Annual Report

2018-19

Capgemini Technology Services India Limited

Board Of Directors

MR. SRINIVASA RAO KANDULA
Executive Director and Chairman

MR. ASHWIN YARDI
Executive Director and Chief Executive Officer

MS. ARUNA JAYANTHI
Executive Director

MR. RITESH TALAPATRA
Executive Director

MS. KARINE MARCHAT
Executive Director

MR. PAUL HERMELIN
Non-Executive Director

MR. HUBERT GIRAUD
Non-Executive Director

MR. THIERRY DELAPORTE
Non-Executive Director

MR. R RAMASWAMY
Non-Executive Director and Independent Director

MS. KALPANA RAO
Non-Executive Director and Independent Director

MR. SUJIT SIRCAR
Chief Financial Officer

MS. ARMIN BILLIMORIA
Company Secretary

Board Committees

Audit Committee
R Ramaswamy : Chairperson
Kalpana Rao
Srinivasa Rao Kandula

Stakeholders' Relationship Committee
R Ramaswamy : Chairperson
Kalpana Rao
Srinivasa Rao Kandula

Nomination and Remuneration Committee
Kalpana Rao : Chairperson
R Ramaswamy
Hubert Giraud

Corporate Social Responsibility Committee
Kalpana Rao : Chairperson
R Ramaswamy
Srinivasa Rao Kandula
Ashwin Yardi
Aruna Jayanthi
Karine Marchat

Auditors
M/s. B S R & Co. LLP
Chartered Accountants
Firm Registration no: 101248W/W-100022
5th Floor, Lodha Excelus
Apollo Mills Compound, N. M. Joshi Marg,
Mahalaxmi , Mumbai - 400 011
Maharashtra India

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

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NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of Capgemini Technology Services India Limited **("Company")** will be held at 10:00 a.m. on Thursday, 26 September 2019 at Plot No. 14, Rajiv Gandhi Infotech Park, Hinjawadi, Phase III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune – 411 057 Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. A. To consider and adopt: the Audited Standalone Financial Statement of the Company for the Financial Year ended 31 March 2019, together with the Reports of the Board of Directors and the Auditors thereon; and

   B. The Audited Consolidated Financial Statement of the Company for the Financial Year ended 31 March 2019 together with the Report of the Auditors therein.

2. To appoint a Director in place of Mr. Srinivasa Rao Kandula (DIN: 07412426) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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

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

5. To appoint a Director in place of Ms. Karine Marchat (DIN: 07901978) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

6. To appoint a Director in place of Mr. Ritesh Talapatra (DIN: 07849732) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

7. To appoint a Director in place of Mr. Hubert Giraud (DIN: 00817709) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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

9. To appoint a Director in place of Mr. Thierry Delaporte (DIN: 08107242) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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

Armin Billimoria
Company Secretary
FCS: 8637

Date: 24 July 2019
Place: Mumbai

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

Notes:

1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy duly completed, stamped, and signed should be deposited at the registered office of the Company not less than 24 hours before the commencement of the meeting. The proxy form for the Annual General Meeting is enclosed herewith.

   Pursuant to Section 105 of the Act, a person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2) The business set out in the notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this notice under Note no. 13. The Company will also send communication relating to e-voting which inter alia would contain details about user id and password along with a copy of this notice to the Members, separately.

3) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.

4) In terms of Section 152 of the Act, Mr. Srinivasa Rao Kandula (DIN: 07412426), Mr. Ashwin Yardi (DIN: 07799277), Ms. Aruna Jayanthi (DIN: 00817860), Ms. Karine Marchat (DIN: 07901978), Mr. Ritesh Talapatra (DIN: 07849732), Mr. Hubert Giraud (DIN: 00817709), Mr. Paul Hermelin (DIN: 07887276) and Mr. Thierry Delaporte (DIN: 08107242) liable to retire at the ensuing Annual General Meeting as specified under article 14 (8) (a) of the Articles of Association of the Company and being eligible offer themselves for re-appointment. The Board of Directors of the Company recommends their re-appointment.

5) Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their Folio No. along with the copy of the Annual Report to the meeting.

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

7) Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the Members at the Registered Office of the Company on all working days except Saturday and Sunday during business hours up to the date of the meeting.

8) Register of Members and Share Transfer Books of the Company will remain closed from Friday, 20 September 2019 to Thursday, 26 September 2019 (both days inclusive).

9) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advice any change in their address or bank mandates to the Company or its Registrars and Transfer Agents, Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited).

10) Register of Directors / Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and Register of Contracts in which Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members at the Annual General Meeting.

11) Members of the Company had approved the appointment of M/S B S R & Co. LLP, Statutory Auditors in their meeting held on 28 December 2015 for 5 years from the conclusion of the 22nd Annual General Meeting (held in 2015) until the conclusion of the 27th Annual General Meeting (to be held in the year 2020). In accordance with the Companies Amendment Act, 2017, enforced on 07 May 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

12) The notice of the General Meeting is also hosted on the website of the Company https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india limited-formerly-known-as-igate-global-solutions-limited/ and will remain on the website till the date of the Annual General Meeting.

13) Information and other instructions relating to e-voting are as under:

   (i) E-voting

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

   The Company has appointed Mr. Shailesh Indapurkar, as scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/ beneficiary owners shall be reckoned on the equity shares held by them as on Friday, 20 September 2019 being the cut-off date for the purpose. Shareholders of the Company holding shares either in physical or in dematerialized form as on the cut-off date may cast their votes electronically.

INSTRUCTIONS FOR E-VOTING

a) To use the following URL for e-voting: i) From Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) - website: http://evoting.karvy. com

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

c) Enter the login credentials i.e., user id and password mentioned on the enclosed form/EMAIL. Your Folio No / DP ID / Client ID will be your user ID.

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

e) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

g) On successful login, the system will prompt you to select the EVENT i.e., Capgemini Technology Services India Limited.

h) On the voting page, enter the number of shares as on the cut-off date, Friday, 20 September 2019 under FOR / AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR / AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

i) Shareholders holding multiple folios / Demat accounts shall choose the voting process separately for each folio / Demat account.

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

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

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

m) The Portal will be open for voting from Monday, 23 September 2019 at 9.00 a.m. and ends on Wednesday, 25 September 2019 at 5.00 p.m. (both days inclusive).

n) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of http://evoting.karvy.com or contact Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) at Tel No. 1800 345 4001 (toll free).

BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Twenty Sixth Board's Report and the Audited Financial Statements for the year ended 31 March 2019.

FINANCIAL PERFORMANCE (INR in million)

	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Income				
Income from operations	135,777	128,174	136,030	128,462
Other Income	4,394	3,981	4,386	3,941
Total Income (I)	140,171	132,155	140,416	132,403
Expenses				
Employee benefit expenses	89,435	83,403	89,620	83,587
Other expenses	25,459	24,677	25,490	24,737
Depreciation and amortization expenses	4,395	4,381	4,402	4,383
Finance costs	106	102	106	102
Total (II)	119,395	112,563	119,618	112,809
Profit before tax (I) –(II)	20,776	19,592	20,798	19,594
Tax expenses				
- Current tax	3,873	4,920	3,884	4,926
- Deferred tax	1,182	418	1,179	416
Total tax expenses	5,055	5,338	5,063	5,342
Profit after taxes	15,721	14,254	15,735	14,252
Total Comprehensive Income, Net of Tax	(844)	535	(841)	453
Total Comprehensive Income for the period	14,877	14,789	14,894	14,705

Financial statement have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, (Act) and other relevant provisions of the Act. The financial statements of the Company for all periods up to and including the year ended 31 March 2016 are prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act. Since Financial Year 2017-18 financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101.

Operational Review:

During the Financial year 2018-19, the Sales and Other Income of your Company was INR 140,171 million as against INR 132,155 million in the previous year, showing a growth of 6.1% over the previous year. The Company earned Loss/Profit after tax (PAT) of INR 15,721 million as against INR 14,254 million in the previous year.

Share Capital:

The Authorized Capital of the Company as on 31 March 2019 was INR 2,748 million divided into 249,950,000 (Two Hundred Forty Nine Million Nine Hundred Fifty Thousand)Equity Shares of INR 10 (Indian Rupees ten only) each, 10,800,000 (Ten Million Eight Hundred Thousand) Compulsorily Convertible Preference Shares of INR 10 (Indian Rupees Ten only) each and 14,000,000 (Fourteen Million) 5% 10 years Redeemable Non-Cumulative Preference Shares of INR 10 (Indian Rupees Ten only) each.

The Issued and Paid-up Capital of the Company as on 31 March 2019 stood at INR 591 million divided into 59,139,500 (Fifty Nine Million One Hundred Thirty-Nine Thousand Five Hundred) equity shares of INR 10 (Indian Rupees ten only) each. During the year under review, the Company has not issued any shares, nor granted any stock option or equity shares.

Transfer to General Reserves:

No amount is proposed to be transferred to the general reserve.

Dividend:

Keeping in view the future strategic initiatives of the Company, your Directors do not recommend any dividend for the year ended 31 March 2019.

Particulars of loans, guarantees and investments:

The particulars of loans, guarantees and investments have been disclosed in the financial statements. There have been no investments made or guarantees given under Section 186 of the Companies Act, 2013 (Act) during the year under review. The particulars of loans given as part of operations of the Company bearing interest 10% p.a. form part of the financials.

Deposits:

Your Company has not accepted any deposits and as such there were no outstanding principal or interest payments on the Balance Sheet date.

Subsidiaries:

As on 31 March 2019, your Company has subsidiaries in India:

- The Company has two (2) subsidiaries as on 31 March 2019. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").
- Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/.

In line with the Group's overall business strategy, two schemes of Amalgamation have been filed with National Company Law Tribunal to amalgamate the wholly owned subsidiaries, IGATE Infrastructure Management Services Limited and TCube Software Solutions Private Limited with the Company. Appropriate filings have been undertaken. As per Section 129 (3) of the Act, the Consolidated Financial Statements of the Company and its Subsidiaries, prepared in accordance with the relevant Accounting Standard specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report. Pursuant to the provisions of the said Section, a statement containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Ventures in Form AOC-1 is being annexed as Annexure I in this Annual Report.

There have been no material changes in the nature of the business of the Subsidiaries during the Financial Year 2018-19. Acquisitions/ divestments, as applicable have been adequately disclosed in the Financial Statements.

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

In line with the requirements of Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of its Subsidiaries.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/. These documents will also be available for inspection till the date of the Annual General Meeting during business hours at our registered office in Pune, India.

Related Party Transactions:

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

Business Activities:

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

Corporate governance:

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

Directors and Key Managerial Personnel:

Pursuant to the provisions of Section 149 of the Act, Ms. Kalpana Rao (DIN: 07093566) and Mr. R Ramaswamy (DIN: 00038146) were appointed as Independent Directors at the Annual General Meeting of the Company held on 28 December 2015. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

Appointments:

The following appointments were made during the year till the date of the report:

- Mr. Sujit Sircar was appointed as Chief Financial Officer of the Company on 25 July 2018.
- Mr. Ashwin Yardi was appointed as Chief Executive Officer of the Company on 01 January 2019.
- Mr. Srinivasa Rao Kandula was appointed as Chairman of the Company on 01 January 2019.

Resignations:

The following resignation was received during the year until the date of the report

- Ms. Karine Marchat, Chief Financial Officer resigned on 25 July 2018.

The Board places on record the valuable contributions made by Ms. Karine Marchat during her tenure.

Reappointment of Directors:

In accordance with the terms of Memorandum and Articles of Association of the Company,Mr. Srinivasa Rao Kandula (DIN: 07412426), Mr. Ashwin Yardi (DIN: 07799277), Ms. Aruna Jayanthi (DIN: 00817860), Mr. Ritesh Talapatra (DIN: 07849732), Ms. Karine Marchat (DIN: 07901978), Mr. Hubert Giraud (DIN: 00817709), Mr. Paul Hermelin (DIN: 07887276) and Mr. Thierry Delaporte (DIN: 08107242) retire and are eligible for re-appointment.

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

Board meetings:

The Board met five (5) times during the financial year. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Annual evaluation of the performance of the Board, its Committees and of individual directors:

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013.

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

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

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

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

Committees of the Board:

As on 31 March 2019, the Board had four committees, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.

Directors' appointment and Remuneration Policy:

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

Risk Management Policy:

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

Vigil Mechanism:

The Company has established a Code of Ethics and Business Conduct (Code) which is applicable to its Employees and Directors in accordance with the provisions of Section 177(9) and (10) of the Act. The Code also extends to its suppliers and partners. Regular dissemination of the code and trainings are conducted to reinforce the concepts and ensure that any changes are communicated. The Company's vigil mechanism deals with reporting and dealing with instances of fraud and mismanagement and forms part of the Code. The Company has in place a confidential reporting mechanism for any whistle blower to report a matter.

Secretarial Standards:

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

Directors' Responsibility Statement:

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

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

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

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

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

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

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

Human Resources:

Your Company maintains a healthy and productive environment and offers clean and ergonomic workspaces. Human resources are key assets of your Company and your Company invests continuously in imparting latest technology skills together with a range of soft skills to help them in their roles. Your Company has a strong talent management processes to nurture employee careers, groom future leaders and create a high performance workforce. Your Company follows global best HR practices. Your Company's total manpower as on 31 March 2019 was 106,205.

Particulars of Employees:

Information pursuant to Section 197(12) of the Act read with the provisions of Rule 5(2) of Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as Annexure IV to this report.

Audit Report

Auditors:

Messrs. BSR & Co LLP (ICAI Firm Registration Number 101248W/100022) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on 28 December 2015 for a term of five years until the conclusion of the 27th Annual General Meeting of the Company to be held in the year 2020.

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

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Dilip Bharadiya, Practising Company Secretary (CP: 6740), to undertake Secretarial Audit of the Company for the year ended 31 March 2019. The Secretarial Auditors' Report is enclosed as Annexure V to the Board's report in this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Records and Cost Audit:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Internal Financial Controls:

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

Corporate Social Responsibility:

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

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

The CSR Policy is available on the website of the Company.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

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

Conservation of Energy: The operations of the Company are not energy intensive. However, significant measures are being taken to reduce energy consumption by ensuring that the entire product range including personal computers, servers and peripherals are designed keeping in view the Company's energy saving philosophy. The Company constantly evaluates new technologies and invests to make its infrastructure more energy efficient.

Technology Absorption: The Company does not have any technical collaboration arrangements with any business partners; the issue of absorption of such technologies therefore, does not arise.

Foreign Exchange Earnings and Outgo: The Company earned INR 124,083 million in foreign exchange as against INR 115,873 million in the previous year. Exchange outgo, including capital goods was INR 6,686 million as against INR 4,884 million in the previous year.

Other Disclosures:

Extract of Annual Return: Pursuant to section 92(3) and section 134(3)(a), extract of Annual Return as on 31 March 2019 in MGT-9 is enclosed as Annexure VII.

Material changes and commitments affecting financial position between end of the financial year and date of report: There have been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

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

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

During the Financial Year 2018-19, the Company had received 45 complaints on sexual harassment; all were investigated and disposed off with appropriate action taken and no complaint remained pending as on 31 March 2019.

Acknowledgements and Appreciation:

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

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

Ashwin Yardi	**R Ramaswamy**
Chief Executive Officer and Director	*Director*
DIN : 07799277	DIN : 00038146

Place : Mumbai
Date : 24 July 2019

ANNEXURE I

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

(Figures INR in million)

Name of Subsidairy	IGATE Infrastructure Management Services Limited	TCube Software Solutions Private Limited
Country	India	India
Reporting Currency	INR	INR
Exchange Rate	1.00	1.00
Share capital	28.58	0.25
Reserves	(53.11)	91.21
Total Assets	88.13	113.71
Total Liabilities	112.66	22.25
Investments	-	-
Turnover	-	252.45
Profit/(Loss) before taxation	(8.51)	30.84
Provision for Taxation	-	8.06
(Loss)/ Profit After Taxation	(8.51)	22.78
Proposed Dividend	-	-
% of shareholding	100%	100%

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

Ashwin Yardi
Chief Executive Officer & Director
DIN: 07799277

R Ramaswamy
Director
DIN: 00038146

Armin Billimoria
Company Secretary
FCS: 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

ANNEXURE II

Form AOC-2

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

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

a) Name of related party and nature of relationship

Name of related party	Nature of relationship	Duration of contract	Salient terms
Capgemini S.E.	Ultimate Holding Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini America, Inc.	Holding Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
PAN-Asia Solutions, Mauritius	Holding Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini North America, Inc.	Holding Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
IGATE Infrastructure Management Services Limited.	Subsidiary Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
TCUBE Software Solutions Pvt.Ltd (w.e.f. 25 October 2017)	Subsidiary Company	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Backelite SAS	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini (China) Co. Ltd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini (Hangzhou) Co Ltd	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Argentina, S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Australia Pty. Limited.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Belgium NV/S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Business Services (China) Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Business Services Brasil – Assessoria Empresarial Ltda	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Business Services Chile Ltda	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Business Services Guatemala SA	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Business Services USA LLC	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Brasil S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Canada Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Colombia SAS	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Consulting Österreich AG	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Consulting S.A.S.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Czech Republic s.r.o	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Deutschland GmbH	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Deutschland Holding GmbH	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Educational Services B.V.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini España S.L.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Financial Services UK Ltd - South Africa branch	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Finland Oy	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini France S.A.S.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Gouvieux S.A.S	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Government Solutions LLC	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Hong Kong Limited.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Italy SPA	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Ireland Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Japan K.K.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Magyarorszag Kft.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Mexico S. de R.L	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Nederland B.V.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Norge A/S	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Outsourcing Services GmbH	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Polska Sp. z.o.o	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Portugal, Serviços de Consultoria e Informatica, S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Saudi Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Service Romania s.r.l.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines

Name of related party	Nature of relationship	Duration of contract	Salient terms
Capgemini Service S.A.S.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Services Malaysia Sdn. Bhd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Singapore Pte. Ltd. - Dubai Branch	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Slovensko s.r.o.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Danmark A/S	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Solutions Canada Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Suisse S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Sverige AB	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Technologies LLC	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini UK Plc	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Vietnam Co, Ltd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
CHCS Services Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Inergi LP	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Itelios SAS	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
New Horizon System Solutions LP	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Prosodie SA	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Societe en Commandite Capgemini Quebec Limited Partnership	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Deutschland Gmbh	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Finland Oy	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti France S.A.S.	Fellow subsidiary	01 April 2018 to 25 January 2019	Based on transfer pricing guidelines
Sogeti High Tech S.A.S.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Luxembourg S.A.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Nederland B.V.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Norge AS	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti Sverige AB	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Sogeti UK Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Dalian Annik Consulting Services	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Annik, Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Annik SPZ O.O	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Inergi Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Asia Pacific Pte Ltd. - Taiwan Branch	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Idean Enterprises Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Lyons Consulting Group, LLC	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
New Horizons System Solutions Inc.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Philippines Corp.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Liquidhub Analytics Private Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Asia Pacific Pte. Ltd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
LiquidHub India Private Limited	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
LiquidHub Pte. Ltd.	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines
Capgemini Suisse Slovokia branch	Fellow subsidiary	01 April 2018 to 31 March 2019	Based on transfer pricing guidelines

b) Aggregate value of the above contracts or arrangements or transactions is Rs. 117,257 Million during the year.

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

Ashwin Yardi
Chief Executive Officer & Director
DIN : 07799277

R Ramaswamy
Director
DIN : 00038146

Place : Mumbai
Date : 24 July 2019

ANNEXURE III

REMUNERATION POLICY

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

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

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

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

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

Key principles governing this remuneration policy are as follows:

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

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

- **Remuneration for Whole – Time Director (“WTD”)/ Executive Directors (“ED”)/ KMP/ rest of the employees**

  The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

  ◊ Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)

  ◊ Driven by the role played by the individual

  ◊ Reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay

  ◊ Consistent with recognized best practices and

  ◊ Aligned to any regulatory requirements.

- In terms of remuneration mix or composition,

  ◊ The remuneration mix for the WTD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.

  ◊ Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.

  ◊ In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also offers social security coverage as applicable. Other benefits offered are Medical Insurance coverage, life, accidental and disability coverage. We also run Wellness Program for our employees under which doctors come and talk to them on topics such as lifestyle and health related issues, well-being etc.

  ◊ The Company provides retirement benefits as applicable.

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

- **Policy implementation**

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

ANNEXURE IV

Particulars of Employees as required under Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,forming part of the Board's Report for the year ended 31 March 2019

Top 10 Employees in terms of Remuneration drawn

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
1	Aruna Jayanthi	Executive Vice President	117,998,136	B.Sc., MBA	34	15 February 2000	56	Aptech Ltd.
2	Ashwin Yardi	Executive Vice President	59,001,133	B.E., MBA	25	01 April 1997	50	PricewaterhouseCoopers India LLP
3	Ritesh Talapatra	Executive Vice President	47,624,632	Masters Math/ Computer Science, MBA	24	10 April 2003	50	Juice Software
4	Narayan BL	Executive Vice President	41,280,373	B.Com., ICWA	36	01 July 2014	60	Hindustan Unilever Ltd.
5	Milind Vinod Dikshit	Executive Vice President	36,950,165	B. Tech., PGDBM	23	22 October 2012	47	Mphasis Ltd.
6	Dayakar Reddy	Executive Vice President	34,402,864	B.Sc.	28	01 April 2015	60	The Australia and New Zealand Banking Group Ltd.
7	Kiran Cavale	Executive Vice President	29,498,428	M.Sc.	31	04 April 2011	53	Mahindra Satyam Ltd.
8	Kishor Chitale	Executive Vice President	28,143,981	B.Sc., PGDMM	36	01 December 2003	59	Deloitte Consulting India Pvt Ltd
9	Sujit Sircar	Executive Vice President	26,919,216	B.Com., CA	29	15 April 1998	51	Wipro Ltd.
10	Clifton Menezes	Executive Vice President	25,718,006	M.Sc, MBA	33	15 March 2012	55	Tata Consultancy Services

The Employees who were employed throughout the financial year, were in receipt of remuneration in the aggregate, was not less than One Crore and Two Lakh Indian Rupees

(INR 1.02 Crore)

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
1	Aruna Jayanthi	Executive Vice President	117,998,136	B.Sc., MBA	34	15 February 2000	56	Aptech Ltd.
2	Ashwin Yardi	Executive Vice President	59,001,133	B.E., MBA	25	01 April 1997	50	PricewaterhouseCoopers India LLP
3	Ritesh Talapatra	Executive Vice President	47,624,632	Masters Math/ Computer Science, MBA	24	10 April 2003	50	Juice Software
4	Narayan BL	Executive Vice President	41,280,373	B.Com., ICWA	36	01 July 2014	60	Hindustan Unilever Ltd.
5	Milind Vinod Dikshit	Executive Vice President	36,950,165	B. Tech., PGDBM	23	22 October 2012	47	Mphasis Ltd.
6	Dayakar Reddy	Executive Vice President	34,402,864	B.Sc.	28	01 April 2015	60	The Australia and New Zealand Banking Group Ltd.
7	Kiran Cavale	Executive Vice President	29,498,428	M.Sc.	31	04 April 2011	53	Mahindra Satyam Ltd.
8	Kishor Chitale	Executive Vice President	28,143,981	B.Sc., PGDMM	36	01 December 2003	59	Deloitte Consulting India Pvt Ltd
9	Sujit Sircar	Executive Vice President	26,919,216	B.Com., CA	29	15 April 1998	51	Wipro Ltd.

