Coforge BPS America Inc. USA
Special Purpose Balance Sheet as at March 31, 2024

(All Amounts are in USD , unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	154,168	68,766
Right-of-use assets	27	84,971	199,649
Other intangible assets	4	4,822	6,987
Financial assets			
Investments	5 (i)	25,000	25,000
Other financial assets	5 (iii)	40,660	10,624
Income tax assets (net)	7	304,222	300,537
Deferred tax assets (net)	6	1,120,080	1,480,862
Other non-current assets	8 (i)	320,000	-
Total non-current assets		**2,053,923**	**2,092,425**
Current assets			
Financial assets			
Trade receivables	5 (ii)	12,976,622	9,851,715
Cash and cash equivalents	5 (iv)	6,314,361	2,428,126
Other financial assets	5 (iii)	7,545	-
Other current assets	8 (ii)	387,224	840,069
Total current assets		**19,685,752**	**13,119,910**
TOTAL ASSETS		**21,739,675**	**15,212,335**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	6,650,000	6,650,000
Other equity	10	(4,346,341)	(5,470,922)
Total equity		**2,303,659**	**1,179,078**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	11(i)	22,338	68,963
Employee benefit provisions	12	57,836	-
Total non- current liabilities		**80,174**	**68,963**
Current liabilities			
Financial liabilities			
Lease liabilities	11(i)	73,228	156,993
Trade payables	11(ii)	17,467,856	11,900,185
Other financial liabilities	11(iii)	251,489	568,160
Employee benefit provisions	12	36,032	115,151
Other current liabilities	13	1,527,237	1,223,805
Total current liabilities		**19,355,842**	**13,964,294**
TOTAL LIABILITIES		**19,436,016**	**14,033,257**
TOTAL EQUITY AND LIABILITIES		**21,739,675**	**15,212,335**

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

As per our report of even date.

For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of **Coforge BPS America Inc.**

per Amit Virmani
Partner
Membership Number: 504649
Place: Gurugram
Date: June 13, 2024

Madhusudan Hegde
Director

Place : New Jersey, USA
Date: June 13, 2024

Bhartendra Gupta
Director

Place : Pennsylvania, USA
Date: June 13, 2024

Coforge BPS America Inc. USA
Special Purpose Statement of Profit and Loss for the year ended March 31, 2024

(All Amounts are in USD , unless otherwise stated)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers	14	69,986,251	42,833,804
Other income	15	2,769,547	5,415,653
Total income		**72,755,798**	**48,249,457**
Expenses			
Employee benefits expense	16	4,911,675	5,727,152
Finance costs	19	8,643	15,998
Depreciation and amortization expense	17	188,261	160,340
Other expenses	18	66,129,071	42,496,053
Total expenses		**71,237,650**	**48,399,543**
Profit / (loss) before tax		1,518,148	(150,086)
Income tax expense:	20		
Current tax		32,785	-
Deferred tax		360,782	(1,480,862)
Total tax expense		**393,567**	**(1,480,862)**
Profit for the year		**1,124,581**	**1,330,776**
Total comprehensive income for the year		**1,124,581**	**1,330,776**
Earnings per share (face value of US$ 1 each)			
Basic and diluted earnings per share	26	0.17	0.20

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

As per our report of even date.

For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of **Coforge BPS America Inc**.

per Amit Virmani
Partner
Membership Number: 504649
Place: Gurugram
Date: June 13, 2024

Madhusudan Hegde
Director

Place : New Jersey, USA
Date: June 13, 2024

Bhartendra Gupta
Director

Place : New Jersey, USA
Date: June 13, 2024

Coforge BPS America Inc. USA
Special Purpose Cash flow statement for the year ended March 31, 2024

(All Amount in USD , unless otherwise stated)

Description	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities		
Profit / (Loss) before tax	**1,518,148**	**(150,086)**
Adjustment for:		
Depreciation and amortisation expenses	188,261	160,340
Interest income	(1,153,679)	-
Allowance for doubtful debts (net) / (reversal)	(17,686)	14,623
Interest and finance charges	8,643	15,998
	(974,461)	**190,961**
Changes in operating assets and liabilities		
(Increase)/decrease in trade receivables	(3,107,221)	(6,908,279)
(Increase)/decrease in other financial assets	(7,545)	-
(Increase)/decrease in other assets	102,809	(385,138)
(Decrease)/increase in trade payables	5,567,671	7,250,365
(Decrease)/increase in employee benefit provisions	(21,283)	(17,578)
(Decrease)/increase in other financial liabilities	(316,671)	568,160
(Decrease)/increase in other liabilities	303,430	(1,881,086)
Cash used in operations	**2,521,190**	**(1,373,556)**
Income taxes paid	(36,470)	-
Net cash inflow from operating activities	**3,028,407**	**(1,332,681)**
Cash flow from investing activities		
Purchase of property, plant and equipment	(156,820)	(119,093)
Interest income	1,153,680	-
Net cash inflow from / (used in) investing activities	**996,860**	**(119,093)**
Cash flow from financing activities		
Payment of principal portion of lease liabilities	(130,389)	(65,622)
Interest paid	(8,643)	(15,998)
Net cash (used in) financing activities	**(139,032)**	**(81,620)**
Net increase/(decrease) in cash and cash equivalent	**3,886,235**	**(1,533,394)**
Cash and cash equivalents at the beginning of the financial year	2,428,126	3,961,520
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at the end of the financial year	**6,314,361**	**2,428,126**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following: [Refer note 5 (iv)]		
Balance with Bank	6,314,361	2,398,336
Cheques in Hand	-	29,790
Balance as per statement of cash flows	**6,314,361**	**2,428,126**

