,250	153,950,000
b) Weighted average number of Equity shares outstanding (No.s)	154,479,073	153,950,000

3.15 Going concern assumption

The Group has incurred losses in the preceding years which has resulted in accumulated losses as on March 31, 2022. The future plans as approved by the Board of Directors of the Company, share capital infusion by shareholders in earlier years and the fund availability indicate sufficient support from stake holders to enable the Company to continue its operations, recoup past losses within a reasonable period of time and settle its obligations as and when they fall due. On this basis, financial statements continued to be prepared on a going concern basis.



Hinduja Tech Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3.16 Net debt reconciliation:

Particulars	As at March 31, 2022	As at March 31, 2021
1. Cash and bank balances	3,356.07	948.20
2. Liquid Investments	-	(626.63)
2. Current borrowings	(2,390.00)	(2,390.00)
3. Preference shares	(1,425.23)	(1,901.17)
4. Lease liabilities	-	-
Net debt	(459.16)	(3,969.60)

Particulars	Other assets		Liabilities from Financing activities		Total
	Cash and bank balances	Preference shares	Current borrowings	Lease liabilities	
Net debt as at March 31, 2020	607.36	(2,390.00)	(142.76)	(2,204.54)	(4,129.94)
Impact on IND AS 116 first time adoption	-	-	-	-	-
Addition/deletion of lease liability (net)	-	-	-	(116.14)	(116.14)
Cash flows	340.84	-	(483.87)	419.51	276.48
Interest expense	-	-	(30.74)	(99.41)	(130.15)
Interest paid	-	-	30.74	99.41	130.15
Net debt as at March 31, 2021	948.20	(2,390.00)	(626.63)	(1,901.17)	(3,969.60)
Impact on IND AS 116 first time adoption	-	-	-	-	-
Addition/deletion of lease liability (net)	-	-	-	-	-
Cash flows	2,407.87	-	626.63	475.94	3,510.44
Interest expense	-	-	(22.44)	(164.59)	(187.03)
Interest paid	-	-	22.44	164.59	187.03
Fair value adjustments	-	-	-	-	-
Net debt as at March 31, 2022	3,356.07	(2,390.00)	-	(1,425.23)	(459.16)

3.17 Key Financial Ratios

Particulars	Formula Used	As at March 31, 2022	As at March 31, 2021	Variance	Reasons for Variance
Current Ratio	Current Assets / Current Liabilities	1.75	1.62	8%	NA
Return on Equity Ratio	Profit after Tax / Avg. Total Equity	0.38	0.05	717%	Increase in profit after Tax
Trade Receivables Turnover Ratio	Revenue from Operations / Average Receivables (including Un-Billed)	5.38	3.55	52%	Reduction in average receivables as % of revenue in FY-22.
Trade Payables Turnover Ratio	Cost of outsourced services and materials consumed / Avg. Trade Payables	12.45	4.72	164%	Reduction in average payables as % of cost of services/goods outsourced in FY-22
Net Capital Turnover Ratio	Revenue from Operations / Average working capital	4.80	5.32	-10%	NA
Net Profit Ratio	Profit after Tax / Revenue from operations	0.11	0.01	683%	Increase in Profit after Tax.
Return on Capital Employed	Earnings before interest & taxes / Capital Employed	0.26	0.07	289%	Increase in operating profit
Debt Equity Ratio	Total Debt / Total Equity	0.43	0.85	-50%	Repayment of Debt

3.18 Disclosure as required under Section 186(4) of the Companies Act, 2013:

Particulars	As at March 31, 2022	As at March 31, 2021	Purpose
Inter Corporate Deposits - Hinduja Group Limited	5,300.00	5,300.48	Funding for working capital

The terms are in compliance with Section 186(7) of the Companies Act, 2013.

3.19 Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the report release date.

3.20 Previous year figures have been regrouped / reclassified wherever necessary to correspond to current year's classification/disclosure.

In terms of our report attached


For Walker Chandlok & Co LLP
Chartered Accountants


Sumesh E.S.,
Partner
Membership No. 206931



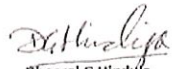
Place : Chennai
Date :12-May-20222

For and on behalf of the Board of Directors of
Hinduja Tech Limited


Kumar Prabhas
Chief Executive Officer


S. Ganapathyraman
Chief financial Officer

Place : Chennai
Date :12-May-20222


Dheeraj G Hinduja
Chairman
DIN: 00133410


Abhishek N S
Company Secretary