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
10	Clifton Menezes	Executive Vice President	25,718,006	M.Sc, MBA	33	15 March 2012	55	Tata Consultancy Services
11	Kishor Keshaorao Wikhe	Executive Vice President	25,632,451	M.E.	27	30 November 2010	50	Symphony Services Corp India Pvt. Ltd.
12	Chellanamasivayam M M	Executive Vice President	25,504,480	B.E.	29	15 July 1997	51	Arthur Andersen India Pvt. Ltd.
13	Srinivasa Rao Kandula	Executive Vice President	24,584,724	M.A., MBA, Ph.D	30	08 January 2007	56	Sasken Technologies Ltd.
14	Eric Anklesaria	Vice President	23,982,733	Bachelor of Business Management	20	14 September 1998	41	KPMG Advisory Services Pvt. Ltd.
15	Arul Kumaran Paramanandam	Executive Vice President	23,611,534	B.Sc.	26	22 May 2003	46	Accenture Services Pvt. Ltd.
16	Anil Gidh	Vice President	23,527,935	B.E.	30	02 December 2002	58	WSE.It Ltd.
17	Bharat Mehta	Executive Vice President	23,313,133	LLB	26	18 August 2011	47	Oracle Financial Services
18	Karine Marchat	Corporate Vice President	22,801,578	Masters in Finance	29	22 February 2017	50	KPMG
19	Vijay Balakrishna Shanbhag	Executive Vice President	22,022,808	B.E., MBA	27	20 November 1997	50	Price Waterhouse
20	Sanjay Pathak	Executive Vice President	21,951,471	B.E.	25	15 April 1997	48	Western Paques
21	Upendra Sovani	Vice President	21,349,183	BE, PG -Others	35	28 September 1998	56	Philips India Ltd.
22	Aruna Anantha Padmanabhan	Executive Vice President	19,488,123	Bachelor Of Law	30	22 March 2010	52	IBM India Pvt. Ltd.
23	Priyadarshan Ranjankar	Executive Vice President	19,149,082	B.E.	37	13 November 2006	58	Quninnox Consultant Services Ltd.
24	Dharmendra Patwardhan	Executive Vice President	18,295,314	B.Com., CA	23	01 April 2016	52	Williams Lea India Pvt.Ltd.
25	Santosh Madbhavi	Executive Vice President	17,475,639	B.E.	33	08 January 2007	55	Xansa
26	Sudharshan Shankavaram	Executive Vice President	17,444,853	M.E.	26	17 June 2013	47	Syntel Ltd.
27	Sudhakar Takke	Executive Vice President	16,948,052	B.E., MBA	22	04 June 2012	45	MphasiS - HP Company
28	Hrushikesh M	Vice President	16,591,362	B.E., MBA	30	16 March 2006	55	Tech Mahindra
29	Krishnamurthy Voora	Executive Vice President	16,199,749	Master of Science	28	02 December 2009	52	Mahindra Satyam
30	Parag Rede	Vice President	15,595,639	B.E.	25	03 April 2003	47	MB
31	Geetanjali Purushottam Khatri	Executive Vice President	15,509,602	Bachelor of Commerce	19	18 March 2011	51	DGBOI Global Services Pvt. Ltd.
32	Gopalakrishnan Krishnamurthi	Vice President	15,435,176	B.E.	26	15 April 2009	49	Wipro Technologies
33	Ashish Vasant Patharkar	Executive Vice President	14,914,368	Master of Comp. Management	29	10 December 2009	53	Satyam Computer Services
34	Amit Parekh	Executive Vice President	14,887,205	B.Com., CA	27	01 April 2016	51	Capgemini Australia Pte Ltd
35	Deepankar Khiwani	Executive Vice President	14,624,600	CA., PGDBM	21	01 June 1998	47	SmithKline Beecham Pharmaceuticals Ltd.
36	Niraj Parihar	Executive Vice President	14,558,816	B.E.	24	01 June 2011	46	Larsen and Tubro Infotech Ltd.
37	Uddhav Pandit	Vice President	14,164,900	Bachelors	27	04 March 1998	51	Vantage Information Systems P Ltd.

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
38	Amod Vijayvargiya	Vice President	14,087,086	BE, PG -Others	22	13 October 2003	47	Sierra Atlantic USA
39	Milind Vilas Bapat	Vice President	13,971,760	B.E.	21	11 September 2008	53	Siemens Information Systems Ltd.
40	Chitra Viswanathan	Vice President	13,750,591	BE, MBA (Part time)	24	06 May 2011	46	Syntel Limited
41	Narendra Bhosekar	Vice President	13,345,635	MSC, PG -Others	33	10 November 2003	56	L & T Infotech
42	Dhiraj Kumar Sinha	Vice President	13,140,535	Masters in Management (Marketing)	25	02 May 1994	48	NTT Data India Private Ltd.
43	Girish Wardadkar	Executive Vice President	13,091,181	B.E.	35	05 August 2013	58	Larsen and Toubro Ltd.
44	Sunilkumar Kalagond	Vice President	12,966,927	B.E.	24	11 June 2009	48	Wipro Technologies
45	Seshaiah Amisagadda	Executive Vice President	12,717,460	B.E.	27	18 June 2001	50	Vertibra Communication Ltd.
46	Pooja Herwadkar	Vice President	12,710,115	B.E.	18	28 October 2002	46	Silverline tech
47	Nitin Suvarna	Vice President	12,438,801	I-Master's Level Degree	20	31 May 2010	51	Accenture
48	Atul Sood	Vice President	12,233,532	Bachelor of Engg./ Technology - Mechanical	17	21 September 2017	47	Wipro Ltd.
49	Sivakumar Nuti	Vice President	12,103,495	M.Sc.	26	06 August 2012	50	GSS Infotech Pvt. Ltd.
50	Anil Jalali	Executive Vice President	11,910,547	MBA	23	17 November 2016	48	IBM India Pvt. Ltd.
51	Viraj Mhatre	Executive Vice President	11,693,508	B.E.	30	11 May 1998	52	Indigo Technologies
52	Amit Trifale	Senior Director	11,297,729	Bachelor of Engg./ Technology	18	24 August 2001	43	Wipro Ltd.
53	Mahesh Chandra Guru	Vice President	11,139,728	B.E., MBA	26	11 July 1995	47	IGATE Corporation
54	Viswanath Krishnan	Executive Vice President	10,705,551	B.Com, ICWAI	33	13 April 2009	55	Hindustan Unilever Ltd.
55	Atul Kumar Samalia	Vice President	10,444,163	MBA	36	01 September 2012	52	Bayer (India) Ltd.
56	Ramesh Kumar Ramamurthy	Executive Vice President	10,408,856	M.Sc.	24	12 May 2014	48	Cognizant Technology Solutions
57	Ananth Chandramouli	Vice President	10,391,994	M.E.	23	27 June 2017	46	Infosys Ltd.

The Employees who were employed for a part of the financial year were in receipt of remuneration for any part of that year at a rate which, in aggregate throughout the financial year, was in receipt of remuneration in the aggregate, was not less than eight lakh fifty thousand Indian rupees per month (INR 8.50 lakh)

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
1	Narayan BL	Executive Vice President	41,280,373	B.Com., ICWA	36	01 July 2014	60	Hindustan Unilever Ltd.
2	Kiran Cavale	Executive Vice President	29,498,428	M.Sc.	31	04 April 2011	53	Mahindra Satyam Ltd.
3	Kishor Chitale	Executive Vice President	28,143,981	B.Sc., PGDMM	36	01 December 2003	59	Deloitte Consulting India Pvt. Ltd.
4	Anil Gidh	Vice President	23,527,935	B.E.	30	02 December 2002	58	WSE.It Ltd.
5	Santosh Madbhavi	Executive Vice President	17,475,639	B.E.	33	08 January 2007	55	Xansa
6	Seshaiah Amisagadda	Executive Vice President	12,717,460	B.E.	27	18 June 2001	50	Vertibra Communication Ltd.

S. No.	Name	Designation of the Employee	Remuneration Received in INR	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment Held
7	Nitin Suvarna	Vice President	12,438,801	I-Master's Level Degree	20	31 May 2010	51	Accenture
8	Viraj Mhatre	Executive Vice President	11,693,508	B.E.	30	11 May 1998	52	Indigo Technologies
9	Navneesh Sarin	Vice President	9,681,571	Chartered Accountant	24	18 June 2018	50	Bacontinuum (Bank of America)
10	Neha Punater	Vice President	8,292,991	Postgraduate Diploma	22	14 September 2018	48	KPMG
11	Mukund Srinath	Vice President	7,414,893	M.Com., FCS, LL.B.	35	02 November 2000	58	Smithkline Pharma Ltd.
12	Kaustubh Gokhale	Vice President	6,844,337	B.E., PG -Others	33	28 September 1998	57	Philiphs India Ltd
13	Sarbabidya Subir	Vice President	5,731,107	B.A.	26	02 December 2013	49	Tata Consultancy Services Ltd
14	Ramakrishnan Raju	Vice President	5,238,600	B.E., PG -Others	27	24 November 2014	49	Wipro Technologies
15	Ravi Pichan	Vice President	5,067,707	Graduate	15	08 June 2012	46	Barclays Technology Center India
16	Dayanand Allapur	Vice President	4,896,314	B.A., M.B.A.	24	01 April 2016	54	Tesco Plc
17	Debgiri Sanyal	Senior Director	4,162,340	Masters	17	26 November 2018	49	Visa
18	Jyothi Nayani	Vice President	3,827,044	Masters	29	10 May 1999	50	Mastek Ltd
19	Gaurav Khanna	Portfolio Manager	3,815,350	Masters in Computer Application	17	24 May 2010	42	HCL Technologies
20	Divya Sippy	Executive Vice President	2,457,572	B.Com, MBA (Part time)	34	25 November 2002	57	Master Ltd
21	Pramod B Patwardhan	Vice President	2,174,152	B.Sc	37	01 August 1996	59	Cmc Limited
22	Muni Venkata Rao Sajja	Manager	1,839,477	Master of Engg./ Technology	14	02 June 2014	39	Tech Mahindra
23	Giridharan Kalpathi Sukavaneswaran	Portfolio Manager	1,751,785	B.Sc	29	02 May 2012	50	Ascendum Solutions India Pvt. Ltd.
24	Sayyad Asad Kadri	Senior Director	1,547,041	B.A.	27	10 September 1999	50	Blue Star Ltd
25	Vijay Madhav Pandit	Senior Director	1,168,056	LLB	36	11 October 2000	59	Tata Infotech Limited

NOTES:

1. None of the employees listed above is a relative of any Director of the Company
2. The nature of employment is contractual in all the above cases
3. None of the employess listed above own 2% or more of the paid up share capital of the Company
4. The above statement covers the remuneration paid by the Company and not by any subsidiary/ies
5. Particulars of employees posted and working outside India and not being Directors or their relatives, drawing more than Indian rupees 102 lakhs per financial year or Indian rupees 8.5 lakhs per month, as the case may be, have not been included in the above statement.

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

Ashwin Yardi
Chief Executive Officer & Director
DIN : 07799277

R Ramaswamy
Director
DIN : 00038146

Place : Mumbai
Date : 24 July 2019

ANNEXURE V

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
CAPGEMINI TECHNOLOGY SERVICES INDIA LIMITED
Pune

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

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2019, ("period under review"), complied with the statutory provisions listed hereunder, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I,** for the period under review, according to the applicable provisions of:

   (i) The Companies Act, 2013 ("the Act") and the rules made thereunder and the Companies Act, 1956 *(to the extent applicable)*;

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

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: **Not Applicable**

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

   (v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client, to the extent applicable;

2. We have relied on the representations made by the Company and its officers and report of the Internal Auditor for systems and mechanism formed by the Company for compliances under other applicable Laws. The list of other laws applicable to the Company is given in **Annexure - II.**

3. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All resolutions/decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees. Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that

The company being unlisted, there were no events/ actions in pursuance of:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that the Company had filed an application under the Act with the Central Government for approval of excess remuneration paid to one of its Whole Time Directors during the year ended March 31, 2016 wherein the Central Government directed the Company to recover the excess remuneration paid to the tune of Rs. 17,25,52,000/- (Rupees Seventeen Crore Twenty-Five Lac and Fifty-Two Thousand Only) vide their communication order dated December 1, 2017. Thereafter, the Company has filed a review of the aforesaid order on April 19, 2018 seeking waiver of the recovery of excess remuneration paid. The application stands closed and filed and no action remains on the part of the Central Government as per the Letter dated May 6, 2019 from the Ministry of Corporate Affairs.

We further report that:

A. in the Board Meeting held on May 3, 2018, resolution for closure of Capgemini Technology Services India Limited – Malaysia branch was passed unanimously

B. in the Board Meeting held on December 18, 2018, following resolutions were passed unanimously:

   1. Mr. Srinivasa Rao Kandula (DIN: 07412426) was appointed as the Chairman of the Company and ceased to be the Managing Director of the company with effect from January 01, 2019.

   2. Mr. Ashwin Yardi was appointed as the Chief Executive Officer of the Company with effect from January 01, 2019.

Further, the two Schemes of Amalgamation of wholly owned subsidiaries is pending before National Company Law Tribunal, Mumbai Bench for approval. These include:

1. Scheme of amalgamation of its wholly owned subsidiary TCube Software Solutions Private Limited.

2. Scheme of amalgamation of its wholly owned subsidiary iGate Infrastructure Management Services Limited.

Place : Mumbai
Date : July 16, 2019

DILIP BHARADIYA

Proprietor
DILIP BHARADIYA & ASSOCIATES
FCS No.: 7956., C P No.: 6740

NOTE: This report is to be read with our letter of even date which is annexed as Annexure III and forms an integral part of this report.

ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee, alongwith the Attendance Registers, held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
   - Register of Directors' & KMP
   - Register of Directors' Shareholding
   - Register of Employee Stock Options
   - Register of loans, guarantees and security and acquisition made by the Company
   - Register of Charge
   - Register of Members
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2), Section 149(3) and Section 149(7) of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013, alongwith the attachments thereof, during the financial year under report.

ANNEXURE - II

List of applicable laws to the Company

1. The Information Technology Act, 2000
2. The Special Economic Zone Act, 2005
3. Policy relating to Software Technology parks of India and its regulations
4. The Indian Copyright Act, 1957
5. The Patents Act, 1970
6. The Trade Marks Act, 1999
7. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
8. Local Municipal Corporation Act & Bye Laws (city-wise)
9. Shops and Establishment Act & Rule (State wise)
10. Acts prescribed under prevention and control of pollution;
11. Acts prescribed under Environmental protection;
12. Acts as prescribed under Direct Tax and Indirect Tax
13. Land Revenue laws of respective States;
14. Labour Welfare Act of respective States;
15. Economic/ Commercial Laws as applicable.

ANNEXURE - III

To,

The Members,
CAPGEMINI TECHNOLOGY SERVICES INDIA LIMITED (“the Company”)
Pune

Our report of even date is to be read along with this letter,

1) Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3) I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.

4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DILIP BHARADIYA & ASSOCIATES**

DILIP BHARADIYA
Proprietor
FCS No.: 7956, C P No.: 6740

Place : Mumbai
Date : July 16, 2019

ANNEXURE VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	The Company's Corporate Social Responsibility Program believes in supporting pivotal areas of social change, which will play a significant role in building a better tomorrow for children and community at large. The Company supports Education (with special emphasis on girl child education) and Employability (with dedicated emphasis on Youths with Disabilities) along with Emergency Response as its focus areas of support. The Company's Corporate Responsibility & Sustainability vision is 'to be leaders in sustainable excellence through a bold and influential approach, positively impacting the Group's future, clients, society and the planet.' The Company's goal is to 'Enhance identity and reputation as a Responsible Corporate by mobilizing and contributing with skills and resources in building a better and harmonized society through intensive collaboration and cooperation with multiple stakeholders including communities, customers, governments and employees.' The key objectives to achieve these goals are: 1. To take up programs that benefit the communities in and around the Company's work centre and further result in enhancing the quality of life and economic well being of the local populace. 2. To express commitment to the social development good through responsible business practices and good governance. Establish relevance of potential CSR activities to Capgemini's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013. 3. To engage with state and its agencies in pursuing the development agenda for sustainable change. The link to the CSR policy is given below : https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/
2	The Composition of the CSR Committee	Ms. Kalpana Rao – Chairperson Mr. R Ramaswamy Mr. Srinivasa Rao Kandula Mr. Ashwin Yardi Ms. Aruna Jayanthi Ms. Karine Marchat
3	Average net profits of the Company for the last three financial years	INR 13,527,488,213
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	INR 270,549,764
5	Details of CSR spend for the financial year 2018-19:	
	a. Total amount to be spent for the financial year.	INR 270,549,764
	b. Amount unspent, if any.	INR 83,585,867
	c. Manner in which the amount spent during the financial year.	INR 186,963,897
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report	Mid of 2018 witnessed strategic shift in interventions which was to align with offerings and expertise Capgemini as a company should contribute. This has enabled us to initiate new approach towards our projects with few new additions and some partnerships ceased to continue.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company	Implementation and monitoring of CSR policy is in close alignment with CSR objectives of Capgemini. We believe in creating positive impact on the communities with whom we work and engage with. With rigorous process in place, we are ensuring to function in process driven scenario instead of person driven.

Manner in which the amount spent during the financial year is detailed:

Sr. No.	CSR Project/ Activity Identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of program(1) Local area or other(2) Specify the state or district where projects or programs was undertaken	Amount outlay(budget) project or program wise 2018-19 (INR)	Amount spent on the projects or programs sub heads(1) direct expenditure or program(2) overheads FY 2018-19 (INR)	Cumilative Expenditure upto the reporting period ie. FY 2018-19 (INR)	Amount spent direct or though implementing agency
1	Enlight - Scholarship for girl child education	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2.Chennai (Tamil Nadu) 3. Hyderabad (Telangana) 4. Kolkata (West Bengal) 5. Mumbai (Maharashtra) 6. Pune (Maharashtra) 7. Salem (Tamil Nadu) 8. Trichy (Tamil Nadu) 9. Delhi (Delhi NCR)	**21,849,000**	**Direct Expenditure 1,04,91,750 Overheads 10,57,000**	**32,141,250**	**Implementing Agency** Aide et Action
2	Environment - Virtual Classroom	4	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP) 4. Hyderabad (Telangana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu) 10. Delhi (Delhi NCR)	**6,194,656**	**Direct Expenditure 51,95,417 Overheads 5,77,269**	**17,695,671**	**Implementing Agency** World Wide Funds for Nature - India
3	Scholarship for Technical and Medical Education	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP), 4. Hyderabad (Telangana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu) 10. Delhi (Delhi NCR) 11 Ahmedabad (Gujarat)	**13,796,307**	**Direct Cost 81,03,277 Overheads 3,77,030**	**56,251,079**	**Implementing Agency** 1. Prerana 2. Foundation for Excellence 3. Lila Poonawalla Foundation
4	Capgemini Tools to School Program	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karnataka) 2. Hyderabad (Telengana) 3. Chennai (Tamil Nadu)	**9,447,152**	**Direct Cost 55,58,810 Overheads 6,17,646**	**14,606,416**	**Implementing Agency** Association for Voluntary Action
5	Capgemini ACE - Coaching program for class XI & XII	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Hyderabad (Telangana)	**6,487,608**	**Direct Cost 53,09,988 Overheads 5,90,000**	**11,402,638**	**Implemnting Agency** Prerana

Manner in which the amount spent during the financial year is detailed:

Sr. No.	CSR Project/ Activity Identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of program(1) Local area or other(2) Specify the state or district where projects or programs was undertaken	Amount outlay(budget) project or program wise 2018-19 (INR)	Amount spent on the projects or programs sub heads(1) direct expenditure or program(2) overheads FY 2018-19 (INR)	Cumilative Expenditure upto the reporting period ie. FY 2018-19 (INR)	Amount spent direct or though implementing agency
6	Positive Parenting and Child Helpline	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Mumbai (Maharashtra)	**6,022,643**	**Direct Cost 38,10,453 Overheads 2,00,550**	**6,486,902**	**Implemnting Agency** Parisar Asha
7	Digital Literacy Program	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP), 4. Gurgaon (Haryana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu) 10. Bhubaneshwar (Odisha)	**7,894,843**	**Direct Cost 39,99,729 Overheads 4,44,414**	**4,868,490**	**Implementing Agency** 1. Change Initiatives 2. Deenabandhu Trust 3. Hope Foundation 4. SRF Foundation 5. Sri Sri Ravishankar Vidya Mandir Trust
8	School Adoption Program	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP), 4. Hyderabad (Telangana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu)	**85,577,316**	**Direct Cost 5,65,43,752 Overheads 62,71,528**	**195,764,425**	**Implementing Agency** 1. Deenabandhu Trust 2. Sri Sri Ravishankar Vidya Mandir Trust 3. Hope Foundation 4. Plan International (India chapter) 5. SRF Foundation
9	LEAP Digtal Academy	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP) 4. Hyderabad (Telangana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu)	**84,721,455**	**Direct Cost 5,05,82,338 Overheads 42,98,199**	**122,329,886**	**Implementing Agency** 1. Udyogini 2. Association for Non traditional Employment for Women 3. Indian Institute of Technology - Madras 4. Save The Children India 5. American India Foundation 6. Womens India Trust 7. Pratham Inforech Foundation 8. Dr. Reddy's Foundation 9. Anirban Rural Welfare Society 10. NASSCOM Foundation