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities

Particulars	As at 1 April 2023	Cash Flow during the year			Finance charges accrued	Others	As at March 31 2024
		Proceeds	Payment	Net cash flows			
Lease liability (Refer Note 27)	225,956	-	165,481	165,481	8,643	26,448	95,566
	225,956	**-**	**165,481**	**165,481**	**8,643**	**26,448**	**95,566**

Particulars	As at 1 April 2022	Cash Flow during the year			Finance charges accrued	Others	As at March 31 2023
		Proceeds	Payment	Net cash flows			
Lease liability (Refer Note 27)	291,578		147,522	147,522	15,998	65,902	225,956
	291,578	**-**	**147,522**	**147,522**	**15,998**	**65,902**	**225,956**

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

As per our report of even date.

For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of **Coforge BPS America Inc**.

per Amit Virmani
Partner
Membership Number: 504649
Place: Gurugram
Date: June 13, 2024

Madhusudan Hegde
Director

Place : New Jersey, USA
Date: June 13, 2024

Bhartendra Gupta
Director

Place : New Jersey, USA
Date: June 13, 2024

Coforge BPS America Inc. USA
Special Purpose Statement of Changes in Equity for the year ended March 31, 2024

(All Amounts are in USD , unless otherwise stated)

(a) Equity Share Capital

Description	Number of Shares	Amount
As at April 1, 2022	**6,650,000**	**6,650,000**
Changes in equity share capital	-	-
As at March 31, 2023	**6,650,000**	**6,650,000**
Changes in equity share capital	-	-
As at March 31, 2024	**6,650,000**	**6,650,000**

(b) Other Equity

Description	Other Equity	Total
	Retained Earnings	
Balance at April 1, 2022	**(6,801,698)**	**(6,801,698)**
Profit for the year	1,330,776	1,330,776
Total Comprehensive Income for the year	**1,330,776**	**1,330,776**
At March 31, 2023	**(5,470,923)**	**(5,470,923)**

Description	Other Equity	Total
	Retained Earnings	
Balance at April 1, 2023	**(5,470,923)**	**(5,470,923)**
Profit for the year	1,124,581	1,124,581
Total Comprehensive Income for the year	**1,124,581**	**1,124,581**
At March 31, 2024	**(4,346,341)**	**(4,346,341)**

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

As per our report of even date.

For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of **Coforge BPS America Inc**.

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Place : New Jersey, USA
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Bhartendra Gupta
Director

Place : New Jersey, USA
Date: June 13, 2024

Coforge BPS America Inc., USA
Notes to the Special Purpose Ind AS Financial Statements for the year ended March 31, 2024

Coforge BPS America Inc., USA ("the Company") incorporated under the laws of the State of Nevada, United States of America, is a disruptive AI-led business operations provider, augmenting Business Process services and human capital with AI to enhance customer experience, improve business effectiveness and increase efficiency of organizations in the Banking, Cards, Mortgage, Financial Services, Insurance, Travel and Hospitality sectors. These special purpose financial statements are approved by the Board of Directors on June 13, 2024.

1 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The special purpose financial statements ('financial statements") have been prepared for the express purpose of and use of management and the Board of Directors in their preparation of the consolidated financial statements of the Parent Company. These financial statements are not the statutory financial statements of the Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are considered irrelevant by the management and the intended users of the financial statements for the purposes for which those have been prepared.

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following that are measured at fair value:
- certain financial assets and liabilities; and
- employee benefit - compensated absences;

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle
Held primarily for the purpose of trading
Expected to be realised within twelve months after the reporting period, or
Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is current when:

It is expected to be settled in normal operating cycle
It is held primarily for the purpose of trading
It is due to be settled within twelve months after the reporting period, or
There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Use of Estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used, but not limited to accounting for costs expected to be incurred to complete performance under Information Technology enabled service arrangements, allowance for uncollectible accounts receivables and unbilled revenue, income taxes, future obligations under employee benefit plans, the useful lives of property, plant & equipment and intangible assets, impairment of property, plant & equipment, intangibles, valuation allowances for deferred tax assets and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the period in which the changes are made. Actual results could differ from those estimates.

Other areas involving critical estimates and judgements are:
The preparation of financial statements requires the use of accounting estimates which, by definition, may not equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Areas involving critical estimates and judgments are:
• Impairment of trade receivables [Refer Note 5 (i)]
The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

(c) Segment reporting
Operating segments are reported in a manner consistent with the internal reporting. The Executive Vice President (Business head) has been identified as the chief operating decision maker.

(d) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of the company is measured using the currency of the primary economic environment in which the company operates (the 'functional currency'). Financial statements of the company are presented in US Dollar (USD), which is the company's functional and presentation currency.

(ii) Transactions and balances
All foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the monthly rate which approximately equals to exchange rate at the transaction date.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange difference on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

(e) Revenue recognition
The Company derives revenues primarily from data processing services and business information technology services. The Company's arrangements with customers for these services are time-and-material, fixed-price, fixed capacity / fixed monthly and transaction based. The company classifies revenue from these contracts as Sale of services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. The Company presents revenues net of indirect taxes in its statement of Profit and loss.