Sr. No.	CSR Project/ Activity Identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of program(1) Local area or other(2) Specify the state or district where projects or programs was undertaken	Amount outlay(budget) project or program wise 2018-19 (INR)	Amount spent on the projects or programs sub heads(1) direct expenditure or program(2) overheads FY 2018-19 (INR)	Cumilative Expenditure upto the reporting period ie. FY 2018-19 (INR)	Amount spent direct or though implementing agency
10	LEAP Inclusion Digital Academy	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Noida (UP) 2. Hyderabad (Telangana) 3. Mumbai (Maharashtra) 4. Pune (Maharashtra) 5. Delhi (Delhi NCR)	**17,290,828**	**Direct Cost 1,07,52,500 Overheads 11,57,965**	**50,853,176**	**Implementing Agency** 1. Delhi Council for Child Welfare 2. Youth4Jobs Foundation 3. Sarthak Educational Trust 4. Nirmalya Trust
11	Others/Social development program	2	The project is being implemented in the local area where Capgemini Technology Services India Limited has business presence through offices and associates. The project is being implemented in 1. Bangalore (Karanataka) 2. Chennai (Tamil Nadu) 3. Noida (UP), 4. Hyderabad (Telangana) 5. Kolkata (West Bengal) 6. Mumbai (Maharashtra) 7. Pune (Maharashtra) 8. Salem (Tamil Nadu) 9. Trichy (Tamil Nadu)	**2,364,914**	**Direct Cost 21,21,239 Overheads 0**	**2,121,239**	**Implementing Agency** 1. WeKare Society
12	Expenses for CSR Team			**8,903,043**	**8,903,043**		
	TOTAL			**270,549,764**	**186,963,897**	**514,521,172**	

For and on behalf of the Board of Directors

Capgemini Technology Services India Limited

Ashwin Yardi
Chief Executive Officer and Director
DIN: 07799277

Kalpana Rao
Director
DIN: 07093566

Place: Mumbai
Date: 24 July 2019

ANNEXURE VII

Form No. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31 March 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	U85110PN1993PLC145950
2	Registration Date	27 December 1993
3	Name of the Company	Capgemini Technology Services India Limited
4	Category/Sub-category of the Company	Public Company limited by shares
5	Address of the Registered office & contact details	No.14, Rajiv Gandhi Infotech Park, Hinjawadi, Phase III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune - 411 057, Maharashtra T: +91-20-66991000| F: +91-20-66995050; Email:cgcompanysecretary.in@capgemini.com Website:https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india-limited-formerly-known-as-igate-global-solutions-limited/
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Pvt. Ltd. (formerly known as Karvy Computershare Pvt. Ltd.), Karvy Selenium Tower No.B, Plot No.31-32,Gachibowli,Financial District, Nanakramguda, Hyderabad : 500 032 – Telangana, India T: +91 040 67161591 | www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	Other information technology and computer service activities	62099	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Capgemini America Inc. 79 Fifth Avenue, 3rd floor, New York NY 10003	NA	Holding	43.10	2(46)
2	PAN Asia Solutions Suite 206, SIT Business Center, NG Tower, Cyber City, Ebene, Mauritius	NA	Holding	23.10	2(46)
3	Capgemini North America Inc. 79 Fifth Avenue, 3rd floor, New York NY 10003	NA	Holding	21.58	2(46)
4	Capgemini SE 11, Rue de Tilsitt, 75017 Paris	NA	Holding	11.99	2(46)
5	IGATE Infrastructure Management Services Limited No.14, Rajiv Gandhi Infotech Park, Hinjawadi, Phase III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune - 411 057, Maharashtra	U74140PN1999PLC164626	Subsidiary	100	2(87)
6	TCube Software Solutions Private Limited Akruti Softech Park, 4th Floor, MIDC Cross Road No. 21, MIDC, Andheri (East) Mumbai – 400093	U72200MH2009PTC305258	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 2018]				No. of Shares held at the end of the year [As on 31 March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
(a) Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	26,319,959	32,682,402	59,002,361	99.77	26,424,337	32,578,024	59,002,361	99.77	0.00
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**26,319,959**	**32,682,402**	**59,002,361**	**99.77**	**26,424,337**	**32,578,024**	**59,002,361**	**99.77**	**0.00**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**26,319,959**	**32,682,402**	**59,002,361**	**99.77**	**26,424,337**	**32,578,024**	**59,002,361**	**99.77**	**0.00**
Total shareholding of Promoter (A)	**26,319,959**	**32,682,402**	**59,002,361**	**99.77**	**26,424,337**	**32,578,024**	**59,002,361**	**99.77**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	11	0	11	0.00	11	0	11	0.00	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	11	0	11	0.00	11	0	11	0.00	0.00
Sub-total (B)(1):-	**22**	**0**	**22**	**0.00**	**22**	**0**	**22**	**0.00**	**0.00**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5,486	0	5,486	0.01	6,607	0	6,607	0.01	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	127,322	131	127,453	0.22	126,115	134	126,249	0.21	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	2,443	19	2,462	0.00	2,399	19	2,418	0.00	0.00
NRI Non Repatriation	1,716	0	1,716	0.00	1,843	0	1,843	0.00	0.00
Clearing Members	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 2018]				No. of Shares held at the end of the year [As on 31 March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**136,967**	**150**	**137,117**	**0.23**	**136,964**	**153**	**137,117**	**0.23**	**0.00**
TotalPublic Shareholding (B)=(B)(1)+ (B)(2)	**136,989**	**150**	**137,139**	**0.23**	**136,986**	**153**	**137,139**	**0.23**	**0.00**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**26,456,948**	**32,682,552**	**59,139,500**	**100**	**26,561,323**	**32,578,177**	**59,139,500**	**100**	**0.00**

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year as on 01 April 2018			Shareholding at the end of the year as on 31 March 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Capgemini America Inc	25,487,362	43.10	-	25,487,362	43.10	-	-
2.	Pan Asia Solutions	13,659,959	23.10	-	13,659,959	23.10	-	-
3.	Capgemini North America Inc.	12,764,378	21.58	-	12,764,378	21.58	-	-
4.	Capgemini SE	7,090,662	11.99	-	7,090,662	11.99	-	-
	Total	**59,002,361**	**99.77**	**Nil**	**59,002,361**	**99.77**	**Nil**	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year as on 01 April 2018		Cumulative Shareholding during the year (01 April 2018 to 31 March 2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	59,002,361	99.77	59,002,361	99.77
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):			-	-
	At the end of the year	59,002,361	99.77	59,002,361	99.77

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of Top 10 Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of shares	Reason	No. of Shares	% of total shares of the company
1.	Ajay Kumar	901	0.00	95	Purchase	996	0.00
2.	3A Financial Services Limited	103	0.00	772	Purchase	875	0.00
3.	Ramesh Champalal Jain	798	0.00	0	Nil movement	798	0.00
4.	Shri Parasram Industries Pvt Ltd	0	0.00	684	Purchase	684	0.00
5.	Bhavnaben Nikhilesh Patel	556	0.00	0	Nil movement	556	0.00
6.	Bahubali Goods Private Limited	550	0.00	0	Nil movement	550	0.00
7.	Arcadia Share & Stock Brokers Pvt Ltd	547	0.00	320	Purchase		0.00
				-320	Sale	547	
8.	Ishwar Jayantilal Kakkad	511	0.00	0	Nil movement	511	0.00
9.	Karvy Stock Broking Limited	469	0.00	0	Nil movement	469	0.00
10.	Nitin Dattatraya Motlag	366	0.00	0	Nil movement	366	0.00

E) Shareholding of Directors and Key Managerial Personnel:

SN	Key Managerial Personnel	Shareholding at the beginning of the Year				Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
	NA						

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amount in INR)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	-	82,900,000	Nil	82,900,000
Interest due but not paid	-	14,184,956	Nil	14,184,956
Interest accrued but not due	-	-	Nil	-
Total (i+ii+iii)	**-**	97,084,956	Nil	97,084,956
Change in Indebtedness during the financial year	-	-	Nil	-
* Addition	-	-	Nil	-
* Reduction	-	(97,084,956)	Nil	(97,084,956)
Net Change	-	(97,084,956)	Nil	(97,084,956)
Indebtedness at the end of the financial year	-	-	Nil	-
Principal Amount	-	-	Nil	-
Interest due but not paid	-	-	Nil	-
Interest accrued but not due	-	-	Nil	-
Total (i+ii+iii)	**-**	-	Nil	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

(Amounts in INR)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Srinivasa Rao Kandula (01 April 2018 to 31March 2019)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,062,724.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission -as % of profit - others, specify	-
5	Others, (Provident Fund)	522,000.00
	Total	24,584,724.00

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Ms. Aruna Jayanthi (01 April 2018 to 31March 2019)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31,420,033.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	85,683,503.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission -as % of profit - others, specify	-
5	Others, (Provident Fund)	894,600.00
	Total	117,998,136.00

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Ashwin Yardi (01 April 2018 to 31March 2019)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,713,938.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	42,837,195.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission -as % of profit - others, specify	-
5	Others, (Provident Fund)	450,000.00
	Total	59,001,133.00

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Mr. Ritesh Talapatra
		(01 April 2018 to 31March 2019)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,610,805.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	26,403,856.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission -as % of profit - others, specify	-
5	Others, (Provident Fund)	609,971.00
	Total	47,624,632.00

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Ms. Karine Marchat
		(01 April 2018 to 30June 2018)*
1	Gross salary	12,202,962.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,077,480.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission -as % of profit - others, specify	-
5	Others, (Provident Fund)	521,136.00
	Total	21,924,193.00
	Total remuneration of all MD/WTD/ Manager	271,132,818.00
	Ceiling as per the Act(being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	2,107,285,060.00

*Paid remuneration up to 30 June 2018.

B. Remuneration to other directors (Amount in INR**)**

SN.	Particulars of Remuneration	Name of Directors		Total	
1	Independent Directors	**Mrs. Kalpana Rao**	**Mr. R Ramaswamy**		
	Fee (Rs.) for attending board /committee meetings	475,000	400,000	875,000	
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (1)	4,75000	400,000	875,000	
2	Other Non-Executive Directors	**Mr. Hubert Giraud**	**Mr. Paul Hermelin**	**Mr. Thierry Delaporte**	**Total Amount (Rs.)**
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	875,000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	INR 210,728,506 (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

C. Remuneration To Key Managerial Personnel Other Than MD/WTD/Manager(Amount in INR)

SN	Particulars of Remuneration	CS	CFO	CFO	Total
		Ms. Armin Billimoria (01 April 2018 to 31March 2019)	# Ms. Karine Marchat (01 April 2018 to 30 June 2018)	Mr. Sujit Sircar (25July 2018 to 31 March 2019)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,507,367.00	12,202,962.00	22,115,300.00	37,825,629.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	10,077,480.00	4,446.00	10,081,926.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others	-	-	-	-
5	Others, (Provident Fund)	168,036.00	521,136.00	472,500.00	1,161,672.00
	TOTAL	3,675,403.00	22,801,578.00	22,592,246.00	4,9069,227.00

Resigned from the post of CFO with effect from 25 July 2018.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	Section 391 of the Companies Act, 1956	The Company carried out the act of consolidation of share capital without prior sanction of the Karnataka High Court	INR 10,00,000	Special Court (Economic Offence) Bangalore	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	Section 391 of the Companies Act, 1956	The Company carried out the act of consolidation of share capital without prior sanction of the Karnataka High Court	INR 10,00,000	Special Court (Economic Offence) Bangalore	-

Independent Auditor's Report

To the Members of Capgemini Technology Services India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Capgemini Technology Services India Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2019, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note 47 to the standalone financial statements which refers to managerial remuneration of Rs. 291 million paid to a whole-time director during the year ended 31 March 2016 in excess of the limits specified under section 197 and Schedule V of the Act. Pursuant to the application by the Company, the Central Government, vide its order dated 1 December 2017, approved remuneration amounting to Rs. 118 million and directed the Company to recover excess remuneration of Rs. 173 million which is recorded as recoverable in the standalone financial statements as on 31 March 2019.

Subsequently, the Company filed for a review petition on 23 April 2018 against the order of Central Government to which the Central Government responded vide its order dated 6 May 2019 stating that no action was pending at its end and that the onus of compliance with the Act lies with the Company. Pursuant to the amended Section 197 of the Companies (Amendment) Act, 2017, any application made to the Central Government under the provisions of the erstwhile Section 197 pending with the Central Government as on 12 September 2018 shall abate, and the Company is required to, within one year of such commencement, obtain the shareholders' approval by way of a special resolution to waive off the excess amount receivable from the whole-time director.

The Company is in the process of obtaining shareholders' approval to waive off the excess remuneration through a special resolution within one year in accordance with the provisions of the amended Section before 12 September 2019. Our opinion is not qualified in respect of this matter.

Other Information

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

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Response abilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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.

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

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

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

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

d) In our opinion, the aforesaid standalone financial statements comply with the 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 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 39 to the standalone financial statements;

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

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Vijay Mathur
Partner
Membership No. 046476
UDIN - 19046476AAAABD9052

Mumbai
Date: 24 July 2019

Annexure A to the Independent Auditors' Report on the standalone financial statements of Capgemini Technology Services India Limited for the year ended 31 March 2019

(Referred to in our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company pending registration of the title in the name of the Company and pursuant to amalgamation of Capgemini India Private Limited with the Company:

Particulars	Gross block as at 31 March 2019 (Rs in million)	Net block as at 31 March 2019 (Rs in million)	Total number of cases	Remarks
Leasehold land	72	71	1	Pending registration
Freehold land	50	50	1	Pending pursuant to amalgamation
Leasehold land	106	91	6	Pending pursuant to amalgamation
Building	2,684	1,745	5	Pending pursuant to amalgamation

(ii) The Company is in the business of rendering services, and, consequently, does not hold any inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has granted loans to a party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to a party covered in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interests of the Company.

(b) In the case of loans granted to the party covered in the register maintained under section 189 of the Act, the borrower has been regular in repayment of the principal and interest in accordance with the agreed terms and conditions.

(c) There are no overdue amounts in respect of the loans granted to a party covered and listed in the register maintained under section 189 of the Act.

(iv) In our opinion, and according to the information and explanations given to us, the Company has not undertaken any transactions during the year in respect of loans, guarantees and securities covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of loans given, as applicable.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of Customs, Cess and other statutory dues have been generally regularly deposited during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of Customs, Cess and other statutory dues, were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable. We draw attention to note 40 to the standalone financial statements which more fully explains the matter regarding unpaid provident fund contribution pursuant to Supreme Court judgment dated 28 February 2019.

(b) According to the information and explanations given to us, the dues of Income tax, Sales tax, Service tax, duty of Customs and Value Added Tax which have not been deposited by the Company on account of disputes, are mentioned in Appendix 1 to this report.

(viii) In our opinion, and according to the information and explanations given to us, the Company did not have any outstanding dues to any bank, financial institution, government or debenture holders. The Company has not issued debentures during the year.

(ix) In our opinion, and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) In our opinion, and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) Except for the managerial remuneration aggregating to Rs. 173 million which exceeded the permissible limit as prescribed under Schedule V of the Act and which the Central Government has directed the Company to recover, the managerial remuneration paid/ provided by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197. The Company has recorded the excess remuneration of Rs. 173 million as recoverable in its standalone financial statements as on 31 March 2019. However, no amount has been recovered till the date of this report. As more fully explained in Note 47 to the standalone financial statements,the Company is in the process of waiving off such excess remuneration by way of a special resolution.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required under Ind AS 24, Related Party Disclosures, specified under Section 133 of the Act, read with relevant rules issued thereunder.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the Order is 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, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No. 046476
UDIN - 19046476AAAABD9052

Mumbai
Date: 24 July 2019

Annexure A to the Independent Auditor's Report 31st March 2019

Appendix 1

Name of the Statute	Nature of the Dues	Amount (Rs, million)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income-Tax Act, 1961	Income Tax	8	-	AY 2010-11	Assistant Commissioner Income Tax, Chennai
Income-Tax Act, 1961	Income Tax	48	10	AY 2005-06 to 2009-10	Commissioner Income Tax (Appeals), Mumbai
Income-Tax Act, 1961	Income Tax	48	12	AY 2007-08 to 2010-11; AY 2016-17	Commissioner Income Tax (Appeals), Bangalore
Income-Tax Act, 1961	Income Tax	9	-	AY 2012-13; AY 2013-14	Commissioner Income Tax (Appeals), Hyderabad
Income-Tax Act, 1961	Income Tax	143	-	AY 2013-14; AY 2015-16	Commissioner Income Tax (Appeals), Mumbai
Income-Tax Act, 1961	Income Tax	1,562	1,521	AY 2005-06; AY 2014-15	Commissioner Income Tax (Appeals), Pune
Income-Tax Act, 1961	Income Tax	3	-	AY 2008-09	High Court, Andhra Pradesh
Income-Tax Act, 1961	Income Tax	4,734	3	AY 2002-03 to 2003-04; AY 2005-06 to 2009-10	High Court, Bombay
Income-Tax Act, 1961	Income Tax	18	-	AY 2002-03 to AY 2003-04	High Court, Karnataka
Income-Tax Act, 1961	Income Tax	1,426	556	AY 2007-08; AY 2010-11; AY 2011-12	Income Tax Appellate Tribunal Mumbai
Income-Tax Act, 1961	Income Tax	6,151	170	AY 2012-13; AY 2013-14	Income Tax Appellate Tribunal Pune
Income-Tax Act, 1961	Income Tax	256	24	AY 2007-08 to 2008-09; AY 2010-11 to 2014-15	Income Tax Appellate Tribunal, Bangalore
Income-Tax Act, 1961	Income Tax	35	41	AY 2005-06; AY 2010-11	Income Tax Appellate Tribunal, Hyderabad
Income-Tax Act, 1961	Income Tax	4,633	2,182	AY 2010-11 to 2014-15	Income Tax Appellate Tribunal, Pune
Income-Tax Act, 1961	Income Tax	318	-	AY 2002-03 to 2004-05	Supreme Court
West Bengal VAT	Sales tax	226	-	2008-09; 2009-10	Appellate and revisional board
Maharashtra VAT/ CST	Sales tax	236	-	2006-07 to 2010-11	Pune Bench of Mumbai Tribunal
Maharashtra VAT/ CST	Sales tax	244	-	2011-12 to 2012-13	Joint Commissioner of Sales Tax (Appeals)
Maharashtra VAT/ CST	Sales tax	494	-	2013-14 to 2014-15	Deputy Commissioner Sales Tax (Appeals)
Maharashtra VAT/ CST	Sales tax	268	-	2013-14 to 2014-15	Joint Commissioner (Appeals)
Delhi VAT/ CST	Sales tax	3	-	2012-13 to 2014-15	Commissioner (Appeals)
UP VAT/ CST	Sales tax	30	-	2010-11; 2013-16	Additional Commissioner (Appeals)
Customs Act, 1962	Custom duty	4	-	2007-08	High Court, Bombay
TL VAT/ CST	Works Contract Tax	4	-	2012-13	High Court, Telangana
Finance Act, 1994	Service Tax	39	-	2007-08 to 2014-15	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	22	-	2008-09; 2011-12	Commissioner (Appeals)
Finance Act, 1994	Service Tax	14	-	2015-16; 2016-17	Commissioner (Appeals)
Finance Act, 1994	Service Tax	37	-	2007-08 to 2012-13	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	132	-	2006-2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	215	-	2006-2010,2008-13, 2010-11 to 2015-16	Central Excise Service Tax Appellate Tribunal
UP VAT/ CST	Value Added Tax	1	0.9	2011	Additional Commissioner (Appeals)

Annexure B to the Independent Auditors' report on the standalone financial statements of Capgemini Technology Services India Limited for the year ended 31 March 2019

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Capgemini Technology Services India Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No. 046476
UDIN - 19046476AAAABD9052

Mumbai
Date: 24 July 2019

Balance Sheet as at 31 March 2019

(Currency : INR in million)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	**27,143**	19,881
Capital work-in-progress	4	**2,548**	7,180
Intangible assets	5	**324**	327
Financial assets			
Investments	6	**543**	543
Loans	7	**105**	71
Others	8	**1,175**	1,357
Deferred tax assets (net)	9	**14,713**	15,413
Income tax assets (net)		**7,137**	5,904
Other non-current assets	10	**1,464**	2,566
Total non current assets		**55,152**	53,242
Current Assets			
Financial Assets			
Investments	11	**38,173**	40,528
Trade receivables	12	**21,442**	16,547
Cash and cash equivalents	13	**16,082**	2,490
Loans	14	**-**	26
Others	15	**1,939**	1,147
Other current assets	16	**6,541**	7,699
Total current assets		**84,177**	68,437
TOTAL ASSETS		**139,329**	121,679
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**591**	591
Other equity		**112,906**	98,832
Total equity		**113,497**	99,423
Non current liabilities			
Financial liabilities			
Others	18	**857**	36
Provisions	19	**6,184**	3,934
Other non-current liabilities	20	**490**	457
Total non current liabilities		**7,531**	4,427
Current liabilities			
Financial liabilities			
Trade and other payables	21		
- Due to micro and small enterprises		**19**	12
- Due to other than micro and small enterprises		**7,822**	6,830
Others	22	**4,228**	4,578
Other current liabilities	23	**3,432**	3,349
Provisions	24	**1,390**	1,278
Income tax liabilities (net)		**1,410**	1,782
Total current liabilities		**18,301**	17,829
Total liabilities		**25,832**	22,256
TOTAL EQUITY AND LIABILITIES		**139,329**	121,679