Method of revenue recognition

Revenue on time-and material contracts are recognized over time as the related services are performed.
Revenue from fixed-price, fixed-capacity and fixed monthly contracts, where the performance obligations are satisfied over time, is recognized as per the percentage-of completion method. . The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from transaction based contracts is recognised at the amount determined by multiplying transaction rate to actual transactions taking place during a period.

Contract balances
Revenues in excess of invoicing are treated as contract assets while invoicing in excess of revenues are treated as contract liabilities. The Company classifies amounts due from customer as receivable or contract assets depending on whether the right to consideration is unconditional. If only the passage of time is required before payment of the consideration is due, the amount is classified as receivable. Otherwise, such amounts are classified as contract assets.

Contract costs
Incremental costs of obtaining a contract and costs incurred in fulfilling a contract with customer are recognised as contract costs assets and amortized over the term of the contract on a systematic basis.

Others
Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis. Services that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current tax and deferred tax are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

(g) Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term 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.

(i) Trade receivables

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

(j) Investments and other financial assets

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.

(i) Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.
(ii) Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
► Debt instruments at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Equity Instruments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

(This space has been intentionally left blank)

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

► Trade receivables or contract revenue receivables; and

► All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an Company is required to consider:

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(k) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

(iii) Derecognition

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

(l) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Such cost also includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expenses as applicable.

The cost of assets not ready for used before balance sheet date are disclosed under capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets. The estimates of useful lives of the assets are as follows:

Asset	**Useful life**
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets may differ from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

(m) Intangible assets

(i) Computer software

The external computer software acquired separately are measured on initial recognition at cost. After initial recognition/ capitalisation, all software are carried at cost less accumulated amortization and impairment losses, if any.

(ii) Amortization methods and periods

The Company amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software - external	3 years

(iii) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other non-financial assets, including property, plant and equipment, ROU assets and intangible assets having finite useful lives, the Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company’s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss under the head depreciation and amortisation expense.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.

(n) Trade and other payables

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

(o) Borrowing Costs

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 prepare 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 are expensed in the period in which they are incurred.

(p) Provisions and contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimates of the expenditure incurred to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

(q) Employee benefits obligations

(i) Short-term obligations

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The Company makes defined contributions on a monthly basis towards retirement benefits of the employees, which is charged to the statement of profit and loss. The Company has no further obligations towards the retirement benefits.

(ii) Other long-term employee benefit obligations- compensated absences

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Defined contribution plan- Retirement saving plan

The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

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(r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of shares outstanding during the financial year, adjusted for bonus elements in shares issued during the year and excluding treasury shares, if any.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account.

- the after income tax effect of interest and other financing costs associated with dilutive potential shares, and
- the weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential shares.

(s) Fair value measurement

The Company measures financial instruments, such as investment in equity shares etc., at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

-in the principal market for the asset or liability, or

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

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) prices in active markets for identical assets or liabilities,

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

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

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, management regularly reviews significant unobservable inputs applied in the valuation by agreeing the information in the valuation computation to contracts and other relevant documents. There are no such instruments which are valued using a level 3 hierarchy.

Note 2 Recent Accounting Pronouncements

New and amended standards adopted by the Company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.
The amendments had no impact on the company's special purpose financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the company's special purpose financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.
The company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12,there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.
Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

(All Amounts are in USD, unless otherwise stated)

3 Property, plant and equipment

March 31, 2023	Plant and Machinery - Computers and Peripherals	Plant and Machinery - Office Equipment	Furniture and Fixtures	Lease Hold Improvements	Capital work in progress	Total
Gross carrying amount						
Opening gross carrying amount	225,157	118,665	83,598	29,231	-	456,651
Additions	45,875	7,319	-	-	-	53,194
Disposals/Adjustments	-	-	-	-	-	-
Closing gross carrying amount	**271,032**	**125,984**	**83,598**	**29,231**	**-**	**509,845**
Accumulated depreciation						
Opening accumulated depreciation	194,832	112,173	76,142	26,877	-	410,024
Depreciation charge during the year	21,214	5,586	1,901	2,354	-	31,055
Disposals/Adjustments	-	-	-	-	-	-
Closing accumulated depreciation	**216,046**	**117,759**	**78,043**	**29,231**	**-**	**441,079**
Net carrying amount	**54,986**	**8,225**	**5,555**	**-**	**-**	**68,766**

March 31, 2024	Plant and Machinery - Computers and Peripherals	Plant and Machinery - Office Equipment	Furniture and Fixtures	Lease Hold Improvements	Capital work in progress	Total
Gross carrying amount						
Opening gross carrying amount	271,032	125,984	83,598	29,231	-	509,845
Additions	58,410	54,720	17,241	-	-	130,371
Disposals/Adjustments	-	-	-	-	-	-
Closing gross carrying amount	**329,442**	**180,704**	**100,839**	**29,231**	**-**	**640,216**
Accumulated depreciation						
Opening accumulated depreciation	216,046	117,759	78,043	29,231	-	441,079
Depreciation charge during the year	38,505	3,858	2,606	-	-	44,969
Disposals/Adjustments	-	-	-	-	-	-
Closing accumulated depreciation	**254,551**	**121,617**	**80,649**	**29,231**	**-**	**486,048**
Net carrying amount	**74,891**	**59,087**	**20,190**	**-**	**-**	**154,168**