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABD9052

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Statement of Profit & Loss for the year ended 31 March 2019

(Currency : INR in million)

	Note	31 March 2019	31 March 2018
Revenue from operations	25	**135,777**	128,174
Other income, net	26	**4,394**	3,981
Total income		**140,171**	132,155
Expenses			
Employee benefits expense	27	**89,435**	83,403
Finance costs	28	**106**	102
Depreciation and amortisation expenses	29	**4,395**	4,381
Other expenses	30	**25,459**	24,677
Total expenses		**119,395**	112,563
Profit before tax		**20,776**	19,592
Tax expense:	32		
Current tax		**3,873**	4,920
Deferred tax		**1,182**	418
Profit for the year		**15,721**	14,254
Other comprehensive (loss) / income	31		
A (i) Items that will not be reclassified subsequently to Statement of Profit and Loss			
Remeasurements of the defined benefit plans (net)		**(1,350)**	1,108
Income tax relating to items that will not be reclassified subsequently to Statement of Profit and Loss		**507**	(393)
B (i) Items that will be reclassified subsequently to Statement of Profit and Loss			
The effective portion of gains / (loss) on hedging instruments in a cash flow hedge		**72**	(229)
Exchange differences on translation of foreign operations		**(48)**	(29)
Income tax relating to items that will be reclassified subsequently to Statement of Profit and Loss		**(25)**	78
Total other comprehensive (loss) / income, net of tax		**(844)**	535
Total comprehensive income for the year		**14,877**	14,789
Earnings per equity share			
Nominal value of share Rs. 10 (31 March 2018: Rs. 10)			
Basic and diluted	38	**265.83**	241.03
Number of shares		**59,139,500**	59,139,500

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
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Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Statement of Cash Flows for the year ended 31 March 2019

(Currency : INR in million)

		31 March 2019	31 March 2018
A.	**Cash flows from operating activities**		
	Profit before tax	**20,776**	19,592
	Adjustments for:		
	Depreciation and amortisation expenses	**4,395**	4,381
	Profit on sale of non - current investments	**-**	(264)
	Income on mutual funds	**(3,342)**	(2,342)
	Provisions no longer required written back	**(106)**	(11)
	Provision for doubtful trade receivables written back	**(142)**	(323)
	Profit on sale / disposal of assets (net)	**(10)**	(86)
	Interest on deposits with banks	**(349)**	(168)
	Other interest (including interest on income tax refunds)	**(9)**	(23)
	Interest on income tax	**89**	67
	Interest on obligation under finance leases	**13**	28
	Interest under MSMED Act, 2006	**4**	7
	Employee stock compensation expense	**10**	303
	Provision for contingencies	**-**	124
	Unrealised foreign currency gain (net)	**(157)**	(46)
	Effect of exchange differences on translation of foreign currency cash and cash equivalents	**(26)**	(1)
	Operating profit before working capital changes	**21,146**	21,238
	Changes in working capital		
	Increase in trade and other payables	**994**	372
	Decrease in other current financial liabilities	**(437)**	(334)
	Increase / (decrease) in other non current financial liabilities	**474**	(409)
	Increase in other current liabilities	**83**	606
	Decrease / (increase) in other non current liabilities	**33**	(61)
	Increase in current provisions	**112**	74
	Increase in non current provisions	**900**	541
	(Increase) / decrease in trade receivables	**(4,667)**	1,267
	Decrease / (increase) in non current assets	**503**	(281)
	Increase in other current assets	**1,160**	194
	Decrease / (increase) in other financial assets	**(247)**	(1,550)
	Cash generated from operations	**20,054**	21,657
	Taxes paid, net	**(5,567)**	(4,349)
	Net cash generated from operating activities	**14,487**	17,308
B.	**Cash flows from investing activities**		
	Purchase of tangible and intangible assets	**(6,855)**	(6,873)
	Proceed from sale of tangible and intangible assets	**167**	225
	Purchase of non current investments	**-**	(519)
	Proceed from sale of non current investments	**-**	606
	Purchase of current investments	**(201,616)**	(138,860)
	Proceed from sale of current investments	**207,313**	121,842
	Interest received on fixed deposits	**83**	390
	Net cash used in investing activities	**(908)**	(23,189)

Statement of Cash Flows for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
C.	**Cash flows from financing activities**		
	Finance cost	**(13)**	(28)
	Net cash used in financing Activities	**(13)**	(28)
	Net (decrease) in cash and cash equivalents (A+B+C)	**13,566**	(5,909)
	Effect of exchange differences on translation of foreign currency cash and cash equivalent	**26**	(1)
	Cash and Cash equivalents at the beginning of the year	**2,490**	8,400
	Cash and Cash equivalents at the end of the year	**16,082**	2,490

Notes :

1)	**Reconciliation of Cash and Cash Equivalents:**		
	Cash and cash equivalents comprise of:		
	Cheques on hand	**-**	6
	Remittances in transit	**70**	34
	Current accounts	**582**	598
	EEFC accounts	**493**	60
	Deposits accounts	**14,937**	1,792
	Cash and Cash equivalents at the end of the year	**16,082**	2,490

2) Purchase of fixed assets include payments for items in capital work in progress and advance for purchase of fixed assets.

3) Previous years figures have been regrouped, wherever necessary to conform to the current years classification.

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABD9052

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2019

(Currency : INR in million)

(a) Equity share capital

	31 March 2019	31 March 2018
Equity share capital balance at the beginning	**591**	591
Movement during the year	**-**	-
Equity share capital balance at the end	**591**	591

(b) Other equity

Particulars	Attributable to the equity holders of the parent										Total Other equity
	Reserves and Surplus							Items of Other comprehensive income			
	Capital Reserve	Building revaluation reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Employees Stock Option Reserve	Retained earnings	Effective portion of Cash Flow Hedges	Exchange differences on translation of foreign operations	Remeasurements of the defined benefit plans	
Balance at 31 March 2017	(1,952)	1	872	336	1,570	395	81,840	153	(158)	169	83,226
Unpaid employees stock option plan liability transferred (refer note 43 (ii))	-	-	-	-	-	514	-	-	-	-	514
Charge for the year	-	-	-	-	-	303	-	-	-	-	303
Profit for the year	-	-	-	-	-	-	14,254	-	-	-	14,254
Other comprehensive income for the year	-	-	-	-	-	-	-	(151)	(29)	715	535
Total comprehensive income for the year	-	-	-	-	-	-	14,254	(151)	(29)	715	14,789
Balance at 31 March 2018	**(1,952)**	**1**	**872**	**336**	**1,570**	**1,212**	**96,094**	**2**	**(187)**	**884**	**98,832**

Particulars	Attributable to the equity holders of the parent											Total Other equity
	Reserves and Surplus								Items of Other comprehensive income			
	Capital Reserve	Building revaluation reserve	Securities Premium Account	Capital Redemption Reserve	General Reserve	Employees Stock Option Reserve	Special Economic Zone re-investment reserve	Retained earnings	Effective portion of Cash Flow Hedges	Exchange differences on translation of foreign operations	Remeasurements of the defined benefit plans	
Balance at 31 March 2018	**(1,952)**	**1**	**872**	**336**	**1,570**	**1,212**	**-**	**96,094**	**2**	**(187)**	**884**	**98,832**
ESOP Subscription plan charge for the year	-	-	-	-	-	10	-	-	-	-	-	10
Classified as amounts payable under employee stock option plan being liability award (refer note 43 (ii))	-	-	-	-	-	(813)	-	-	-	-	-	(813)
Transferred to Special Economic Zone re-investment reserve	-	-	-	-	-	-	54	(54)	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	15,721	-	-	-	15,721
Other comprehensive income for the year	-	-	-	-	-	-	-	-	47	(48)	(843)	(844)
Total comprehensive income for the year	-	-	-	-	-	-	-	15,721	47	(48)	(843)	14,877
Balance at 31 March 2019	**(1,952)**	**1**	**872**	**336**	**1,570**	**409**	**54**	**111,761**	**49**	**(235)**	**41**	**112,906**

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Nature and purpose of reserves

1 Capital Reserve

Capital reserve represents the profits and loss on issue of Company's own equity shares on amalgamations.

2 Building revaluation reserve

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

3 Securities Premium

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

4 Capital Redemption Reserve

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

5 General Reserve

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

6 Employees Stock Option Reserve

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

7 Special Economic Zone re-investment reserve

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

8 Retained earnings

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

9 Effective portion of Cash Flow Hedges

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

10 Exchange differences on translation of foreign operations

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

11 Remeasurements of the defined benefit plans

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

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABD9052

Place : Mumbai
Date : 24 July 2019

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

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Notes to the financial statements for the year ended 31 March 2019

(Currency : INR in million)

1 Corporate overview

Capgemini Technology Services India Limited ("the Company" or "CTSIL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in providing Information Technology ("IT") and IT - enabled operations offshore outsourcing solutions and BPO (business process outsourcing) services to large and medium-sized organizations using an offshore/onsite model. The Company has its branches and subsidiaries in United States, Australia, Switzerland and Malaysia. IT services and IT-enabled operations offshore outsourcing solutions are delivered using the offshore centres located in Bangalore, Gurgaon, Hyderabad, Chennai, Noida, Mumbai, Pune, Kolkata, Trichy, Salem and Gandhinagar in India.

Capgemini India Private Limited (CIPL) filed a scheme of merger with the Bombay High court on 3 February 2016, whereby the entire business and undertaking of CIPL had been transferred to the IGATE Global Solutions Limited (IGSL) effective 1 April 2015.

During the year ended 31 March 2017, the Company had filed for change in name from IGSL to its current name Capgemini Technology Services India Limited and same was approved by ROC of Mumbai / Bangalore by issuing a revised certificate of Incorporation dated 16 December 2016. Consequently name of Company changed to Capgemini Technology Services India Limited with effect from 16 December 2016.

2 Significant accounting policies

a) Statement of compliance and basis of preparation

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

b) Functional currency and presentation currency

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

c) Use of estimates

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

Revenue recognition

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

Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in deferred tax assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Business combination

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

Defined benefit plans and compensated absences

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

Allowance for trade receivables

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

Useful life of property, plant and equipment

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Provisions and contingent liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d) Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015

As part of its transition to Ind AS, the Company has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the Statement of Profit and Loss.

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

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

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

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Common control business combinations on or after 1 April 2015

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

Business combinations prior to 1 April 2015

In respect of such business combinations, goodwill represents the amount recognised under the Company's previous accounting framework under previous GAAP adjusted for the reclassification of certain intangibles.

e) Current–non-current classification

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

Assets

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

a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

a. it is expected to be settled in the company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

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

f) Property, plant and equipment

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

Property, plant and equipment acquired wholly or partly with specific grant / subsidy from government are recorded at the fair value as on the agreement date.

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

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

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

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

g) Capital work in progress:

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

h) Depreciation on property, plant and equipment

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

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

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

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

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

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

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

i) Intangible assets

(i) Goodwill

Goodwill that arises on an amalgamation or on acquisition of a business is presented as an intangible asset. Goodwill arising on amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life or five years whichever is shorter. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

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

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Computer software held for use for business purpose is amortised over an estimated useful life of 3 - 5 years or the period of licenses, whichever is lower.

j) Leases

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Payments made under operating leases are generally recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

k) Impairment of property, plant and equipment

Property, plant and equipment which are not yet available for use are tested for impairment annually. Other Property, plant and equipment (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangibles mandatorily tested annually for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to CGUs only when the allocation can be done on a reasonable and consistent basis. If this requirement is not met for a specific CGU under review, the smallest CGU to which the carrying amount of goodwill can be allocated on a reasonable and consistent basis is identified and the impairment testing carried out at that level.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognized in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is recognised in the revaluation reserve.

l) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III of the Act.

Long term investments are stated at cost less other than temporary decline in the value of such investments, determined separately for each individual investment .

Current investments are carried in financial statements at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. The comparison of cost and fair value is done separately for each individual investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

m) Revenue recognition

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

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company adopted Ind AS 115 applying the full retrospective method with restatement of March 2018 comparative figures and recognition of the aggregate impact in equity at 1 April 2017.

On implementing the full retrospective method, the Company applied a number of practical expedients. Accordingly, completed contracts:

— that ended before 1 April 2017;

— and/or included variable consideration;

were not restated for revenue recognition purposes.

The impact of the adoption of the standard on the financial statements of the Company is insignificant.

On implemention of Ind AS 115 using full retrospective method, Ind AS 1 requires the Company to present a third balance sheet as at 1 April 2017 by restating the items materially effected by the change in policy. However, since the impact of adoption of Ind AS 115 on the Company's financial statements is insignificant, the Company has not presented a third balance sheet.

Revenue is recognised 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 method for recognizing revenue depends on the nature of the services rendered:

(i) Time and material contracts

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

(ii) Fixed price contracts

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

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

(iii) Fixed price maintenance contracts

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

(iv) Others

- As part of its operational activities, the Company may be required to resell hardware, software and services purchased from third- party suppliers to its customers. The Company acts as a “principal” when it obtains control of the hardware, software or services before transferring them to the customer. In such case, the transaction is presented on a gross basis in the Statement of Profit and Loss. If the Company acts as an “agent”, the transaction is recognised on a net basis. For example, transactions are recorded on a net basis when the Company does not have the primary responsibility for the fulfilment of the contract and does not bear inventory and customer acceptance risk.

- Revenue from services rendered to parent company, ulitimate parent company and fellow subsidiaries is recognized on cost plus mark-up basis determined on arm’s length principle as and when the related services are rendered.

- Revenue on multi- deliverable contracts is recognised applying the appropriate method as specified above, depending on the performance obligations identified.

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

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

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

Costs to obtain and fulfill contracts:

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

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

Costs incurred to fulfill a contract are expensed as incurred, with the exception of certain initial set- up costs, such as transition and transformation costs that do not represent a separate performance obligation.

Reimbursements received from customers are recognised as revenue, as costs are incurred.

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

Critical Judgements

- The Company's contracts with customers may include promises to transfer multiple products and services to a customer. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- When multiple Performance Obligations are identified within a single contract, the Company allocates the total contract price to the Performance Obligations based on their relative Standalone Selling Price ("SSP"). In the absence of directly observable prices for similar services sold separately to similar customers, SSPs are estimated, based on expected costs plus a margin rate commensurate with the nature and risk of the service. Further, the Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

- Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract Assets and Liabilities

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

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

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

Recognition of dividend income, interest income or expense

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

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

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied on time proportion basis to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

n) Foreign currency transactions and balances

i) Initial recognition

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

ii) Translation

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

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

iii) Translation of foreign operations

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

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

o) Employee benefits

i) Short-term employee benefits

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

Accumulated leave, which is expected to be utilised within the next twelve months, is also treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. These amounts are charged to the Statement of Profit and Loss.

ii) Post-employment benefits

(a) Provident fund

Until the previous year ended 31 Match 2018, employee benefits in respect of provident fund, except as stated below, were a defined contribution plan.

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

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

During the year ended 31 March 2019 and developments subsequently, certain of the private sector investment securities held by the Trust are considered to be potentially doubtful of recovery. Since the matter as to whether the Company is obligated to make good the loss is a matter of legal interpretation, the Company obtained a legal opinion from an independent legal counsel. Based on the legal opinion, the Company considers the provident fund plan as a defined benefit plan. The liability, accordingly, is now being determined actuarially.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

(b) Provident fund

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

(c) Defined benefit plan - Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Such net obligation is recognized either as an asset or as a liability in the balance sheet. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

The present value of the obligation under such benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method which recognizes each period of service that gives rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured using the projected unit credit method. The discounted rates used for determining the present value are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur. All expenses related to defined benefit plan is recognised in employee benefits expense in the Statement of Profit and Loss. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

(d) Defined benefit plan - Pension

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

(e) Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields as at the balance sheet date on Government securities, having maturity periods approximating to the terms of the related obligations. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur. To the extent the Company does not have an unconditional right to defer the utilization or encashment of the accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

p) Employee stock compensation

Employees of erstwhile IGATE Global Solutions Limited

Pursuant to the acquisition of IGATE Corporation by Capgemini SE, the ultimate holding company with effect from 1 July 2015, the employees of erstwhile IGSL are now entitled to participate in share based awards issued by Capgemini SE. Although the share based awards are issued and administered by Capgemini SE, the Company is required to settle the obligation to the employee directly in cash. Such expenses are accounted for as part of employee benefit expense and the amounts payable to employees are disclosed under 'other current liabilities'.

Employees of the Company

Capgemini SE, the ultimate parent company has also allocated performance shares of the group company to the employees of the Company. The grant of the such performance and employment linked shares relate to the share capital of the group company and has no impact on the Company's share capital.

In the previous year ended 31 March 2018, the Company had recognised employee stock option costs using equity method. During the current year on vesting of the 2014 plan, Capgemini SE recharged the Company the cost of acquiring such shares for settlement to the employees where the employees have the choice of opting for shares or cash equivalent to the value of shares. Consequent to this, the Company has changed the policy of recognising the compensation cost for these ESOP plans using liability method.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Such stock based awards' compensation expenses is recognised in "Employee benefits expense" in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to current / non-current financial liabilitites.

q) Income taxes

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

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

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

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

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

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

r) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

s) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous Contracts

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

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

t) Contingent liabilities

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

u) Statement of Cash Flows

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

v) Financial instruments

i) Recognition and initial measurement

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

ii) Classification and subsequent measurement

Financial assets

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

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

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

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

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

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv) Offsetting

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

v) Derivative instruments and hedge accounting

The Company uses derivative financial instruments (foreign currency forward and option contracts) to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions.

The use of foreign currency forward contracts and options are governed by the Company's policies, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes. The Company enters into derivatives instruments where the counter party is primarily a bank.

Cash Flow Hedges

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

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (‘forward points’) is separately accounted for as a cost of hedging and recognised separately within equity. For hedged forecast transactions, the amount accumulated in other equity is reclassified to the Statement of Profit and Loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, it is reclassified to the Statement of Profit and Loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the Statement of Profit and Loss.

w) Impairment

i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

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

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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

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

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

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

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

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

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

Measurement of expected credit losses

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

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit and Loss and is recognised in OCI.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Write-off

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

ii) Impairment of non-financial assets

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

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

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

Recent accounting developments

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new Ind AS and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

(a) Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company will adopt Ind AS 16 effective 1 April 2019. The Company has elected to adopt modified retrospective transition approach, with the cumulative effect of initially applying the standard, recognised on the date of initial application. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Pursuant to this standard, the Company, as lessee, will:

- recognize a right- of- use asset, representing its right to use the underlying asset and a lease liability, representing its obligation to make future lease payments, in the Balance sheet;
- record amortization on the right- of- use asset and interest on the lease liability in place of the operating lease expenses previously recorded.

In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

With effect from 1 April 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortisation charge for the right-to-use asset, and b) interest accrued on lease liability.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In case of finance leases, in accordance with the option proposed by the standard, finance leases already recognised in the Balance sheet pursuant to Ind AS 17 at 31 March 2019, will be reclassified in right- of- use assets and lease liabilities at 1 April 2019. No significant impact is expected for the Company's finance leases.

Based on the information currently available, for leases other than short-term leases and leases of low value assets, the Company will recognise a right-of-use asset and a corresponding lease liability in between Rs 7,863 and Rs.8,658 with the cumulative effect of applying the standard by adjusting retained earnings net of taxes. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

(b) Amendments issued by MCA to existing standards

Amendment to Ind AS 19 - Employee Benefits

Changes in Employee benefit plan

When a change to a plan by way of either an amendment, curtailment or settlement takes place, Ind AS 19 requires a company to remeasure its net defined benefit liability or asset.

The amendments to Ind AS 19 require a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Until now, Ind AS 19 did not specify how to determine these expenses for the period after the change to the plan.

In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Amendment to Ind AS 12 – Income taxes (amendments relating to uncertainty over income tax treatments)

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company is in the process of assessing the impact of the amendment.

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

3 **Property, plant and equipment**

	Freehold land (refer note b)	Leasehold land (refer note b)	Buildings (refer note b)	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles (refer note a)	Total
Gross Block									
Balance as at 1 April 2017	269	1,396	13,491	10,627	8,723	6,154	4,177	288	45,125
Additions	-	210	213	1,412	563	160	178	-	2,736
Disposals	-	-	(2)	(939)	(143)	(67)	(91)	(82)	(1,324)
At 31 March 2018	269	1,606	13,702	11,100	9,143	6,247	4,264	206	46,537
Additions	-	2	4,750	2,237	2,715	1,438	436	2	11,580
Disposals	-	-	-	(1,055)	(544)	(256)	(1,335)	(52)	(3,242)
At 31 March 2019	**269**	**1,608**	**18,452**	**12,282**	**11,314**	**7,429**	**3,365**	**156**	**54,875**
Accumulated Depreciation									
Balance as at 1 April 2017	-	(132)	(2,419)	(8,147)	(5,872)	(4,225)	(2,801)	(143)	(23,739)
Charge for the year	-	(14)	(411)	(1,592)	(1,136)	(373)	(523)	(54)	(4,103)
Disposals	-	-	-	865	126	57	75	63	1,186
At 31 March 2018	-	(146)	(2,830)	(8,874)	(6,882)	(4,541)	(3,249)	(134)	(26,657)
Charge for the year	-	(19)	(502)	(1,623)	(1,224)	(421)	(337)	(34)	(4,160)
Disposals	-	-	-	1,055	511	222	1,255	42	3,085
At 31 March 2019	**-**	**(165)**	**(3,333)**	**(9,442)**	**(7,595)**	**(4,740)**	**(2,331)**	**(126)**	**(27,732)**
Net block									
At 31 March 2018	269	1,460	10,872	2,226	2,261	1,706	1,015	72	19,881
At 31 March 2019	**269**	**1,443**	**15,119**	**2,840**	**3,719**	**2,689**	**1,034**	**30**	**27,143**

a) Details of assets taken on finance lease included in the table above

	Vehicles	
	As at 31 March 2019	As at 31 March 2018
Gross block		
Opening balance	**79**	124
Disposals	**(34)**	(45)
Closing balance	**45**	79
Accumulated Depreciation		
Opening balance	**(45)**	(54)
Charge for the year	**(15)**	(23)
Disposals	**30**	32
Closing balance	**(30)**	(45)
Net block	**15**	34

b) Freehold land, leasehold land and buildings of gross block Rs. 2,912 (31 March 2018 : Rs. 2,912) and accumulated depreciation amounting to Rs. 955 (31 March 2018 : 867) is pending registration in the name of the Company pursuant to merger of Capgemini India Private Limited with the Company.

4 **Capital work-in-progress**

At 1 April 2017	2,952
Additions	7,142
Capitalisation	(2,914)
At 31 March 2018	7,180
Additions	7,180
Capitalisation	(11,812)
At 31 March 2019	**2,548**

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

5 Intangible assets

	Goodwill	Computer software	Total
Gross block			
Balance as at 1 April 2017	106	2,806	2,912
Additions	-	178	178
Disposals	-	-	-
At 31 March 2018	106	2,984	3,090
Additions	-	232	232
Disposals	-	(105)	(105)
At 31 March 2019	**106**	**3,111**	**3,217**
Amortisation			
Balance as at 1 April 2017	(106)	(2,379)	(2,485)
Charge for the year	-	(278)	(278)
Disposals	-	-	-
At 31 March 2018	(106)	(2,657)	(2,763)
Charge for the year	-	(235)	(235)
Disposals	-	105	105
At 31 March 2019	**(106)**	**(2,787)**	**(2,893)**
Net block			
At 31 March 2018	-	327	327
At 31 March 2019	**-**	**324**	**324**

6 Investments

		31 March 2019	31 March 2018
	Non-current		
	Investment carried at cost		
	Unquoted equity instruments		
	Investment in shares of bank		
a)	The Saraswat Co-operative Bank Limited *	**-**	-
	1,530 (31 March 2018: 1,530) shares of Rs.10 each fully paid up		
b)	The Kapol Co-operative Bank Limited*	**-**	-
	10 (31 March 2018: 10) shares of Rs.10 each fully paid up		
	Investment in equity of subsidiaries		
a)	IGATE Infrastructure Management Services Limited	**24**	24
	[2,857,877 equity shares of Rs. 10 each fully paid-up (31 March 2018 - 2,857,877)]		
b)	Tcube Software Solutions Private Limited (refer note (i) below)	**519**	519
	[24,998 equity shares of Rs. 10 each fully paid-up (31 March 2018 - 24,998)]		
		543	543

* the amount is below the rounding off limit in million

(i) In the previous year, the Company acquired 24,998 shares in Tcube Software Solutions Private Limited at Rs. 20,776.92 per share on 25 October 2017.

7 Loans

Non-current

Unsecured, considered good

	31 March 2019	31 March 2018
Loans to related parties (refer note 36 and 45)	**105**	71

Previous year loan is to a company where a director is interested

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
8	**Other financial assets**		
	Non-current		
	Unsecured, considered good		
	Security deposits	**1,175**	1,357
	Unsecured, considered doubtful		
	Security deposits	**31**	31
	- Less: Provision for doubtful deposits	**(31)**	(31)
		1,175	1,357
9	**Deferred tax assets (net)**		
	Deferred tax liabilities		
	Cash flow hedges	**28**	3
	Others	**140**	168
		168	171
	Deferred tax assets		
	Property, plant and equipment and intangible assets	**5,444**	7,165
	Provisions - employee benefits	**2,398**	1,552
	Provision for doubtful trade receivables	**240**	269
	Merger expenses	**159**	194
	MAT credit carried forward	**6,640**	6,404
		14,881	15,584
	Net deferred tax asset (refer note 32(e))	**14,713**	15,413
10	**Other non-current assets**		
	Capital advances	**200**	799
	Prepaid expenses	**644**	409
	Prepayment of pension liability	**21**	19
	Balances with statutory/government authorities (VAT/ Service tax credit receivable)	**599**	1,339
		1,464	2,566
11	**Investments**		
	Current		
	Investment carried at fair value through profit and loss Mutual Funds (quoted)		
	925,921 (31 March 2018 - 731,931) units in Axis Liquid fund direct plan growth	**1,920**	1,411
	388,145 (31 March 2018 - 463,595) units in Reliance Low Duration Fund- Direct Plan Growth plan - Growth Option - LPAG (formerly Reliance Money Manager Fund- Direct Growth Plan)	**1,024**	1,131
	360,971 (31 March 2018 - 950,898) units in Reliance Liquidity Fund Direct Growth Plan Growth Option (formerly Reliance Liquidity Fund Treasury Plan Direct Growth Plan Growth Option)	**1,647**	4,032
	1,233,450 (31 March 2018 - 1,186,589) units in Invesco Liquid Fund - Direct Plan Growth (formerly Religare Invesco Liquid Fund - Growth Direct Plan)	**3,173**	2,838
	32,624,142 (31 March 2018 - 32,624,143) units in DSP Black Rock Low Duration Fund - Direct plan- Growth (formerly DSP Black Rock Ultra Short Term Fund Direct Plan Growth)	**449**	416
	977,094 (31 March 2018 - 543,175) units in HDFC Liquid Fund Direct Plan Growth Option	**3,594**	1,860
	686,511 (31 March 2018 - 1,494,751) units in IDFC Cash Fund -Regular Plan-Growth Direct Plan	**1,556**	3,155
	44,221,753 (31 March 2018 - 27,604,310) units in IDFC Low Duration Fund Growth - Direct Plan (formerly IDFC Ultra Short Term Fund Growth - Direct Plan)	**1,183**	684
	5,313,217 (31 March 2018 - 4,668,982) units in ICICI Prudential Saving Fund- Direct Plan - Growth (formerly ICICI Prudential Flexible Income - Direct Plan - Growth)	**1,919**	1,564
	9,910,430 (31 March 2018 - 8,951,457) units in ICICI Prudential Liquid - Regular Plan - Growth Direct Plan	**2,739**	2,302
	3,575,862 (31 March 2018 - 4,400,892) units in Aditya Birla Sun Life Savings Fund-Growth - Direct plan	**1,329**	1,514
	16,727,800 (31 March 2018 - 10,093,745) units in Aditya Birla Sun Life Liquid Fund-Growth - Direct Plan (formerly Aditya Birla Sun Life Cash Plus - Growth Direct Plan)	**5,026**	2,819

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

	31 March 2019	31 March 2018
736,807 (31 March 2018 - 620,961) units in Tata Liquid Fund Direct Plan Growth (formerly Tata Money Market Fund Direct Growth Plan)	**2,169**	1,700
131,507 (31 March 2018 - 131,515) units in Kotak Low Duration Fund Direct Growth	**313**	288
67,920,312 (31 March 2018 - 61,414,791) units in Kotak Savings Fund-Growth - Direct (formerly Kotak Treasury Advantage Direct Plan Growth)	**2,075**	1,734
548,085 (31 March 2018 - Nil) units in HSBC Cash Fund Growth Direct Plan	**1,020**	-
19,209,449 (31 March 2018 - 19,209,450) units in HDFC Floating Rate Debt Fund - Direct Plan-Growth Plan (formerly HDFC Floating rate Income Fund - Short term Plan Direct Plan Wholesale Option- Growth Option)	**628**	584
315,830 (31 March 2018 - 482,387) units in Axis Treasury Advantage Fund - Direct Growth	**678**	956
5,983,735 (31 March 2018 - Nil) units in ICICI Prudential Money Market Fund - Direct Plan - Growth	**1,557**	-
705,704 (31 March 2018 - Nil) units in Kotak Liquid Direct Plan Growth	**2,671**	-
3,629,180 (31 March 2018 - Nil) units in Aditya Birla Sun life Money Manager Fund- Growth-Direct Plan (formerly Aditya Birla Sun life Floating rate Fund- Short term plan)	**913**	-
191,051 (31 March 2018 - Nil) units in Kotak Money Market Scheme - Growth	**590**	-
Nil (31 March 2018 -175) units in Religare Invesco Liquid Fund - Direct Plan Growth	**-**	1
Nil (31 March 2018 - 8,593,493) units in DHFL Pramerica Insta Cash Plus Fund -Direct Plan Growth	**-**	1,940
Nil (31 March 2018 - 40,880) Units in Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	**-**	173
Nil (31 March 2018 - 166,172) units in UTI Treasury Advantage Fund - Institutional Plan - Growth	**-**	473
Nil (31 March 2018 - 1,396,574) in ICICI Prudential - Treasury Plan - Direct Growth Plan - Growth Option	**-**	359
Nil (31 March 2018 - 896,192) units in DSP Black Rock Liquidity Fund- Direct Plan Growth	**-**	2,227
Nil (31 March 2018 - 636,562) units in Kotak Floater Short Term-(Growth) Direct Plan	**-**	1,815
Nil (31 March 2018 - 619,140) units in DSP BlackRock Money Manager Fund - Direct Plan Growth	**-**	1,479
Nil (31 March 2018 - 40,007,873) units in DHFL Pramerica Insta Cash Plus Fund -Direct Plan Growth	**-**	853
Nil (31 March 2018 - 21,702,881) units in IDFC-Money Manager Fund- Treasury Plan Growth [Direct Plan]	**-**	606
Nil (31 March 2018 - 11,552,036) units in Aditya Birla Sun Life Banking & PSU Debt Fund Growth Direct Plan	**-**	606
Nil (31 March 2018 - 375,842) units in HDFC Cash Management Fund - Savings Plan- Direct Plan Growth Option	**-**	1,008
	38,173	40,528

		31 March 2019	31 March 2018
12	**Trade receivables (unsecured)**		
	Trade receivables consists of the following		
	- Considered good	**21,872**	17,126
	Less: allowance for doubtful receivables	**430**	579
		21,442	16,547
	- Credit impaired	**203**	196
	Less: allowance for doubtful receivables	**203**	196
		-	-
		21,442	16,547

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

Trade receivables includes :		
Dues from related party (refer note 36)	**17,797**	13,170
Other receivables	**3,645**	3,377

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
13	**Cash and cash equivalents**		
	Balance with banks :		
	In current accounts	**582**	598
	In EEFC accounts	**493**	60
	In deposits accounts	**14,937**	1,792
	Cheques in hand	**-**	6
	Remittances in transit	**70**	34
		16,082	2,490

Deposit accounts include restricted bank balances Rs. 1 held as margin money deposit against guarantee and Rs. 0.1 held as margin money against Uttar Pradesh VAT.

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

		31 March 2019	31 March 2018
14	**Loans**		
	Current		
	Unsecured, considered good		
	Loans to related parties (refer note 36 and 45)	**-**	26
	Previous year loan is to a company where a director is interested		
15	**Other financial assets**		
	Current		
	Unsecured, considered good		
	Derivative asset	**102**	7
	Security deposits	**736**	665
	Loans and advances to employees	**345**	295
	Interest accrued on fixed deposit	**272**	6
	Advances recoverable in cash or in kind or for value to be received	**-**	1
	Others	**484**	173
		1,939	1,147
16	**Other current assets**		
	Prepaid expenses	**1,493**	891
	Balances with Government authorities (GST credit receivable)	**1,915**	964
	Unbilled revenues	**3,018**	5,459
	Advance to vendors	**115**	385
		6,541	7,699
17	**Share capital**		
	Authorised:		
	249,950,000 (31 March 2018 - 249,950,000) equity shares of Rs. 10 each	**2,500**	2,500
	10,800,000 (31 March 2018 - 10,800,000) compulsorily convertible preference shares ('CCPS') of Rs. 10 each	**108**	108
	14,000,000 (31 March 2018 - 14,000,000) 5% 10 year redeemable non-cumulative preference shares of Rs. 10 each	**140**	140
	Issued, subscribed and fully paid up:		
	59,139,500 (31 March 2018 - 59,139,500) equity shares of Rs. 10 each	**591**	591

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

	31 March 2019		31 March 2018	
	Number of shares	**Amount**	Number of shares	Amount
Balance as at the beginning of the year	**59,139,500**	**591**	59,139,500	591
Add: Issued during the year	**-**	**-**	-	-
Balance as at the end of the year	**59,139,500**	**591**	59,139,500	591

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

b. Right, preferences and restrictions attached to equity shares

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

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

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

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

	31 March 2019		31 March 2018	
	Number of shares	**Amount**	Number of shares	Amount
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**7,090,662**	**71**	7,090,662	71
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**255**	25,487,362	255
PAN-Asia Solutions, Mauritius, subsidiary of Capgemini America Inc.	**13,659,959**	**137**	13,659,959	137
Capgemini North America Inc. subsidiary of ultimate parent company	**12,764,378**	**128**	12,764,378	128
Balance as at the end of the year	**59,002,361**	**591**	59,002,361	591

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

	31 March 2019		31 March 2018	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate holding company	**7,090,662**	**11.99%**	7,090,662	11.99%
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**25,487,362**	**43.10%**	25,487,362	43.10%
PAN-Asia Solutions, Mauritius, subsidiary of Capgemini America Inc.	**13,659,959**	**23.10%**	13,659,959	23.10%
Capgemini North America Inc. subsidiary of ultimate holding company	**12,764,378**	**21.58%**	12,764,378	21.58%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31 March 2019	31 March 2018
	Number of shares	Number of shares
Equity shares of Rs. 10 each bought back by the Company (see note (i) below)	**2,871,871**	2,871,871
Equity shares of Rs. 10 each issued as consideration towards amalgamation of IGATE Information Services Private Limited (see note (ii) below)	**566,758**	566,758

Note:

i) Buyback

On 16 June 2014, the Board of Directors approved a buyback proposal for purchase by the Company of up to 2,873,019 fully paid-up equity shares of face value of Rs.10 each (representing 9.8% of the total equity share capital) from the shareholders of the Company on a proportionate basis at a price of Rs. 2,261 per equity share for an aggregate amount not exceeding Rs. 6,496. Pursuant to the above, the Company bought back 2,871,871 equity shares and utilized Rs. 6,464 by utilising free reserves.

ii) Merger of IGATE Information Services Private Limited with the Company

During the year ended 31 March 2015 erstwhile IGATE Information Services Private Limited was merged with the Company pursuant to which 566,758 equity shares of Rs.10 each of the Company were allotted to the shareholders of IGATE Information Service Private Limited as complete settlement of the purchase consideration.

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
18	**Other non-current financial liabilities**		
	Long term maturities of finance lease obligations (refer note (i))	**7**	22
	Amounts payable under employees stock option plan	**850**	14
		857	36

Notes:

(i) Current maturities of long-term borrowings have been disclosed under 'other current financial liabilities' (refer note 22).

Lease obligations relate to vehicles purchased under a financing arrangement. The loans are secured by vehicles acquired under such lease arrangements and are repayable in monthly installments over a period of three to five years along with interest ranging from 12.5% to 13.5% p.a. (31 March 2018: 12.5% to 13.5% p.a.) (refer Note 37(a)).

		31 March 2019	31 March 2018
19	**Provisions**		
	Non-current		
	Provision for employee benefits		
	Gratuity (refer note 34(a))	**2,162**	939
	Compensated absences (refer note 34 (d))	**3,029**	2,599
	Other defined benefit obligation (refer note 34 (c))	**597**	-
	Other provision		
	Provision for contingencies (refer note (a) below)	**396**	396
		6,184	3,934
(a)	**Movement in provision for contingencies**		
	Balance as at the beginning of the year	**396**	272
	Additions	**-**	124
	Balance as at the end of the year	**396**	396
	Current	**-**	-
	Non Current	**396**	396
		396	396

Provision for contingencies as at balance sheet date is on account of certain service tax related matters on input services amounting to Rs. 396 (31 March 2018 - Rs. 396).The provision is based on best estimate of the liability, as estimated by the Management and cash outflow if any, will depend on the ultimate outcome of the respective litigation.

		31 March 2019	31 March 2018
20	**Other non-current liabilities**		
	Lease equalisation reserve	**490**	457
21	**Trade and other payables**		
	Due to micro and small enterprises (refer note 42)	**19**	12
	Due to other than micro and small enterprises	**7,822**	6,830
		7,841	6,842
22	**Other financial liabilities**		
	Current		
	Current maturities of finance lease obligations (refer note 37 (a))	**10**	16
	Capital creditors and other payables	**1,242**	1,518
	Interest accrued under MSMED Act, 2006 (refer note 42)	**36**	32
	Payable for retention money	**391**	240
	Amounts payable under employees stock option plan	**443**	164
	Bonus and incentives	**1,422**	1,874
	Employee salaries payable	**684**	734
		4,228	4,578

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
23	**Other current liabilities**		
	Unearned revenue	**180**	102
	Lease equalisation reserve	**92**	49
	Book overdraft	**-**	78
	Statutory dues payables*	**3,160**	3,120
		3,432	3,349
	There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
	*Statutory dues payable comprises of -		
	Goods and Services Tax payable	**501**	480
	Tax Deducted at Source payable	**2,024**	2,147
	Provident Fund payable	**598**	441
	Profession Tax payable	**18**	27
	Employees State Insurance payable	**19**	25
		3,160	3,120
24	**Provisions**		
	Current		
	Provision for employee benefits		
	Compensated absences (refer note 34(d))	**1,384**	1,278
	Other defined benefit obligation (refer note 34 (c))	**6**	-
		1,390	1,278
25	**Revenue from operations**		
	Revenue from software operations	**135,777**	128,174

Revenue from software services includes Rs. 8,982 (previous year Rs. 7,026) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

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

	31 March 2019	31 March 2018
Revenue by contract type :		
Time & material contracts	**131,125**	121,367
Fixed price contracts	**4,355**	6,599
Fixed price maintenance contracts	**297**	208
Total	**135,777**	128,174
Revenue by geography:		
America	**55,364**	52,302
Europe	**57,765**	52,188
India	**16,072**	16,958
Rest of the world	**6,576**	6,726
Total	**135,777**	128,174
Reconciliation of revenue recognized with the contracted price is as follows :		
Contracted price	**135,963**	128,174
Discounts	**186**	-
Revenue recognised	**135,777**	128,174

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2019 is Rs 2,284 (31 March 2018 : Rs 4,747). Out of this, the Company expects to recognize revenue of around 83% (31 March 2018 : 70%) within the next one year and the remaining thereafter.

Notes to the financial statements as at 31 March 2019 *(Contd.)*

(Currency : INR in million)

Pursuant to adoption of Ind AS 115 Revenue from Contracts with Customers, the Company has reclassified following previous year amounts:

Account head transferred from	Account head transferred to	Amount
Other financial assets	Other current assets	5,459
Revenue from operations	Other income	85

The Company has presented contract assets as "Unbilled revenues" in Other current assets and "Unearned revenues" in Other current liabilities in the balance sheet. The table below gives changes in contract assets and liabilities during the year

	31 March 2019		31 March 2018	
	Contract assets	**Contract liabilities**	Contract assets	Contract liabilities
Opening balance	**5,459**	**(102)**	4,968	(140)
Revenue recognised during the year	**3,018**	**102**	5,459	140
Increase due to invoices raised during the year	**(5,459)**	**(180)**	(4,968)	(102)
Closing balance	**3,018**	**(180)**	5,459	(102)

The Company has determined the revenue billed during the year on a FIFO basis to arrive at the "Increase due to invoices raised during the year".

		31 March 2019	31 March 2018
26	**Other income, net**		
	Interest on deposits with banks	**349**	168
	Other interest (including interest on income tax refunds)	**9**	23
	Profit on sale of non-current investments (refer note (i) below)	**-**	264
	Income on mutual funds	**3,342**	2,342
	Net gain on foreign currency transactions	**-**	525
	Provisions no longer required written back	**106**	11
	Provision for doubtful trade receivables written back	**142**	323
	Profit on sale / disposal of assets (net)	**10**	86
	Export incentives	**312**	85
	Other miscellaneous income	**124**	154
		4,394	3,981

(i) In the previous year, the Company sold its investment in IGATE Singapore Pte Ltd to Capgemini Singapore Pte Ltd on 12 March 2018. The Company received consideration of Rs. 606 and recognised profit on sale of Rs. 264.