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(All Amounts are in USD, unless otherwise stated)

4 Other Intangible Assets

March 31, 2023	**Software-External**
Gross carrying amount	
Opening gross carrying amount	457,324
Additions	-
Disposals/Adjustments	-
Closing gross carrying amount	**457,324**
Accumulated amortization	
Opening accumulated amortization	448,172
Amortization charge for the year	2,165
Disposals/Adjustments	-
Closing accumulated amortization	**450,337**
Closing net carrying amount	**6,987**

March 31, 2024	**Software-External**
Gross carrying amount	
Opening gross carrying amount	457,324
Additions	-
Disposals/Adjustments	-
Closing gross carrying amount	**457,324**
Accumulated amortization and impairment	
Opening accumulated amortization	450,337
Amortization charge for the year	2,165
Disposals/Adjustments	-
Closing accumulated amortization	**452,502**
Closing net carrying amount	**4,822**

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(All Amounts are in USD, unless otherwise stated)

Financial Assets

5 (i)	**Non-current investments**	**March 31, 2024**	**March 31, 2023**
	Investments in equity instruments (fully paid-up) (Unquoted)		
	Wholly owned subsidiary		
	25,000 Shares (March 31, 2023 : 25,000) of USD 1 each in Coforge BPS North Carolina LLC	25,000	25,000
	Total non-current investments	**25,000**	**25,000**

5 (ii)	**Trade receivables**	**March 31, 2024**		**March 31, 2023**	
		Current	**Non- Current**	**Current**	**Non- Current**
	Trade receivables	11,589,768	-	9,649,927	-
	Receivables from related parties(Refer Note 25)	1,538,319		335,567	
	Less: Allowance for doubtful debts (Refer Note 1 (b))	(151,465)	-	(133,779)	-
	Total receivables	**12,976,622**	**-**	**9,851,715**	**-**

Break-up of Trade Receivable	**March 31, 2024**		**March 31, 2023**	
	Current	**Non- Current**	**Current**	**Non- Current**
Trade Receivables considered good - Secured	-	-	-	-
Trade Receivables considered good - Unsecured	13,128,087	-	9,985,494	-
Total	**13,128,087**	**-**	**9,985,494**	-
Allowance for doubtful debts (Refer Note 1 (b))	(151,465)	-	(133,779)	-
Total trade receivables	**12,976,622**	**-**	**9,851,715**	**-**

5 (iii)	**Other financial assets**	**March 31, 2024**		**March 31, 2023**	
		Current	**Non- Current**	**Current**	**Non- Current**
	Security deposits -				
	-Considered Good	7,545	40,660	-	10,624
	Total other financial assets	**7,545**	**40,660**	**-**	**10,624**

5 (iv)	**Cash and cash equivalents**	**March 31, 2024**	**March 31, 2023**
	Balances with Bank		
	In current account	6,314,361	2,398,336
		6,314,361	**2,398,336**
	Cheques in hand	-	29,790
		-	**29,790**
	Total cash and cash equivalents	**6,314,361**	**2,428,126**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

6	**Deferred tax assets (Net)**		**March 31, 2024**	**March 31, 2023**
	The balance comprises temporary differences attributable to :			
	a) Property, Plant & Equipment		115,911	(20,453)
	b) Tax impact of expenses charged in the financial statements but allowable as deduction in future years under income tax:			
	- Provision for compensated absences		9,729	31,091
	- Allowance for doubtful debts		40,896	36,120
	- Provision for Deferred Revenue		161,711	102,911
	- DTA created on accumulated Losses		802,012	1,324,091
	- Lease Liability		25,803	61,008
	Gross Deferred Tax Assets:	**A**	**1,156,062**	**1,534,768**
	a) Provision for Sales Commission		(13,040)	-
	b) Right of use assets		(22,942)	(53,906)
	Gross Deferred Tax Liabilities	**B**	**(35,982)**	**(53,906)**
	Deferred tax assets (Net)	**A+B**	**1,120,080**	**1,480,862**

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(All Amounts are in USD, unless otherwise stated)

Movement in deferred tax assets

	Property, plant and equipment	Employee benefits	Lease liability	Provisions	ROU Asset	Others	Total
At March 31, 2022	-	-	-	-		-	-
Less : (charged)/credited:							
- to profit or loss - deferred tax	(20,453)	31,091	61,008	139,031	(53,905)	1,324,090	1,480,862
- retained earnings		-					
At March 31, 2023	**(20,453)**	**31,091**	**61,008**	**139,031**	**(53,905)**	**1,324,090**	**1,480,862**
Less : (charged)/credited:							
- to profit or loss - deferred tax	136,365	(34,402)	(35,205)	63,575	30,963	(522,078)	(360,782)
- retained earnings		-					
At March 31, 2024	**115,911**	**(3,311)**	**25,803**	**202,607**	**(22,942)**	**802,012**	**1,120,080**

7	**Income tax assets (Net)**	**March 31, 2024**	**March 31, 2023**
	Opening balance of advance tax/(Provisions)	300,537	300,537
	Less: Tax expense for the current year	(32,785)	-
	Add: taxes paid during the year	36,470	-
	Total Income tax assets (Net)	**304,222**	**300,537**

8 (i)	**Other non current assets**	**March 31, 2024**	**March 31, 2023**
	Contract cost (Refer note (a) below)	320,000	-
	Total other non-current assets	**320,000**	**-**

(a) Contract costs include USD 388,682 (Previous year USD 397,620) as incremental cost of obtaining a contract.
There is no impairment loss recognised during the current or previous year.

8 (ii)	**Other current assets**	**March 31, 2024**	**March 31, 2023**
	Advances other than capital advances	150,303	84,003
	Prepayments	168,238	358,446
	Contract cost (Refer note (a) above)	68,682	397,620
	Total other current assets	**387,224**	**840,069**

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(All Amounts are in USD, unless otherwise stated)

9 **Share Capital**

Authorized equity share capital

Description	**Number of shares**	**Amount**
As at April 1, 2022	**6,650,000**	**6,650,000**
Increase during the year	-	-
As at March 31, 2023	**6,650,000**	**6,650,000**
Increase during the year	-	-
As at March 31, 2024	**6,650,000**	**6,650,000**

(i) Movements in equity share capital

Description	**Amount**	**Amount**
As at April 1, 2022	**6,650,000**	**6,650,000**
Increase during the year	-	-
As at March 31, 2023	**6,650,000**	**6,650,000**
Increase during the year	-	-
As at March 31, 2024	**6,650,000**	**6,650,000**

Terms and rights attached to equity shares

Shares: The common stock issued by the Company have unlimited voting rights and are entitled to receive the net assets of the Company upon dissolution. The dividend declared is approved by the Board of Directors.

(ii) Shares of the Company held by holding company

	March 31, 2024	**March 31, 2023**
	No. of Shares held	**No. of Shares held**
Coforge Business Process Solutions Private Ltd	6,650,000	6,650,000

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

Name of Shareholder	**Equity Shares**			
	March 31, 2024		**March 31, 2023**	
	No. of Shares held	**% of Holding**	**No. of Shares held**	**% of Holding**
Coforge Business Process Solutions Private Ltd	6,650,000	100	6,650,000	100

10 **Other Equity**

	March 31, 2024	**March 31, 2023**
Retained earnings*	(4,346,341)	(5,470,922)
Total Other Equity	**(4,346,341)**	**(5,470,922)**

(i) Retained earnings

Opening balance	(5,470,922)	(6,801,698)
Net profit for the year	1,124,581	1,330,776
Closing balance	**(4,346,341)**	**(5,470,922)**

*Retained earnings represent the accumulated earnings of the entity

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(All Amounts are in USD, unless otherwise stated)

11(i) Lease liabilities

	March 31, 2024			March 31, 2023		
	Current	Non Current	Total	Current	Non Current	Total
Lease liability (Refer Note 27)	73,228	22,338	95,566	156,993	68,963	225,956
	73,228	**22,338**	**95,566**	**156,993**	**68,963**	**225,956**

11(ii) Trade Payables

	March 31, 2024			March 31, 2023		
	Current	Non Current	Total	Current	Non Current	Total
Trade Payables	879,647	-	879,647	49,795	-	49,795
Trade Payables to related parties (Refer Note 23)	16,588,209	-	16,588,209	11,850,390	-	11,850,390
Total Trade Payables	**17,467,856**	**-**	**17,467,856**	**11,900,185**	**-**	**11,900,185**

Trade Payables ageing schedule-Outstanding for the following periods from due date of payment

March 31, 2024

Particulars	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	324,840	12,680,892	-	-	-	**13,005,732**
(iii) Unbilled and accruals	4,462,124	-	-			**4,462,124**
Total	**4,786,964**	**12,680,892**	-	-	-	**17,467,856**

March 31, 2023

Particulars	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	5,049,495	6,736,837	-	-	-	**11,786,332**
(iii) Unbilled and accruals	113,853	-				**113,853**
Total	**5,163,348**	**6,736,837**	-	-	-	**11,900,185**

11(iii) Other financial liabilities

	March 31, 2024			March 31, 2023		
	Current	Non Current	Total	Current	Non Current	Total
Employee Benefits Payable	251,489		251,489	568,160		568,160
Total Other financial liabilities	**251,489**	**-**	**251,489**	**568,160**	**-**	**568,160**

12 Employee benefit provisions

	March 31, 2024			March 31, 2023		
	Current	Non Current	Total	Current	Non Current	Total
Leave Obligations (i)	36,032	57,836	93,868	115,151	-	115,151
Total Provisions	**36,032**	**57,836**	**93,868**	**115,151**	**-**	**115,151**

(i) *Leave Obligations*

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

	March 31, 2024	March 31, 2023
Current leave obligations expected to be settled within next 12 months	36,032	115,151

The Company makes contribution equivalent to amount deducted from employees salaries towards retirement saving plan. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. During the year, the Company has charged the following amount to Statement of Profit and Loss:

	March 31, 2024	March 31, 2023
Contribution to retirement saving plan (401K)	362,879	431,609

13

Other current liabilities	March 31, 2024	March 31, 2023
Statutory dues	593	18,344
Contract Liabilities*	1,526,644	1,205,461
Total other current liabilities	**1,527,237**	**1,223,805**

*includes advance from customers amounting to USD Nil (Previous Year: USD 5,184)

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14	**Revenue from contracts with customers**	**March 31, 2024**	**March 31, 2023**
	Sale of services	69,986,251	42,833,804
	Revenue from contracts with customers	**69,986,251**	**42,833,804**
	Timing of revenue recognition		
	Services transferred over time	69,986,251	42,833,804
	Revenue from contracts with customers	**69,986,251**	**42,833,804**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	71,451,818	43,846,268
Discount (including volume discount and others)	(1,465,567)	(1,012,464)
Revenue from contracts with customers	**69,986,251**	**42,833,804**

Payment Terms

Majority of the Company revenue involve payment terms less than ninety days from the date of satisfaction of performance obligation.