		31 March 2019	31 March 2018
27	**Employee benefits expense**		
	Salaries, bonus and incentives	**81,783**	77,171
	Contribution to provident and other funds	**3,490**	3,267
	Retirement benefits expense (refer note 34(a) & 34 (b))	**956**	1,089
	Compensated absences	**1,324**	677
	Employee stock compensation expense (refer note 43)	**998**	310
	Staff welfare expenses	**884**	889
		89,435	83,403
28	**Finance costs**		
	Interest on obligation under finance leases	**13**	28
	Interest under MSMED Act, 2006	**4**	7
	Interest on Income Tax	**89**	67
		106	102
29	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	**4,160**	4,103
	Amortisation of intangible assets	**235**	278
		4,395	4,381

Notes to the financial statements for the year ended 31 March 2019

(Currency : INR in million)

		31 March 2019	31 March 2018
30	**Other expenses**		
	Sub-contracting expenses	**1,903**	1,626
	Repairs and maintenance:		
	- Buildings	**696**	632
	- Computer and network maintenance	**1,187**	1,253
	- Office maintenance	**1,174**	1,310
	- Others	**123**	120
	Rent	**2,974**	3,446
	Rates and taxes	**180**	140
	Insurance	**48**	43
	Power and fuel	**1,431**	1,377
	Advertisement and sales promotion	**72**	35
	Communication	**593**	639
	Travelling and conveyance	**8,693**	8,259
	Legal and professional charges	**670**	671
	Bank charges	**36**	27
	Auditors' remuneration (refer note 41)	**22**	24
	Merger and reorganization expenses	**53**	56
	Expenditure towards corporate social responsibility initiatives (refer note 44)	**187**	161
	Software and hardware expenses	**2,116**	1,231
	Stationery and printing expenses	**85**	102
	Bad trade receivables written off	**84**	319
	Provision for contingencies	**-**	124
	Group management fee	**737**	793
	Training and recruitment	**1,927**	1,748
	Directors sitting fees	**1**	1
	Net loss on foreign currency transactions	**92**	-
	Miscellaneous expenses	**375**	540
		25,459	24,677
31	**Statement of other comprehensive income**		
(i)	Items that will not be reclassified subsequently to Statement of Profit and Loss		
	Remeasurement (loss) / gain on defined benefit plans	**(1,350)**	1,108
(ii)	Income tax relating to items that will not be reclassified subsequently to Statement of Profit and Loss	**507**	(393)
(i)	Items that will be reclassified subsequently to Statement of Profit and Loss		
	Effective portion of gains / (loss) on hedging instruments accounted for as cash flow hedges	**72**	(229)
	Exchange differences on translation of foreign operations	**(48)**	(29)
(ii)	Income tax relating to items that will be reclassified subsequently to Statement of Profit and Loss	**(25)**	78
32	**Tax expense**		
(a)	**Income tax expense recognised in Statement of Profit and Loss:**		
	1. Current income tax	**3,873**	4,920
	2. Deferred income tax		
	Deferred tax	**1,418**	2,293
	MAT Credit	**(236)**	(1,784)
	Effect of change in tax rates	**-**	(91)
		1,182	418
	Tax expense for the year	**5,055**	5,338

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

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

	31 March 2019			31 March 2018		
	Before tax	**Tax (expense)/ benefit**	**Net of tax**	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified subsequently to Statement of Profit and Loss						
Remeasurement (loss)/ gain on defined benefit plans	**(1,350)**	**507**	**(843)**	1,108	(393)	715
Items that will be reclassified subsequently to Statement of Profit and Loss						
Effective portion of gains / (loss) on hedging instruments accounted for as cash flow hedges	**72**	**(25)**	**47**	(229)	78	(151)
Exchange differences on translation of foreign operations	**(48)**	-	**(48)**	(29)	-	(29)
	(1,326)	**482**	**(844)**	850	(315)	535

(c) Reconciliation of effective tax rate

	31 March 2019	31 March 2018
Profit before tax	**20,776**	19,592
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.61%)	**7,260**	6,780
Tax effect of:		
Tax effect due to income tax holidays	**(1,484)**	(1,608)
Expenses not deductible for tax purposes	**61**	66
Impact of indexation and lower tax rates on sale of branches / subsidiaries	**-**	(83)
Income taxes relating to prior years	**(749)**	42
Effect of change in tax rates	**-**	(91)
Others	**(33)**	232
Total income tax expense	**5,055**	5,338
Effective Tax Rate	**24%**	27%

Under the Indian Income-tax Act, 1961, the Company is eligible to claim income tax holiday on profits derived from the export of software services from divisions registered under Special Economic Zone (“SEZ”) 2005 scheme. Profits derived from the export of software services from these divisions registered under the SEZ scheme are eligible for a 100% tax holiday during the initial five consecutive assessment years, followed by 50% for further five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions, from the date of commencement of operations by the respective SEZ units. The impact of tax holiday units resulted in tax benefit of ₹ 1,484 and ₹ 1,608 for current and previous year respectively. This tax relief holiday will begin to expire from FY 2023-24 through FY 2032-33.

(d) Income tax assets and liabilities

Income tax assets (net)*	**7,137**	5,904
Income tax liabilities (net)	**1,410**	1,782

* Includes deposits paid under dispute of Rs. 4,891 (31 March 2018 - Rs. 2,794)

(e) Movement in deferred tax balances

	Net balance April 1, 2018	**Recognised in Statement of Profit and Loss**	**Recognised in OCI**	**Net balance March 31, 2019**
Deferred tax liability				
Cash flow hedges	3	-	25	**28**
Others	168	(28)	-	**140**
	171	**(28)**	**25**	**168**
Deferred tax asset				
Property, plant and equipment and intangible assets	7,165	(1,721)	-	**5,444**
Provisions - employee benefits	1,552	339	507	**2,398**
Provision for doubtful trade receivables	269	(29)	-	**240**
Merger expenses	194	(35)	-	**159**
MAT Credit carried forward	6,404	236	-	**6,640**
	15,584	**(1,210)**	**507**	**14,881**
Deferred tax asset (net)	**15,413**	**(1,182)**	**482**	**14,713**

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	Net balance April 1, 2017	Recognised in Statement of Profit and Loss	Recognised in OCI	Net balance March 31, 2018
Deferred tax liability				
Cash flow hedges	81	-	(78)	3
Deferred tax asset				
Property, plant and equipment and intangible assets	8,804	(1,639)	-	7,165
Provisions - employee benefits	2,036	(91)	(393)	1,552
Provision for doubtful trade receivables	369	(100)	-	269
Merger expenses	232	(38)	-	194
MAT credit carried forward	4,612	1,792	-	6,404
Others	174	(342)	-	(168)
	16,227	(418)	(393)	15,416
Deferred tax asset (net)	16,146	(418)	(315)	15,413

The Company offsets tax assets and liabilities if, and only if, it has a legally enforceable right to set off tax liabilities against tax assets. The Company has no tax losses which arose in India that are available for offset against future taxable profits.

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

33 Amalgamation of wholly owned subsidiary, Capgemini Solutions Private Limited

The Board of Directors, at their meeting dated 23 June 2017, in principle approved the Scheme of Amalgamation (‘the Scheme’) of Capgemini Solutions Private Limited (CSPL) ('transferor company') with the Company. The Company filed an application with the National Company Law Tribunal, Mumbai (NCLT) to merge CSPL with the Company. NCLT approved the Scheme of Amalgamation on 24 January 2018 effective 1 April 2017 (appointed date).

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

ii) CSPL was engaged in the business of development, designing of software programmes and products, training personnel in connection with the software development programmes, dealing with electric and electromechanical products and rendering technical and associated services.

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

Under 'Pooling of Interest' method, the assets and liabilities of the combining entities are reflected at their carrying amount. No adjustments are made to reflect fair values or recognise any new assets or liabilities. Further the financial information in the financial statements of the Company in respect of prior period should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Company, irrespective of the actual date of combination. However, if business combination had occurred after that date, the prior period information should be restated only from that date.

Accordingly, the assets, liabilities and reserves of CSPL were merged with the Company at their carrying values as on 1 December 2016 when the control was acquired by the Company.

- the entire business and undertaking of CSPL including all the assets, liabilities and reserves as a going concern were transferred to and vested in the Company pursuant to the Scheme at their respective book values under the respective accounting heads of the Company from the appointed date.
- CSPL was a wholly owned subsidiary of the Company and accordingly, no consideration was payable pursuant to the scheme of amalgamation. The equity shares held by the Company in the wholly owned subsidiary were cancelled and no shares were issued to effect the amalgamation.
- all inter-company balances and transactions were eliminated.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The amalgamation resulted in transfer of assets, liabilities and changes in reserves in accordance with the terms of the scheme at the values given below as at 30 November 2016 -

Particulars	Amount
Fixed assets (Net) including capital work-in-progress	455
Non current financial assets	
- Loans	31
- Others	25
Deferred tax assets	86
Other non current assets	136
Current financial assets	
- Investments	277
- Trade receivables	332
- Cash and bank equivalents	543
- Other financial assets	124
Current tax assets	64
Other current assets	133
Total assets acquired on amalgamation (A)	**2,206**
Non-current liabilities	142
Current liabilities and provisions	378
Total liabilities acquired on amalgamation (B)	**520**
Net assets acquired on amalgamation (C) = (A-B)	**1,686**
Reserves taken over under Pooling of interest method under Ind AS 103	
Securities Premium Account	38
Capital Redemption Reserve	6
General Reserve	134
Employees Stock Options Outstanding	27
Retained earnings	1,481
Total reserves on amalgamation (C)	**1,686**
Investment in shares of transferor company	1,686
Cancellation of Share capital of transferor company *	-
Capital reserve arising on amalgamation	**1,686**

*amount below rounding off

34 Employee benefit plans

(a) *Gratuity benefits*

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

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

		31 March 2019	31 March 2018
Present Value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**4,614**	4,814
Current service cost		**914**	1,000
Past service cost		**-**	9
Interest cost		**323**	299
Benefits paid		**(717)**	(436)
Actuarial (gains) / losses		**747**	(1,072)
Projected benefit obligation at the end of the year	**(A)**	**5,881**	4,614

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
Fair Value of plan asset			
Fair Value of plan assets at beginning of the year		**3,675**	3,268
Contributions by employer		**482**	594
Expected return		**280**	220
Actuarial gains		**(1)**	29
Benefits paid		**(717)**	(436)
Fair Value of plan assets at end of the year	**(B)**	**3,719**	3,675
	(A-B)	**2,162**	939
Amounts in the Balance Sheet:			
Liabilities			
Current		**-**	-
Non-current		**2,162**	939
Included in OCI			
Opening amount recognised in OCI outside Statement of Profit and Loss		**(1,344)**	(243)
Actuarial loss (gain) arising from:			
Demographic assumptions		**(12)**	(1)
Financial assumptions		**903**	(576)
Experience adjustment		**(144)**	(494)
Return on plan assets excluding interest income		**1**	(30)
		(596)	(1,344)
Expense recognised in Statement of Profit and Loss			
Current service cost		**914**	1,000
Interest cost		**323**	299
Expected return on plan assets		**(280)**	(220)
Past service cost		**-**	10
Total included in "Employee benefits expense" (Refer Note 27)		**957**	1,089

The Company provides the gratuity benefit through annual contributions to a fund managed by a trust. Under this plan, the settlement obligation remains with the Company, although the trust administers the plan and determines the contribution required to be paid by the Company. The trust has invested the plan assets in the Insurer managed funds. The expected rate of return on plan assets is based on the expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligation. Expected contributions to the fund post 31 March 2019 is Rs. 750.

Category of Assets	**%**	%
Government debt instruments	**2%**	3%
Insurer managed funds	**96%**	96%
Others	**2%**	1%

The principal assumptions used in determining the gratuity benefit are shown below:

Salary escalation rate	**7%**	5%-6%
Discount rate	**7.05% p.a.**	7.55% p.a.
Expected rate of return on plan assets	**7.05% p.a.**	7.55% p.a

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

Sensitivity analysis

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

(i) As of March 31, 2019, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (203) and Rs. 215 respectively.

As of March 31, 2018, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (48) and Rs. 51 respectively.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

(ii) As of March 31, 2019 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 216 and Rs. (204) respectively.

As of March 31, 2018 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 51 and Rs. (49) respectively.

Expected benefit payments are as follows:

	31 March 2019
Year Ending March 31	
2020	**730**
2021	**711**
2022	**705**
2023	**658**
2024	**617**
thereafter	**7,498**

(b) *Pension benefits*

(i) Prepayment of pension liability

Certain employees who have elected to continue under the defined benefit scheme are entitled to a pension on retirement subject to vesting conditions of 45 years of age and 15 years of service. In the event of earlier cessation of employment a deferred pension is payable from the normal retirement date. Employee who retires from the service of the Company is entitled to a pension at the rate of 2% of pensionable Salary, "PENSAL" (last drawn Basic Salary plus Variable Pay, limited to 20% for eligible managers) for each year of management service, subject to a maximum of 70% of PENSAL. Pension as determined above is payable for a period of 15 years certain and thereafter during the lifetime of the Member. On his/her death in retirement or whilst in service, 66 - 213% of Member's pension is payable to the spouse during her/ his lifetime.

		31 March 2019	31 March 2018
Present Value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**16**	20
Current Service Cost		**1**	1
Interest cost		**1**	1
Actuarial losses / (gains)		**1**	(3)
Benefits paid		**-**	(3)
Projected benefit obligation at the end of the year	**(a)**	**19**	16
Fair value of plan assets			
Fair Value of plan assets at beginning of the year		**45**	38
Expected return		**3**	2
Actuarial Gains		**-**	7
Contributions by the Company		**3**	-
Benefits paid		**-**	(3)
Fair Value of plan assets at end of the year	**(B)**	**51**	45
Amount not recognised as an asset (limit in para 64b)	**(C)**	**11**	10
	(A-B+C)	**(21)**	(19)
Amounts recognised in the Balance Sheet:			
Assets			
Current		**-**	-
Non-current		**21**	19
Opening value of asset ceiling		**10**	6
Interest on opening balance of asset ceiling		**1**	1
Remeasurements due to:			
Change in surplus/ deficit		**-**	3
Closing value of asset ceiling		**11**	10

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	31 March 2019	31 March 2018
Included in OCI		
Opening amount recognised in OCI outside Statement of Profit and Loss	**(10)**	**(2)**
Remeasurement loss (gain):		
Adjustments to recognise the effect of asset ceiling	**-**	3
Demographic assumptions	**-**	
Financial assumptions	**2**	(1)
Experience adjustment	**(1)**	(3)
Return on plan assets excluding interest income	**-**	(7)
	(9)	(10)
Expense recognised in Statement of Profit and Loss		
Current Service Cost	**1**	1
Interest cost	**1**	1
Expected return on plan assets	**(3)**	(2)
Total included in "Employee benefits expense" (Refer Note 27)	**(1)**	-
Category of Assets	**%**	%
Insurer Managed Funds	**100%**	100%
The principal assumptions used in determining pension are shown below:		
Discount rate (p.a)	**7.05% p.a**	7.55% p.a
Expected rate of return on plan assets	**7.05% p.a**	7.55% p.a
Salary Escalation Rate	**7%**	6%

(i) **Discount Rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(ii) **Salary Escalation Rate:**

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Expected contributions to the fund post 31 March 2019 is Rs. Nil.

Sensitivity analysis

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

As of March 31, 2019, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of pension obligation by approximately Rs. (0.7) and Rs. 0.7 respectively.

As of March 31, 2018, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of pension obligation by approximately Rs. (0.6) and Rs. 0.6 respectively.

Expected benefit payments are as follows:

Year Ending March 31	31 March 2019
2020*	**-**
2021*	**-**
2022*	**-**
2023	**3**
2024*	**-**
thereafter	**30**

*below rounding off

(c) *Provident fund*

(i) Defined Contribution Plan

In respect of the defined contribution plan as explained in accounting policy O - ii (b), the Company has contributed Rs.543 for the year (31 March 2018 Rs. 595). These contributions are charged to the Statement of Profit and Loss as they accrue.

(ii) Defined Benefit Plan -

In respect of the defined benefit plan as explained in accounting policy O - ii (a), the following tables set forth the movement in plan liabilities, assets, etc

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
Present Value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**27,297**	22,813
Current service cost		**1,883**	1,621
Interest cost		**2,141**	1,608
Actuarial losses / (gains)		**258**	486
Employees contribution		**2,933**	2,614
Liabilities transferred in / out		**(778)**	(632)
Benefits paid		**(1,633)**	(1,213)
Projected benefit obligation at the end of the year	**(A)**	**32,101**	27,297
Fair value of plan assets			
Fair value of plan assets at beginning of the year		**27,297**	22,813
Expected return		**2,141**	1,608
Actuarial gains		**(345)**	486
Employer contribution during the year		**1,883**	1,621
Employee contribution during the year		**2,933**	2,614
Assets acquired on acquisition/ (settled on divestiture)		**(778)**	(632)
Benefits paid		**(1,633)**	(1,213)
Fair Value of plan assets at end of the year	**(B)**	**31,498**	27,297
Amount recognised in Balance Sheet	**(A-B)**	**603**	-
Amounts in the Balance Sheet:			
Liabilities			
Current		**6**	-
Non-current		**597**	-
Expense to be recognised in Statement of Profit and Loss			
Current service cost		**1,883**	1,621
Interest cost		**2,141**	1,608
Expected return on plan assets		**(2,141)**	(1,608)
Actuarial (gains) / losses		**-**	-
Total		**1,883**	1,621
Amounts included in OCI			
Opening amount recognised in OCI outside Statement of Profit and Loss		**-**	-
Actuarial loss (gain) arising from:			
Financial assumptions		**6**	-
Experience adjustment		**252**	486
Return on plan assets excluding interest income		**345**	(486)
Closing amount recognised in OCI outside Statement of Profit and Loss		**603**	-
Plan Asset Category			
Government of India securities		**50%**	35%
Corporate Bonds		**38%**	54%
Equity shares of Listed companies		**7%**	4%
Others		**5%**	7%
		100%	100%
The principal assumptions used in determining the provident fund are shown below:			
Discount rate		**7.05%**	7.55%
Expected rate of return on plan assets		**8.64%**	8.99%
Discount rate for the remaining term to maturity of investment		**7.63%**	7.73%
Average historic yield on the investment		**9.22%**	9.17%
Guaranteed rate of return		**8.65%**	8.55%

Sensitivity analysis

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

As of March 31, 2019, every 1 percentage point of an increase / (decrease) in the difference between the rate earned and the guaranteed rate will result in (decrease) / increase of provident fund obligation by approximately Rs. (1,372) and Rs. Nil respectively.

As of March 31, 2018, every 1 percentage point of an increase / (decrease) in the difference between the rate earned and the guaranteed rate will result in (decrease) / increase of provident fund obligation by approximately Rs. (233) and Rs. Nil respectively.

(iii) The Company contributed Rs.1,064 (31 March 2018 Rs. 1,051) to the Central Government towards pension, as required by the PF Rules.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
(d)	*Compensated Absences:*		
	Compensated Absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below -		
	Current provisions (refer note 24)	**1,384**	1,278
	Non-current provisions (refer note 19)	**3,029**	2,599
		4,413	3,877
	Actuarial Assumptions		
	Discount rate	**7.05% p.a.**	7.55% p.a.
	Salary escalation rate	**7%**	5%-6%

35 Segment reporting

The Company prepares the standalone financial statement along with the consolidated financial statements. In accordance with Ind AS 108 Operating Segments, since the Company has disclosed the segment information in the consolidated financial statements, disclosures are not required in this standalone financial statements.

36 Related party disclosures

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

Related parties where control exists

Parent companies

Capgemini SE, the Ultimate Parent Company

The ultimate parent company holds 99.77% in the Company through the below group companies:

Capgemini America, Inc., subsidiary of Capgemini North America, Inc.

Pan-Asia Solutions, Mauritius, subsidairy of Capgemini America, Inc.

Capgemini North America, Inc., a subsidiary of the ultimate parent company

Subsidiary Companies

IGATE Infrastructure Management Services Limited

IGATE Computer Systems (Suzhou) Co Ltd. (till 12 March 2018)

IGATE Singapore Pte. Ltd. (till 12 March 2018)

TCUBE Software Solutions Pvt.Ltd (w.e.f. 25 October 2017)

Joint Venture

Thesys Technologies LLC (till 6 July 2017)

Other related parties

Key Management Personnel

Srinivasa Rao Kandula - Managing Director (w.e.f. 4 May 2017, till 31 December 2018) and Executive Director (w.e.f. 4 May 2017)

Sujit Sircar - Director (till 24 Oct 2017) and Chief Financial Officer (w.e.f. 25 July 2018)

Aruna Jayanthi - Executive Director (w.e.f. 4 May 2017)

Ashwin Yardi - Executive Director (w.e.f. 4 May 2017) and Chief Executive Officer (w.e.f. 1 Jan 2019)

Ritesh Talapatra - Executive Director (w.e.f. 11 Aug 2017)

Armin Billimoria - Company Secretary (w.e.f. 7 March 2017)

Nagesh Kumar M - Chief Financial officer (till 4 May 2017)

Karine Marchat - Director (w.e.f 11 August 2017) and Chief Financial Officer (w.e.f 4 May 2017, till 25 July 2018)

Hubert Paul Henri Giraud - Non- executive director (w.e.f. 16 October 2015)

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Paul Hermelin - Non- executive director (w.e.f. 11 August 2017)

Thierry Delaporte - Non- executive director (w.e.f. 03 May 2018)

Arul Kumaran Paramanandam - Chief Operating Officer (w.e.f. 18 Dec 2018)

Antoine Imbert - Chief Operating Officer (w.e.f. 18 Dec 2018)

Employee benefit trusts of the Company or of entity related to the Company

Capgemini India Pvt. Ltd. Employees' Provident Fund

Capgemini Business Services (I) Ltd EPF Trust

Capgemini India Private Limited Employees' Benevolent Fund

Capgemini India Employees Gratuity Fund Trust

Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme

Capgemini Business Services (India) Limited Super Annuation Scheme

IGATE Computer Systems Limited Employees' Gratuity Fund

AXA Technologies Shared Services Private Limited Employees Gratuity Trust

Fellow subsidiaries

Backelite SAS

Capgemini (China) Co. Ltd.

Capgemini (Hangzhou) Co Ltd

Capgemini Argentina, S.A.

Capgemini Australia Pty. Ltd.

Capgemini Belgium NV/S.A.

Capgemini Business Services (China) Limited

Capgemini Business Services Brasil – Assessoria Empresarial Ltda

Capgemini Business Services Chile Ltda

Capgemini Business Services Guatemala SA

Capgemini Business Services USA LLC

Capgemini Brasil S.A.

Capgemini Canada Inc.

Capgemini Colombia SAS

Capgemini Consulting Österreich AG

Capgemini Consulting S.A.S.

Capgemini Czech Republic s.r.o

Capgemini Deutschland GmbH

Capgemini Deutschland Holding GmbH

Capgemini Educational Services B.V.

Capgemini España S.L.

Capgemini Finland Oy

Capgemini France S.A.S.

Capgemini Gouvieux S.A.S

Capgemini Government Solutions LLC

Capgemini Hong Kong Limited

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Capgemini Italy spA

Capgemini Ireland Limited

Capgemini Japan K.K.

Capgemini Magyarorszag Kft.

Capgemini Mexico S. de R.L

Capgemini Middle East FZ-LLC (till 5 December 2017)

Capgemini Nederland B.V.

Capgemini Norge A/S

Capgemini Outsourcing Services GmbH

Capgemini Outsourcing Services S.A.S. (merged with Sogeti France S.A.S. w.e.f. 23 Jan 2018)

Capgemini Polska Sp. z.o.o

Capgemini Portugal, Serviços de Consultoria e Informatica, S.A.

Capgemini Saudi Limited

Capgemini Service Romania s.r.l.

Capgemini Service S.A.S.