Disclosure related to revenue from contracts with customers

(a)

Particulars pertaining to contract liabilities (Deferred revenue) (Refer Note 13)	**March 31, 2024**	**March 31, 2023**
Balance at the beginning	**1,200,276**	**873,827**
Revenue recognized during the year from opening contract liabilities	517,764	364,242

(b) The Company operates majorly in the geography of America.

(c) **Performance obligations and remaining performance obligations**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in IndAS115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, fixed monthly / fixed capacity basis and transaction basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

There is no remaining performance obligation as the contracts entered by the Company are typically those contracts where invoicing is on time and material basis.

15	**Other income**	**March 31, 2024**	**March 31, 2023**
	Interest income	1,153,679	-
	Cross charge of support services	1,601,606	5,401,030
	Recovery of bad debts	-	14,623
	Miscellaneous income	14,262	-
	Total other income	**2,769,547**	**5,415,653**

16	**Employee benefits expense**	**March 31, 2024**	**March 31, 2023**
	Salaries, wages and bonus	4,543,909	5,265,028
	Contribution to retirement saving plan (Refer Note 12)	362,879	431,609
	Staff welfare expenses*	4,887	30,515
	Total employee benefits expense	**4,911,675**	**5,727,152**

* Staff welfare expenses includes USD Nil(31 March 2023 USD 20,000) towards special non monetary incentive awarded to the employees of the Company on achievement of certain milestone of revenue by Group in the current financial year. The corresponding liability is included in the other financial liability.

17	**Depreciation and amortization expense**	**March 31, 2024**	**March 31, 2023**
	Depreciation of property, plant and equipment (Refer Note 3)	44,969	31,055
	Depreciation of right of use assets (Refer Note 27)	141,127	127,120
	Amortization of intangible assets (Refer Note 4)	2,165	2,165
	Total depreciation and amortization expense	**188,261**	**160,340**

18	**Other expenses**	**March 31, 2024**	**March 31, 2023**
	Rental Charges (Refer Note 27)	12,182	2,438
	Rates and taxes	351,469	92,112
	Telephone and communication charges	973,864	366,523
	Legal and professional fees	7,344,591	3,918,665
	Professional charges	56,455,582	36,317,087
	Travelling and conveyance	214,508	306,121
	Insurance premium	54,029	43,205
	Repairs and maintenance - Others	186,405	416,604
	Allowance for doubtful debts - trade receivables	17,686	-
	Other Production Cost including third party license	-	1,099
	Payment to auditors [Refer note 18a below]	29,769	6,500
	Business promotion	125,216	59,998
	Donation	15,000	-
	Sales Expenses	223,750	865,793
	Bank charges	62,415	5,581
	Miscellaneous expenses	62,605	94,327
	Total other expenses	**66,129,071**	**42,496,053**

18a	**Details of payments to auditors**	**March 31, 2024**	**March 31, 2023**
	Payments to auditors		
	As auditor:		
	Audit Fee	29,769	6,500
	Out of pocket expenses	-	-
	Total payments to auditors	**29,769**	**6,500**

19	**Finance costs**	**March 31, 2024**	**March 31, 2023**
	Interest on lease liabilities	8,643	15,998
	Total Finance costs	**8,643**	**15,998**

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20 Income tax expense

This note provides an analysis of the company's income tax expense, shows amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

(a) Income tax expense

		March 31, 2024	March 31, 2023
Current tax			
Current tax on operating profits of the year		32,785	-
Adjustments for current tax of prior periods		-	-
Total current tax expense	**(A)**	**32,785**	**-**
Deferred tax			
(Increase) / decrease in deferred tax assets [Refer Note 6]		360,782	(1,480,862)
Total deferred tax (benefit)/expense	**(B)**	**360,782**	**(1,480,862)**
Total Income tax expense	**(A+B)**	**393,567**	**(1,480,862)**
Income tax expense is attributable to:			
Profit from continuing operations		393,567	(1,480,862)
Profit from discontinued operation		-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by US's tax rate:

	March 31, 2024	March 31, 2023
Profit from continuing operations before income tax expense	1,518,148	(150,086)
Profit from other comprehensive income before income tax expense	-	-
Profit from discontinuing operation before income tax expense	1,518,148	(150,086)
Tax at the US tax rate of 27% (March 31, 2023 - 27%)*	409,900	(40,523)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Business Promotions Expense	1,404	270
Difference in Tax rate	(17,737)	-
Previously unrecognised tax losses used to reduce deferred tax expense (i)		(1,440,609)
Income tax expense	393,567	(1,480,862)
Tax Expense as per books	393,567	(1,480,862)
Difference	-	-

* The Company determines its income tax liability in accordance with the federal taxation laws of the United States of America (USA) as administered by the Internal Revenue Service(IRS), and various state income tax laws, to the extent relevant to the Company.