Capgemini Services Malaysia Sdn Bhd

Capgemini Singapore Pte. Ltd.

Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch

Capgemini Singapore Pte. Ltd. - Dubai Branch

Capgemini Slovensko s.r.o.

Capgemini Danmark A/S

Capgemini Solutions Canada Inc.

Capgemini Suisse S.A.

Capgemini Sverige AB

Capgemini Technologies LLC

Capgemini Technology Services S.A.S.

Capgemini UK plc

Capgemini Vietnam Co. Ltd

CHCS Services Inc.

Inergi LP

Itelios SAS

New Horizon System Solutions LP

Prosodie S.A.S.

Societe en Commandite Capgemini Quebec Limited Partnership

Sogeti Belgium S.A. (merged with Capgemini Belgium N.V./S.A. w.e.f. 31 Jul 2017)

Sogeti Corporate Services S.A.S. (merged with Sogeti France S.A.S. w.e.f. 23 Jan 2018)

Sogeti Deutschland GmbH

Sogeti Finland Oy

Sogeti France S.A.S. (merged with Capgemini Technology Services S.A.S. w.e.f. 25 Jan 2019)

Sogeti High Tech S.A.S.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Sogeti Luxembourg S.A.

Sogeti Nederland B.V.

Sogeti Norge AS

Sogeti Sverige AB

Sogeti UK Limited

Sogeti USA LLC (merged with Capgemini America, Inc. w.e.f. 01 Oct 2017)

Inergi Inc.

Annik Inc.

Capgemini Asia Pacific Pte Ltd. - Taiwan Branch

Idean Enterprises Inc.

Lyons Consulting Group, LLC (merged with Capgemini America, Inc. w.e.f. 31 Dec 2018)

New Horizons Systems Solutions Inc

Capgemini Philippines Corp.

Liquidhub Analytics Private Limited

Capgemini Asia Pacific Pte. Ltd.

LiquidHub India Private Limited

Capgemini Suisse Slovokia branch

Capgemini Financial Services UK Limited

		31 March 2019	31 March 2018
	Related party transactions		
a)	**Revenues from operations**		
	Capgemini America, Inc	**50,499**	46,680
	Others	**66,758**	59,970
b)	**Expense incurred by the Company on behalf of**		
	Capgemini Service S.A.S.	**53**	195
	Capgemini America, Inc.	**-**	12
	Capgemini Ireland Limited	**105**	-
	Capgemini Australia Pty. Ltd.	**35**	-
	Others	**14**	58
c)	**Expenses cross charged**		
	Capgemini Service S.A.S.	**2,000**	1,173
	Capgemini SE	**986**	545
	Capgemini Singapore Pte. Ltd.	**446**	248
	Capgemini Technology Services S.A.S.	**467**	132
	Others	**482**	795
d)	**Interest on loan given**		
	IGATE Infrastructure Management Services Limited	**7**	7
e)	**Income on sale of subsidiary during the year**		
	Capgemini Singapore Pte Ltd (sale of IGATE Singapore Pte Ltd)	**-**	264
f)	**Proceeds from sale of subsidiaries during the year**		
	Capgemini Singapore Pte Ltd (sale of IGATE Singapore Pte Ltd)	**-**	606
g)	**Contribution to employee benefit funds**		
	Capgemini India Employees Gratuity Fund Trust	**427**	543
	Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme	**55**	51
	Capgemini India Pvt. Ltd. Employees' Provident Fund	**1,751**	1,503
	Capgemini Business Services (I) Ltd EPF Trust	**132**	117

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
h)	**Remuneration**		
	Managing Director	**19**	21
	Chief Executive Ofiicer	**4**	-
	Chief Financial Officer	**26**	28
	Directors	**75**	64
	Others	**19**	4
i)	**Employee stock compensation expense**		
	Managing Director	**-**	91
	Chief Executive Ofiicer	**11**	-
	Chief Financial Officer	**-**	-
	Directors	**144**	59
	Others	**-**	-
	Balances outstanding		
a)	**Trade receivables**		
	Capgemini America, Inc.	**5,782**	4,054
	Capgemini Technology Services S.A.S.	**2,134**	711
	Capgemini Sverige AB	**1,743**	1,065
	Others	**8,138**	7,340
b)	**Other non current financial assets - loans**		
	IGATE Infrastructure Management Services Limited	**105**	71
c)	**Other financial assets - loans**		
	IGATE Infrastructure Management Services Limited	**-**	26
d)	**Unbilled revenue**		
	Capgemini UK PLC	**162**	206
	Capgemini Australia Pty. Ltd.	**194**	265
	Capgemini Ireland Limited	**168**	73
	Capgemini America, Inc.	**127**	943
	Sogeti France S.A.S.	**-**	282
	Others	**369**	839
e)	**Other current financial assets**		
	Salary recoverable	**173**	173
f)	**Other current assets**		
	Capgemini India Employees Gratuity Fund Trust	**6**	6
	Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme	**1**	1
g)	**Trade payables**		
	Capgemini Service S.A.S.	**1,203**	381
	Capgemini UK Plc	**7**	238
	Capgemini Singapore Pte. Ltd.	**609**	221
	Capgemini America, Inc.	**-**	227
	Others	**319**	226
h)	**Amounts payable under employee stock option plan**		
	Capgemini SE	**1,253**	-
i)	**Other current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**602**	-
j)	**Other non-current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**7**	-
k)	**Non current provisions - other defined benefit obligation**		
	Capgemini India Pvt. Ltd. Employees' Provident Fund	**507**	-
	Capgemini Business Services (I) Ltd EPF Trust	**90**	-
l)	**Current provisions - other defined benefit obligation**		
	Capgemini Business Services (I) Ltd EPF Trust	**6**	-

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The Company has the following related party transactions for the year ended 31 March 2019 and 31 March 2018

Transactions	Parent company		Subsidiary Companies		Fellow subsidiaries		Key Management Personnel		Employee benefit funds where control exists	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018
Revenues from operations	**50,620**	46,817	**-**	24	**66,637**	59,809	**-**	-	**-**	-
Expense incurred by the Company on behalf of	**4**	12	**-**	-	**203**	253	**-**	-	**-**	-
Expenses cross charged	**1,060**	766	**1**	6	**3,320**	2,122	**-**	-	**-**	-
Interest on loan given	-	-	**7**	7	**-**	-	**-**	-	**-**	-
Income on sale of subsidiary during the year	-	-	-	-	**-**	264	**-**	-	**-**	-
Proceeds from sale of subsidiaries during the year	-	-	**-**	-	**-**	606	**-**	-	**-**	-
Contribution to employee benefit funds	-	-	**-**	-	**-**	-	**-**	-	**2,365**	2,214
Key managerial personnel										
- Remuneration	-	-	-	-	-	-	**143**	117	**-**	-
- Employee stock compensation expense	-	-	-	-	-	-	**155**	150	**-**	-

The Company has the following related party balances for the year ended 31 March 2019 and 31 March 2018

Balances outstanding	Parent company		Subsidiary Companies		Fellow subsidiaries		Key Management Personnel		Employee benefit funds where control exists	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018
Trade receivables	**5,800**	4,064	7	7	11,990	9,099	-	-	-	-
Other financial assets - loans	**-**	-	**-**	26	**-**	-	**-**	-	**-**	-
Other non current financials assets - loans	**-**	-	**105**	71	**-**	-	**-**	-	**-**	-
Unbilled revenue	**126**	942	**-**	-	894	1,666	**-**	-	**-**	-
Other current financial assets	**-**	-	**-**	-	-	-	**173**	173	**-**	-
Other current assets	**-**	-	**-**	-	**-**	-	**-**	-	**7**	7
Trade payables	**-**	227	**-**	-	**2,138**	1,066	**-**	-	**-**	-
Amounts payable under employee stock option plan	**1,253**	-	**-**	-	**-**	-	**-**	-	**-**	-
Other current assets - prepaid expenses	**-**	-	**-**	-	**602**	-	**-**	-	**-**	-
Other non-current assets - prepaid expenses	**-**	-	**-**	-	**7**	-	**-**	-	**-**	-
Non current provisions - other defined benefit obligation	**-**	-	**-**	-	**-**	-	**-**	-	**597**	-
Current provisions - other defined benefit obligation	**-**	-	**-**	-	**-**	-	**-**	-	**6**	-

37 Leases

(a) Finance lease: Company as lessee

The Company has acquired motor vehicles under finance leases, for which the future minimum lease payments are as follows:

	31 March 2019	31 March 2018
Total minimum lease payments at the year end	**20**	47
Less: amounts representing finance charges	**3**	9
Present value of minimum lease payments	**17**	38
Minimum lease payments:		
Within one year (present value of Rs 10 (31 March 2018 : Rs 16))	**12**	21
After one year but not more than five years (present value of Rs 7 (31 March 2018 : Rs 22))	**8**	26
	20	47

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

(b) Operating lease: Company as lessee

The Company has taken on operating lease office premises, guest houses and vehicles. The lease arrangements for premises and guest houses have been entered up to a maximum of 10 years from the date of inception. Some of these arrangements have price escalation clauses generally ranging from 5% to 20%. These leases are generally further renewable by mutual agreement. There are no restrictions imposed by these lease arrangements.

Contractual payments under non-cancellable operating leases are as follows:

	31 March 2019	31 March 2018
i) Lease payments (including service charges) recognised in the Statement of Profit and Loss	**2,974**	3,446
ii) Total Future minimum lease payments under the non - cancellable operating leases :		
Not later than one year	**2,476**	2,273
Later than one year but not later than five years	**6,785**	4,367
Later than five years	**4,064**	834
	13,325	7,474

Note: Future minimum lease payments include variable lease payments

38 Earnings per share (EPS)

The following table reflects the profit and share data used to compute basic and diluted EPS:

	31 March 2019	31 March 2018
(A) Profit attributable to equity shareholders	**15,721**	14,254
(B) Weighted average number of equity shares in calculating basic EPS (nos.)	**59,139,500**	59,139,500
(C) Weighted average number of equity shares in calculating diluted EPS (nos.)	**59,139,500**	59,139,500
Basic earning per share of face value of Rs.10/- each (A/B)	**265.83**	241.03
Diluted earning per share of face value of Rs.10/- each (A/C)	**265.83**	241.03

39 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Company classifies its inputs used to measure fair value into the following hierarchy :

Level 1 : Unadjusted quoted prices in active market for identical assets or liabilities

Level 2 : Inputs other than quoted prices that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Unobservable inputs for assets and liabilities that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	16,082	16,082	-	-	-	-
Current investments	38,173	-	-	38,173	38,173	-	-	38,173
Loans	-	-	105	105	-	-	-	-
Trade receivables	-	-	21,442	21,442	-	-	-	-
Other non-current financial asset	-	-	1,175	1,175	-	-	-	-
Other current financial asset	25	77	1,837	1,939	-	102	-	102
	38,198	77	40,641	78,916	38,173	102	-	38,275
Financial liabilities								
Other non current financial liabilities	-	-	857	857	-	-	-	-
Trade and other payables	-	-	7,841	7,841	-	-	-	-
Other current financial liabilities	-	-	4,228	4,228	-	-	-	-
	-	-	12,926	12,926	-	-	-	-

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	2,490	2,490	-	-	-	-
Current investments	40,528	-	-	40,528	40,528	-	-	40,528
Loans	-	-	97	97	-	-	-	-
Trade receivables	-	-	16,547	16,547	-	-	-	-
Other non-current financial asset	-	-	1,357	1,357	-	-	-	
Other current financial asset	1	6	1,140	1,147	-	7	-	7
	40,529	6	21,631	62,166	40,528	7	-	40,535
Financial liabilities								
Other non current financial liabilities	-	-	36	36	-	-	-	-
Trade and other payables	-	-	6,842	6,842	-	-	-	-
Other current financial liabilities	-	-	4,578	4,578	-	-	-	-
	-	-	11,456	11,456	-	-	-	-

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) amounting to Rs. 29,854 and Rs. 31,582 as of 31 March 2019 and 31 March 2018 respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to Rs. 12,906 and Rs. 10,800 as of 31 March 2019 and 31 March 2018, respectively, are not included

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring fair values:

Financial instruments measured at fair value

Type	Valuation technique
Foreign exchange forward contracts	The Company's derivative financial instruments consist of foreign exchange forward contracts. Fair value of derivative financial instruments are based on prices as provided by the banks and are classified as Level 2. Inputs include current market-based parameters such as forward rates, yield curves and credit default swap pricing.
Investments	The Company's investments consist primarily of investment in debt linked mutual funds. Fair value of debt linked mutual funds are based on prices as stated by the issuers of mutual funds and are classified as Level 1 or 2 after considering whether the fair value is readily determinable.

During the reporting years ended 31 March 2019 and 31 March 2018, there have been no transfers of financial instruments between Level 1 or Level 2 or Level 3 fair value measurements.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company periodically assesses the financial reliability of its customers, taking into account the financial conditions, current economic trends and analysis of historic bad debts and ageing of accounts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Company has trade receivables primarily from intercompanies for which it does not foresee any credit risk.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. Out of the total trade and other receivables of Rs. 22,075 and Rs. 17,322 as of 31 March 2019 and 31 March 2018 respectively, the Company has receivables which are past due and impaired as detailed below -

	31 March 2019	31 March 2018
Balance at the beginning of the year	**775**	1,098
Impairment loss recognised	**-**	-
Impairment provision written back	**(142)**	(323)
Balance at the end of the year	**633**	775

Others

Credit risk of the Company on cash and cash equivalents and investments is subject to low credit risk since the investments of the Company are only in liquid debt securities with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Counter parties to foreign currency forward contracts are typically multinational and domestic banks with appropriate market reputation.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Contractual cash flows	
31 March 2019	**Carrying amount**	**Within one year**	**One year but not more than five years**
Non current financial liabilities	857	-	857
Current financial liabilities	4,228	4,228	-
Trade and other payables	7,841	7,841	-

		Contractual cash flows	
31 March 2018	**Carrying amount**	**Within one year**	**One year but not more than five years**
Non current financial liabilities	36	-	36
Current financial liabilities	4,578	4,578	-
Trade and other payables	6,842	6,842	-

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and market value of its investments. The exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

The currency profile of financial assets and financial liabilities as at 31 March 2019 and 31 March 2018 is as below:

Foreign currency exposures as on 31 March 2019

Particulars	**Cash and cash equivalents**	**Trade receivables***	**Other non current financial liabilities**	**Trade Payables**	**Other financial liabilities**
USD	503	949	-	229	40
EUR	44	195	-	1,220	-
SGD	-	2	-	604	-
JPY	-	-	-	-	-
GBP	-	-	-	20	-
CAD	-	-	-	3	-
AUD	-	9	-	16	-
CHF	-	-	-	9	-

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Particulars	Cash and cash equivalents	Trade receivables*	Other non current financial liabilities	Trade Payables	Other financial liabilities
SEK	-	-	-	3	-
CNY	-	-	-	2	-
MXN	-	-	-	-	-
AED	-	-	-	-	-
PLN	-	-	-	4	-
HKD	-	-	-	5	-
OMR	-	178	-	-	-

Foreign currency exposures as on 31 March 2018

Particulars	Cash and cash equivalents	Trade receivables*	Other non current financial liabilities	Trade Payables	Other financial liabilities
USD	59	1,296	14	268	164
EUR	1	154	-	480	-
SGD	-	1	-	222	-
JPY	-	167	-	-	-
GBP	-	3	-	279	-
CAD	-	-	-	6	-
AUD	-	9	-	31	-
CHF	-	2	-	-	-
SEK	-	-	-	20	-
CNY	-	-	-	2	-
MXN	-	-	-	23	-
AED	-	851	-	9	-
PLN	-	-	-	2	-
HKD	-	-	-	9	-
OMR	-	169	-	-	-

*excludes allowance for doubtful receivables

As at 31 March 2019 and 31 March 2018 every 1% increase / decrease in exchange rates of the respective foreign currencies compared to functional currency of the Company would result in increase / decrease in profit of the Company by approximately Rs. 3 and Rs. 12 respectively.

Currency risk

The Company is exposed to currency risk on account of its receivables and payables in foreign currencies. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, with a maturity period of generally less than one year. The Company does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as of 31 March 2019 and 31 March 2018:

Category	31 March 2019		31 March 2018	
	In million	**In Rs. million**	In million	In Rs. million
Forward contracts				
Hedges of recognized assets and liabilities				
USD/INR	**13**	**905**	11	726
Hedges of highly probable forecasted transactions				
USD/INR	**51**	**3,575**	83	5,518
		4,480		6,244

The table below analyses the derivative financial instruments to relevant maturity groupings based on the remaining period as on the balance sheet date:

	31 March 2019	31 March 2018
Forward contracts in USD		
Not later than one month	**452**	1,249
One to 6 months	**2,353**	2,978
6-12 months	**1,675**	2,017
	4,480	6,244

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The following table provides the reconciliation of cash flow hedge reserve for the year ended 31 March 2019 and 31 March 2018:

	31 March 2019	31 March 2018
Balance at the beginning of the year	**2**	153
Gain / (Loss) recognised in other comprehensive income during the year	**361**	(21)
Amount reclassified to Statement of Profit and Loss during the year	**(289)**	(208)
Tax impact on above	**(25)**	78
Balance at the end of the year	**49**	2

40 Contingent liabilities and commitments

		31 March 2019	31 March 2018
(a)	Capital Commitments		
	Estimated value of contracts on capital account remaining to be executed [net of advances Rs. 200 (31 March 2018 Rs. 799)]	**577**	7,081
(b)	Contingent liabilities		
	Claims not acknowledged as debt	**34**	38

(c) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with the order of the SC prospectively effective 1 March 2019 by including such allowances for PF contribution calculations.

41 Auditors' remuneration

Statutory audit	**17**	17
Tax audit	**3**	3
Other services	**1**	2
Out of pocket expenses	**1**	2
	22	24

42 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March 2019 and 31 March 2018. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on the information received and available with the Company.

The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	**19**	12
- Interest	**1**	1
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**200**	179
The amount of interest accrued and remaining unpaid at the end of each accounting year	**36**	32
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	**4**	6

43 Employee stock compensation plans

(i) The employees of the Company were entitled to participate in share based awards issued by IGATE Corporation the ultimate parent company till 30 June 2015. Costs pertaining to share based awards issued to the Company's employees are cross charged by the ultimate parent company. Such expenses are accounted for as part of employee benefits and the liability to the ultimate parent company is settled in cash.

Pursuant to the acquisition of IGATE Corporation by Capgemini SE, the Company's Performance Share Awards were converted into performance units issued by Capgemini SE, the ultimate parent company with effect from 1 July 2015. The other plans of the Company have been converted into cash settled incentives. Although the share based awards are issued and administered by Capgemini SE, the Company is required to settle the obligation to the employee directly in cash. The features of the performance shares plan are set out below:

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Particulars	2015 Plan	
	31 March 2019	31 March 2018
Vesting period	**One, two or three years for the market condition and three years for the internal condition**	One, two or three years for the market condition and three years for the internal condition
Vesting schedule *	**25% of the units on 1 July 2016, 1 July 2017 and 1 July 2018 subject to presence and market performance conditions and 25% of the units on 1 July 2019 subject to presence and internal performance conditions**	25% of the units on 1 July 2016, 1 July 2017 and 1 July 2018 subject to presence and market performance conditions and 25% of the units on 1 July 2019 subject to presence and internal performance conditions
Total number of units outstanding as at opening date	**17,315**	23,086
Units vested	**2,688**	2,539
Units forfeited or canceled during the year **	**9,196**	3,232
Total number of units outstanding as at closing date	**5,432**	17,315
Fair value per unit on grant date (in Euros)	**56.3**	56.3

* Units vesting in the first three years are subject to a final adjustment clause tied to the change in the Capgemini SE share price between vesting dates and 1 July 2019

** The internal performance condition was only satisfied 54% at the first vesting date, resulting in the vesting of 2,688 units and cancellation of 9,196 units for the first tranche.

Details of charge and liability for the above performance plan are set out in table below -

	31 March 2019	31 March 2018
Charge for the year	**22**	8
Liability as at balance sheet date	**40**	179

(ii) Table below sets out the stock option activity of the various ESOP plans under which Capgemini SE granted stock options to the Company's employees.

In the previous year ended 31 March 2018, the Company had recognised employee stock option costs using equity method. During the current year on vesting of the 2014 plan, Capgemini SE recharged the Company the cost of acquiring such shares for settlement to the employees. Consequent to this, the Company has changed the policy of recognising the compensation cost for these ESOP plans using liability method. As a consequence of this change, Rs. 1,253 is recognised as liability payable to Capgemini SE. For this purpose, the unvested shares were valued at Capgemini SE's share price as at 31 March 2019.