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(All Amounts are in USD, unless otherwise stated)

21 Fair Value Measurements

Financial instruments by category

	March 31, 2024			March 31, 2023		
	FVTPL	**FVTOCI**	**Amortized Cost**	**FVTPL**	**FVTOCI**	**Amortized Cost**
Financial assets						
Investment in unquoted equity instruments	-	-	25,000	-	-	25,000
Trade receivables	-	-	12,976,622	-	-	9,851,715
Security deposits	-	-	48,205	-	-	10,624
Total Financial assets	**-**	**-**	**13,049,827**	**-**	**-**	**9,887,339**
Financial liabilities						
Trade payables	-	-	17,467,856	-	-	11,900,185
Other financial liabilities	-	-	251,489	-	-	568,160
Lease liability	-	-	95,566	-	-	225,956
Total Financial liabilities	**-**	**-**	**17,814,911**	**-**	**-**	**12,694,301**

The carrying amounts of current portion of trade receivables, trade payables, capital creditors, lease liabilities, interest accrued and others are considered to be the same as their fair values, due to their short term nature.
Investments in equity instruments (Unquoted) are carried at cost
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
The fair values for security deposits were calculated based on cash flows discounted using a current lending rate.

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:
(a) recognized and measured at fair value, and
(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level is as follows :
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period. There has been no transfer during the period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

22 Segment reporting:

The Executive Vice President (Business head) has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates the resources based on the analysis of various performance indicators. The Company is engaged in providing data processing services and other incidental technical services which constitute a single business segment. Substantial revenues for the Company are generated out of the United States of America (USA).

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23 Related Party Transactions

(All Amounts are in USD, unless otherwise stated)

A Name of related parties and description of relationship

1 **Key Managerial Personnel**
Name
Madhusudhan Hegde (President and Director)

2 **Holding Company**
Name of Company
Coforge Business Process Solutions Private Limited

3 **Ultimate Holding Company**
Name of Company
Coforge Limited

4 **Fellow Subsidiaries**
Name of Company
Coforge Inc.
Coforge DPA NA Inc.
Coforge SF Private Limited
Coforge BPS Philippines Inc.,

5 **Subsidiaries**
Name of Company
Coforge BPS North Carolina LLC

6 **Investor with Significant Influence**
Name of Company
Fifth Third Bank, National Association

B Details of transactions with related parties carried out on an arm's length basis:-

Nature of Transactions	Year Ended	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Investor with Significant Influence	Total
Sale of Services	March 31, 2024	-	1,598,672	485,515	40,567,862	**42,652,050**
	March 31, 2023	-	5,353,728	56,268	23,711,772	**29,121,768**
Recovery of Expenses	March 31, 2024	-	497,965	58,896	-	**556,861**
	March 31, 2023	333,669	130,320	23,763	-	**487,752**
Professional Charges	March 31, 2024	2,243,214	32,083,839	19,298,298	-	**53,625,350**
	March 31, 2023	27,804	23,555,714	8,451,508	-	**32,035,026**
Professional Fees	March 31, 2024	4,015,546	238,754	3,051,393	-	**7,305,693**
	March 31, 2023	1,929,649	128,325	1,955,868	-	**4,013,842**
Other expenses reimbursed by the company	March 31, 2024	94,208	11,496	83,011	-	**188,715**
	March 31, 2023	23,452	517	12,370	-	**36,339**

C Details of balances with related parties

Particulars	Investments as at March 31, 2024	Receivables as at March 31, 2024	Payables as at March 31, 2024	Investments as at March 31, 2023	Receivables as at March 31, 2023	Payables as at March 31, 2023
Ultimate Holding Company	-	47,672	1,110,339	-	333,669	699,921
Holding Company	-	965,423	7,509,275	-	-	4,156,492
Fellow Subsidiaries	-	525,224	7,955,992	-	1,898	6,993,976
Subsidiary	25,000	-	-	25,000	-	-
Investor with Significant Influence	-	7,276,898	-	-	6,487,870	-

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(All Amounts are in USD, unless otherwise stated)

24 Financial Risk Management

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, security deposits, investments and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

This note explains the source of risk which the Company is exposed to and how the Company manages the risk.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade Receivables

The customers of the Company are primarily companies based in the United States of America. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. . The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate.

The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2024:

	March 31, 2024	March 31, 2023
Balance at the beginning	**133,779**	**148,402**
Impairment loss recognized/(reversed) (Refer Note 19)	17,686	(14,623)
Balance at the end	**151,465**	**133,779**

(B) Liquidity risk

(i) Financing arrangements

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operation. The Company does not have any outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Trade Payables	17,467,856	-		-	17,467,856
Lease Liability	73,228	4,575	10,161	7,602	95,566
Total	**17,541,084**	**4,575**	**10,161**	**7,602**	**17,563,422**

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2023:

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Trade Payables	11,900,185				11,900,185
Lease Liability	156,993	68,963	-	-	225,956
Total	**12,057,178**	**68,963**	**-**	**-**	**12,126,141**

(C) Market risk

(i) Foreign currency risk

The Company is not primarily exposed to foreign exchange risk arising from foreign currency revenue transactions,except for transactions with the parent company on the income side and the expense side. Given the exposure is not material, the Company does not enter into any hedging transactions.

(ii) Cash flow and fair value interest rate risk

The Company does not have any borrowings.

(iii) Price risk

The Company does not have any investment in an entity whose securities are listed on stock exchange. The Company has a long term investment in the USA based unlisted company that are classified in the balance sheet at historical cost. The investment is not material to the financial statements.

25 Capital Management

Risk Management

The Company is a wholly owned subsidiary of Coforge Business Process Solutions Private Limited, a company incorporated in India and the strategy has been to reinvest the profits earned for the future growth. The Company does not have any debt.

26 Earnings per Share

(a) *Basic and Diluted earnings per share*	**March 31, 2024**	**March 31, 2023**
From continuing operations attributable to the equity holders of the company	0.17	0.20
Total basic earnings per share attributable to the equity holders of the company	**0.17**	**0.20**
(b) *Reconciliations of earnings used in calculating earnings per share*	**March 31, 2024**	**March 31, 2023**
Basic and Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic and diluted earnings per share:		
From continuing operations	1,124,581	1,330,776
(c) *Weighted average number of shares used as the denominator*	**March 31, 2024**	**March 31, 2023**
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	6,650,000	6,650,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	**6,650,000**	**6,650,000**

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(All Amounts are in USD, unless otherwise stated)

27 Leases

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Balance as at beginning of the year	199,649	260,867
Additions during the year	26,449	65,902
Deletions during the year	-	-
Depreciation for the year	(141,127)	(127,120)
Balance as at end of the year	**84,971**	**199,649**

The following is the movement in lease liabilities during the year ended March 31, 2024:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Balance at the beginning	225,956	291,578
Additions	26,449	65,902
Deletions	-	-
Finance cost accrued during the period	8,643	15,998
Payment of lease liabilities	(165,482)	(147,522)
Balance at the end	**95,566**	**225,956**

The following is the break-up of current and non-current lease liabilities as of March 31, 2024:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	73,228	156,993
Non-current lease liabilities	22,338	68,963
Total	**95,566**	**225,956**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	75,642	70,341
One to five years	23,961	-
More than five years	1,997	-
Total	**101,600**	**70,341**

The following are the amounts recognised in statement of profit and loss:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of Right to Use of Assets	141,127	127,120
Expense relating to short term lease and lease of low value assets	12,182	2,438
Total	**153,309**	**129,558**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

28 Ratio analysis

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Change	Remarks
Current Ratio	Current assets	Current Liabilities	1.02	0.94	8.25%	
Debt Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.04	0.19	-78%	Decrease is primarily on account of decrease in lease liability and higher shareholder equity in current year
Debt service Coverage Ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	8.09	10.22	-21%	
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	65%	255%	-75%	Decrease is primarily on account of higher shareholder equity in current year and lower profit after tax during the current year
Inventory turnover ratio	Cost of goods sold or Sales	Average Inventory	NA	NA	NA	
Trade receivable turnover ratio	Net credit sales	Average Trade Receivable	6.13	6.69	-8%	
Trade payable turnover ratio	Purchases of services and other expenses	Average Trade Payables	4.48	5.14	-13%	
Net capital turnover ratio	Net sales	Working Capital	212.14	-50.73	518%	Increase in ratio is primarily on account of increase in sales during the current year
Net profit ratio	Net Profit	Net sales	1.61%	3.11%	-48%	Decrease is primarily on account of increase in sales in current year
Return on capital employed	Earning before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability	-51.80%	-394.99%	87%	Increase in ratio is primarily on account of rise in earnings before interest and taxes in current year
Return on investment	Dividend Income	Investments	NA	NA	NA	

29 Other Statutory Information

(i) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(iii) The Company does not have any transactions with companies struck off.
(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(v) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
(vi) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

30 Following previous year numbers have been reclassified to conform to current year's classifications

a. Tangible assets included in Other Intangible assets (USD 4,884) now reclassified to Property,Plant and Equipment.

b. Income-Tax assets (net) included under Current assets (USD 300,537) now reclassified under Non-current assets.

c. Receivables from related parties (USD 287,895) and Unbilled revenue-intercompany (USD 47,672) shown under other current financial assets , Unbilled revenue-others shown under other current assets (USD 198,821) and Advances grossed up from Trade receivables (USD 30,035) - now reclassified into trade receivables-current.

d.Amount recoverable from customers, shown under other current financial assets (USD 353,848), capital advances shown under other non-current assets (USD 17,791) and amount repayable to employees, shown under other current liabilities (USD 791) - now reclassified into other current assets.

e. Amount payable to employees, shown under trade payables (USD 510,727) and unearned income shown under other financial liabilities (USD 1,200,276) - now reclassified into other current liabilities.

f. Amount pertaining to uncashed checks shown under other current liabilities (USD 48,826) - now reclassified into trade payables.

The above mentioned changes have been made to align with parent company's consolidated financial statement presentation and disclosure.

As per our report of even date.
For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of **Coforge BPS America Inc.**

per Amit Virmani
Partner
Membership Number: 504649
Place: Gurugram
Date: June 13, 2024

Madhusudan Hegde
Director

Place : New Jersey, USA
Date: June 13, 2024

Bhartendra Gupta
Director

Place : New Jersey, USA
Date: June 13, 2024