Particulars	31 March 2019				
	2014 Plan	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**
Grant date	30-Jul-14	29-Jul-15	26-Jul-16	05-Oct-17	03-Oct-18
Performance assessment dates	Three years for the internal performance condition and two years for the external performance condition	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	73,250	62,800	104,750	130,850	-
Total numbers of options granted during the year	-	-	-	-	168,645
Options exercised	65,250	-	-	-	-
Options forfeited or canceled during the year	8,000	6,200	9,150	11,200	2,035
Total number of options outstanding at closing date	-	56,600	95,600	119,650	166,610
Charge for the year	310	153	214	168	121
Amount payable under employee stock option plan - refer note 18 and 22	-	403	456	273	121

During the previous year, the Company had recognised stock based awards' compensation expenses using equity method. For this purpose these employee stock awards were valued at fair value at grant date

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Particulars	31 March 2018			
	2014 Plan	2015 Plan	2016 Plan	2017 Plan
Details of the meeting	General Shareholders' meeting (24 May 2013)	General Shareholders' meeting (6 May 2015)	General Shareholders' meeting (18 May 2016)	General Shareholders' meeting (10 May 2017)
Maximum number of shares to be granted	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,590,639 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,721,759 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,721,815 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,691,416 shares
Grant date	30-Jul-14	29-Jul-15	26-Jul-16	5-Oct-17
Performance assessment dates	Three years for the internal performance condition and two years for the external performance condition	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Mandatory lock-in period effective as from the vesting date	NA	NA	NA	NA
Total numbers of options outstanding at opening date	82,000	74,950	112,600	-
Total numbers of options granted during the year				1,36,700
Options vested	-	-	-	-
Options exercised	-	-	-	-
Options forfeited or canceled during the year	8,750	12,150	7,850	5,850
Options unexercised	-	-	-	-
Options lapsed	-	-	-	-
Total number of options outstanding at closing date	73,250	62,800	104,750	130,850
Weighted average remaining contractual life (in years)	0.3	1.3	2.3	3.5
Fair values with performance conditions				
External (Euro)	33.46	74.83	60.97	66.33
Internal (Euro)	48.26	82.18	77.10	93.25
% of external	50%	50%	50%	50%
% of internal	50%	50%	50%	50%
Money realised by exercise of option	NA	NA	NA	NA
Main market conditions at the grant date				
Volatility	26.33%	24.54%	26.35%	25.65%
Risk-free interest rate	0.34% - 0.81%	0.10% - 0.55%	0.2% - 0.17%	-0.17% - 0.9%
Expected dividend rate	2.31%	1.60%	1.60%	1.60%
Other conditions				
In employment within the group at the vesting date	Yes	Yes	Yes	Yes
Valuation model used to calculate the fair value of options	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Range of fair values in euros				
Free shares (per share and in euros)	NA	NA	NA	NA

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Particulars	31 March 2018			
	2014 Plan	2015 Plan	2016 Plan	2017 Plan
Share price at the grant date (in euros)	53.35	87.60	83.78	100.25
Charge for the year	(97)	125	166	105

(iii) During the current and previous year, Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Company were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. The grant of the above shares relate to the share capital of the ultimate parent company and shall have no impact on the share capital of the subsidiary companies whose employees are also entitled to subscribe to the share allocation. The Company recognised compensation expense for these awards using the fair value method.

Valuation was done by the parent company using the below mentioned assumptions. The status of the plans have been summarised below -

Particulars	ESOP 2018		ESOP 2017	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
Details of the meeting	General Shareholders' meeting (23 May 2018)	-	General Shareholders' meeting (10 May 2017)	General Shareholders' meeting (10 May 2017)
Grant date	12-Nov-18	-	15-Nov-17	15-Nov-17
Base price (in euros)	105.46	-	102.16	102.16
Subscription price (in euros)	92.28	-	89.39	89.39
Par value discount (%)	12.50	-	12.50	12.50
Share price on grant (in euros)	106.70	-	100.00	100.00
Total number of shares subscribed	44,451	-	38,411	46,688
Charge for the year	3	-	7	3

The Company has used fair value method for accounting of the above employee stock options.

44 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities for promoting programs that benefit the communities in and around the Company's work centre and further results in enhancing the quality of life and economic well being of the local populace, express commitment to the social development through responsible business practices and good governance, engage with state and its agencies in pursuing the development agenda for sustainable change for its CSR activities. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on CSR activities is Rs. 271 (31 March 2018 Rs.234). The total expenditure incurred on 'Corporate Social Responsibility Activities' for the current year is Rs. 187 (31 March 2018 Rs. 161)

Amount spent during the year on:

Particulars	In cash	Yet to be paid	Total
(i) Construction/acquisition of any assets (31 March 2018 Rs. Nil)	-	-	**-**
(ii) CSR Programs (31 March 2018 Rs. 154)	**158**	**20**	**178**
(iii) Other expenses allowed under CSR (31 March 2018 Rs. 7)	**9**	**-**	**9**
Total (31 March 2018 Rs. 161)	**167**	**20**	**187**

45 Details of loan given covered u/s. 186 (4) of the Companies Act 2013:

Details of loan given by the Company as at 31 March 2019 (including loan given in the previous years)

Name of entity	As on 31 March 2019	Purpose	Loan repayment terms	Rate of interest
IGATE Infrastructure Management Services Limited	105	Business purpose	Repayment to be made within 1095 days	10% p.a.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Details for financial year ended 31 March 2019

Name of entity	Opening balance	Loan repaid	Loan given (including interest)	Closing balance
IGATE Infrastructure Management Services Limited	97	-	8	105

Details for financial year ended 31 March 2018

Name of entity	Opening balance	Loan repaid	Loan given	Closing balance
IGATE Infrastructure Management Services Limited	90	-	7	97

46 Specified bank notes (SBN)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

47 Managerial remuneration

During the year ended 31 March 2016, the Company paid remuneration amounting to Rs. 291 to its whole-time director. Such amounts paid were in excess of the limits specified in section 197 of the Companies Act, 2013 ('the Act') and Schedule V of the Act. The Company approved resolutions in Board meeting held on 23 November 2016 and shareholders' meeting held on 29 December 2016 seeking approval for the excess remuneration paid and subsequently filed an application to the Central Government on 22 February 2017 to ratify excess remuneration paid aggregating to Rs. 221. Pursuant to the application made by the Company, the Central Government, vide its order dated 1 December 2017, approved remuneration amounting to Rs. 118 and directed the Company to recover excess remuneration of Rs. 173. The Company has recorded such excess remuneration as recoverable from the director under 'other current financial assets' (refer note 15). However, no amount has been recovered till date. The Company had filed for a review petition on 23 April 2018 against the Central Government order. Subsequently, the Central Government responded, vide its order dated 6 May 2019 stating that no action was pending at its end and that the onus of compliance with the Act lies with the Company.

The Companies (Amendment) Act, 2017 ("2017 Amendment Act") inserted a new Section 197(17) and amended Sections 197(9) and 197(10) effective 12 September 2018. In view of the newly notified Section 197 (17), on and from the commencement of the 2017 Amendment Act, any application made to the Central Government under the provisions of the erstwhile section 197, which is pending with the Government shall abate, and the Company shall, within one year of such commencement, obtain the shareholders' approval by way of a special resolution to waive off the excess amount receivable from the whole-time director.

Pursuant to Central Government's response and the 2017 Amendment Act, the Company is in the process of obtaining shareholders' approval to waive off the excess amount receivable from the whole-time director through a special resolution within one year i.e. in accordance with the provisions of the amended Section before 12 September 2019 via postal ballot in accordance with the provisions of the Act.

48 Merger schemes pending with National Company Law Tribunal, Mumbai (NCLT)

(i) The Company had filed an application with the Hon'ble High Court of Judicature of Bombay in August 2016 to merge IGATE Infrastructure Management Services Limited with the Company effective 1 April 2017 under Section 391 to 394 of the Companies Act, 1956 pursuant to the approval of the scheme by Board of Directors on 18 July 2016. The said matter got transferred to the NCLT consequent to the notification of provisions relating to scheme of merger under Companies Act, 2013 by the Ministry of Corporate Affairs and to transfer all proceedings pending under Companies Act, 1956 before the various High Courts to the relevant benches of NCLT w.e.f 15 December 2016. In addition to the original scheme of merger, the Board of Directors have approved certain amendments to the scheme on 23 June 2017. The Company has filed the amended scheme of merger with NCLT, Mumbai.

(ii) The Company has filed an application with the NCLT on 19 April 2018 to merge Tcube Software Solutions Private Limited with the Company effective 1 April 2018 under Section 230 to 232 of the Companies Act, 2013 pursuant to the approval of the scheme by the Company's Board of Directors on 23 February 2018.

49 Overdue receivables for export services

As on 31 March 2019, the Company has foreign currency receivables amounting to Rs. 348 (31 March 2018: Rs. 277) which is outstanding for a period exceeding nine months from the invoice date. As per the RBI Master Circular No. 14/2015-16 on Export of Goods and Services updated on 16 July 2015, "It is obligatory on the part of the exporter to realize and repatriate the full value of goods or services to India within a period of nine months from the date of export". The export proceeds against these dues have not been repatriated within the stipulated period under the FEMA Rules and Regulations. Management does not expect any penalties/levies in this regard as it has already filed for extension of time for collecting the dues of Rs. 348 (31 March 2018: Rs. 277) with authorised dealer and is awaiting confirmation.

Notes to the financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

50 Subsequent event

Pan-Asia Solutions, Mauritius, subsidiary of Capgemini America, Inc., sold 13,659,959 equity shares i.e. 23.10% of the equity share capital of the Company to Capgemini SE, the ultimate parent company on 29 April 2019. Pursuant to the transaction, Capgemini SE, holds 20,750,621 equity shares i.e. 35.09% of the equity share capital of the Company.

51 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Company is required to update and put in place the information latest by the due date of filing its income tax return (30 November 2019). The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

52 Previous year comparatives

Previous year's figures have been regrouped or reclassified as detailed below to conform to current year's presentation.

Account head transferred from	Account head transferred to	Amount
Other current liabilities	Other current assets	1,646
Other current liabilities	Trade receivables	49

Signatures to Note 1 to 52 form an integral part of the standalone financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABD9052

Place : Mumbai
Date : 24 July 2019

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

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Independent Auditor's Report

To the Members of Capgemini Technology Services India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Capgemini Technology Services India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 44 to the consolidated financial statements which refers to managerial remuneration of Rs. 291 million paid to a whole-time director during the year ended 31 March 2016 in excess of the limits specified under section 197 and Schedule V of the Act. Pursuant to the application by the Holding Company, the Central Government, vide its order dated 1 December 2017, approved remuneration amounting to Rs. 118 million and directed the Holding Company to recover excess remuneration of Rs. 173 million which is recorded as recoverable in the consolidated financial statements as on 31 March 2019.

Subsequently, the Holding Company filed for a review petition on 23 April 2018 against the order of Central Government to which the Central Government responded vide its order dated 6 May 2019 stating that no action was pending at its end and that the onus of compliance with the Act lies with the Holding Company. Pursuant to the amended Section 197 of the Companies (Amendment) Act, 2017, any application made to the Central Government under the provisions of the erstwhile Section 197 pending with the Central Government as on 12 September 2018 shall abate, and the Company is required to, within one year of such commencement, obtain the shareholders' approval by way of a special resolution to waive off the excess amount receivable from the whole-time director.

The Holding Company is in the process of obtaining shareholders' approval to waive off the excess remuneration through a special resolution within one year in accordance with the provisions of the amended Section before 12 September 2019. Our opinion is not qualified in respect of this matter.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' 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 and based on the work done/ audit report of other auditors, 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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

(a) We did not audit the financial statements / financial information of two subsidiaries, whose financial statements/financial information reflect total assets of Rs. 202 million as at 31 March 2019, total revenues of Rs. 252 million and net cash flows amounting to Rs.10 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our auditof 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 Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 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, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 35 to the consolidated financial statements in respect of such items as it relates to the Group.

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2019.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
(Firm's Registration No.101248W/W-100022)

Vijay Mathur
Partner
Membership No. 046476
UDIN - 19046476AAAABE3065

Mumbai
Date: 24 July 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Capgemini Technology Services India Limited for the year ended 31 March 2019

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Capgemini Technology Services India Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
(Firm's Registration No.101248W/W-100022)

Vijay Mathur
Partner
Membership No. 046476
UDIN - 19046476AAAABE3065

Mumbai
Date: 24 July 2019

Consolidated Balance Sheet as at 31 March 2019

(Currency : INR in million)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	**27,159**	19,901
Capital work-in-progress	4	**2,549**	7,180
Intangible assets	5	**324**	327
Goodwill	5	**472**	472
Financial assets			
Others	6	**1,178**	1,361
Deferred tax assets (net)	7	**14,717**	15,415
Income tax assets (net)		**7,216**	5,985
Other non-current assets	8	**1,466**	2,566
Total non current assets		**55,081**	53,207
Current assets			
Financial assets			
Investments	9	**38,179**	40,533
Trade receivables	10	**21,493**	16,572
Cash and cash equivalents	11	**16,103**	2,501
Others	12	**1,941**	1,148
Other current assets	13	**6,553**	7,710
Total current assets		**84,269**	68,464
TOTAL ASSETS		**139,350**	121,671
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	**591**	591
Other equity		**112,906**	98,815
Total equity		**113,497**	99,406
Non current liabilities			
Financial liabilities			
Others	15	**857**	36
Provisions	16	**6,190**	3,937
Other non-current liabilities	17	**492**	457
Total non current liabilities		**7,539**	4,430
Current liabilities			
Financial liabilities			
Trade and other payables	18		
- Due to micro and small enterprises		**19**	12
- Due to other than micro and small enterprises		**7,825**	6,832
Others	19	**4,231**	4,579
Other current liabilities	20	**3,436**	3,349
Provisions	21	**1,393**	1,279
Income tax liabilities (net)		**1,410**	1,784
Total current liabilities		**18,314**	17,835
Total liabilities		**25,853**	22,265
TOTAL EQUITY AND LIABILITIES		**139,350**	121,671

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABE3065

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(Currency : INR in million)

	Note	31 March 2019	31 March 2018
Revenue from operations	*22*	**136,030**	128,462
Other income, net	*23*	**4,386**	3,941
Total income		**140,416**	132,403
Expenses			
Employee benefits expense	*24*	**89,620**	83,587
Finance costs	*25*	**106**	102
Depreciation and amortisation expenses	*26*	**4,402**	4,383
Other expenses	*27*	**25,490**	24,737
Total expenses		**119,618**	112,809
Profit before tax		**20,798**	19,594
Tax expense:			
Current tax	*29*	**3,884**	4,926
Deferred tax		**1,179**	416
Profit for the year		**15,735**	14,252
Other comprehensive (loss) / income	*28*		
A (i) Items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss			
Remeasurements of the defined benefit plans (net)		**(1,346)**	1,108
Income tax relating to items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss		**506**	(393)
B (i) Items that will be reclassified subsequently to Consolidated Statement of Profit and Loss			
The effective portion of gains / (loss) on hedging instruments in a cash flow hedge		**72**	(229)
Exchange differences on translation of foreign operations		**(48)**	(111)
Income tax relating to items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss		**(25)**	78
Total other comprehensive (loss) / income, net of tax		**(841)**	453
Total comprehensive income for the year		**14,894**	14,705
Profit attributable to			
Owners of the Company		**15,735**	14,252
Total comprehensive income attributable to			
Owners of the Company		**14,894**	14,705
Earnings per equity share			
Nominal value of share Rs. 10 (31 March 2018: Rs. 10)			
Basic and diluted	*33*	**266.07**	240.99
Number of shares		**59,139,500**	59,139,500

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABE3065

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Statement of Consolidated Cash Flows for the year ended 31 March 2019

(Currency : INR in million)

		31 March 2019	31 March 2018
A.	**Cash flows from operating activities**		
	Profit before tax	**20,798**	19,594
	Adjustments for:		
	Depreciation and amortisation expenses	**4,402**	4,383
	Profit on sale of non - current investments	**-**	(135)
	Income on mutual funds	**(3,343)**	(2,342)
	Provisions no longer required written back	**(106)**	(12)
	Provision for doubtful trade receivables written back	**(142)**	(328)
	Profit on sale / disposal of assets (net)	**(10)**	(86)
	Interest on deposits with banks	**(349)**	(169)
	Other interest (including interest on income tax refunds)	**-**	(15)
	Interest on income tax	**89**	67
	Interest on obligation under finance leases	**13**	28
	Interest under MSMED Act, 2006	**4**	7
	Employee stock compensation expense	**10**	303
	Provision for contingencies	**-**	124
	Unrealised foreign currency gain (net)	**(157)**	(46)
	Effect of exchange differences on translation of foreign currency cash and cash equivalents	**(26)**	(1)
	Operating profit before working capital changes	**21,183**	21,372
	Changes in working capital		
	Increase in trade and other payables	**1,045**	294
	Decrease in other current financial liabilities	**(485)**	(282)
	Increase / (decrease) in other non current financial liabilities	**474**	(408)
	Increase in other current liabilities	**86**	1,901
	Increase / (decrease) in other non current liabilities	**35**	(42)
	Increase in current provisions	**113**	76
	Increase in non current provisions	**907**	526
	(Increase) / decrease in trade receivables	**(4,692)**	1,315
	Decrease / (increase) in non current assets	**501**	(277)
	Increase in other current assets	**1,162**	(1,081)
	Decrease / (increase) in other financial assets	**(251)**	(1,647)
	Cash generated from operations	**20,078**	21,747
	Taxes paid, net	**(5,578)**	(4,360)
	Net cash generated from operating activities	**14,500**	17,387
B.	**Cash flows from investing activities**		
	Purchase of tangible and intangible assets	**(6,859)**	(6,884)
	Proceed from sale of tangible and intangible assets	**167**	224
	Purchase of non current investments	**-**	(495)
	Proceed from sale of non current investments	**-**	130
	Purchase of current investments	**(201,619)**	(138,860)
	Proceed from sale of current investments	**207,316**	121,842
	Interest received on fixed deposits	**84**	390
	Net cash used in investing activities	**(911)**	(23,653)

Statement of Consolidated Cash Flows for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
C.	**Cash flows from financing activities**		
	Finance cost	**(13)**	(28)
	Net cash used in financing activities	**(13)**	(28)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**13,576**	(6,294)
	Effect of exchange differences on translation of foreign currency cash and cash equivalent	**26**	1
	Cash and cash equivalents at the beginning of the year	**2,501**	8,794
	Cash and cash equivalents at the end of the year	**16,103**	2,501

Notes :

1) **Reconciliation of Cash and cash equivalents:**

	31 March 2019	31 March 2018
Cash and cash equivalents comprise of:		
Cheques on hand	**-**	6
Remittances in transit	**70**	34
Current accounts	**600**	606
EEFC account	**493**	60
Deposits accounts	**14,940**	1,795
Cash and cash equivalents at the end of the year	**16,103**	2,501

2) Purchase of fixed assets include payments for items in capital work in progress and advance for purchase of fixed assets.

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

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABE3065

Place : Mumbai
Date : 24 July 2019

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

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2019

(Currency : INR in million)

(a) Equity share capital

	31 March 2019	31 March 2018
Equity share capital balance at the beginning	**591**	591
Movement during the year	**-**	-
Equity share capital balance at the end	**591**	591

(b) Other equity

Particulars	Capital Reserve	Building revaluation reserve	Securities Premium Account	Capital Redemption Reserve	General Reserve	Employees Stock Option Reserve	Retained earnings	Effective portion of Cash Flow Hedges	Exchange differences on translation of foreign operations	Remeasurements of the defined benefit plans	Equity attributable to Equity share holders of the Company	Non controlling Interest	Total Other equity
	Attributable to the equity holders of the parent												
	Reserves and Surplus							Items of Other comprehensive income					
Balance at 31 March 2017	(265)	1	836	330	1,417	395	80,363	153	(76)	139	83,293	-	83,293
Unpaid employees stock option plan liability transferred (refer note 39 (ii))	-	-	-	-	-	514	-	-	-	-	514	-	514
Charge for the year	-	-	-	-	-	303	-	-	-	-	303	-	303
Profit for the year	-	-	-	-	-	-	14,252	-	-	-	14,252	-	14,252
Other comprehensive income for the year	-	-	-	-	-	-	-	(151)	(111)	715	453	-	453
Total comprehensive income for the year	-	-	-	-	-	-	14,252	(151)	(111)	715	14,705	-	14,705
Balance at 31 March 2018	**(265)**	**1**	**836**	**330**	**1,417**	**1,212**	**94,615**	**2**	**(187)**	**854**	**98,815**	**-**	**98,815**

Particulars	Capital Reserve	Building revaluation reserve	Securities Premium Account	Capital Redemption Reserve	General Reserve	Employees Stock Option Reserve	Special Economic Zone re-investment reserve	Retained earnings	Effective portion of Cash Flow Hedges	Exchange differences on translation of foreign operations	Remeasure-ments of the defined ben-efit plans	Equity attributable to Equity share holders of the Company	Non controlling Interest	Total Other equity
	Attributable to the equity holders of the parent													
	Reserves and Surplus								Items of Other comprehensive income					
Balance at 31 March 2018	(265)	1	836	330	1,417	1,212	-	94,615	2	(187)	854	98,815	-	98,815
ESOP Subscription plan charge for the year	-	-	-	-	-	10	-	-	-	-	-	10	-	10
Classified as amounts payable under employee stock option plan being liability award (refer note 39(ii))	-	-	-	-	-	(813)	-	-	-	-	-	(813)	-	(813)
Transferred to Special Economic Zone re-investment reserve	-	-	-	-	-	-	54	(54)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	15,735	-	-	-	15,735		15,735
Other comprehensive income for the year	-	-	-	-	-	-	-	-	47	(48)	(840)	(841)		(841)
Total comprehensive income for the year	-	-	-	-	-	-	-	15,735	47	(48)	(840)	14,894	-	14,894
Balance at 31 March 2019	**(265)**	**1**	**836**	**330**	**1,417**	**409**	**54**	**1,10,296**	**49**	**(235)**	**14**	**1,12,906**	**-**	**1,12,906**

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Nature and purpose of reserves

1 Capital Reserve

Capital reserve represents the profits and loss on issue of Company's own equity shares on amalgamations.

2 Building revaluation reserve

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

3 Securities Premium

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

4 Capital Redemption Reserve

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

5 General Reserve

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

6 Employees Stock Option Reserve

Capgemini SE, the ultimate parent company allocated performance shares of the group company to certain employees of the Company. The grant of such performance and employment linked shares relate to the share capital of the group company and has no impact on the Group's share capital. The Group determines the compensation cost based on grant date fair value method. This amount is recognised in employee benefits expense in the Consolidated Statement of Profit and Loss on a straight line basis over the vesting period, with a corresponding adjustment to Employee stock option reserve for employee subscription plan (refer note 39 (iii))

7 Special Economic Zone re-investment reserve

The Special Economic Zone re-investment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act,1961. The reserve will be utilised by the Group for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.

8 Retained earnings

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

9 Effective portion of Cash Flow Hedges

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

10 Exchange differences on translation of foreign operations

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

11 Remeasurements of the defined benefit plans

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

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Capgemini Technology Services India Limited
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FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Currency : INR in million)*

1 Corporate overview

Capgemini Technology Services India Limited ("the Company" or "CTSIL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. These consolidated financial statements comprise the Company and its subsidiaries (collectively referred to as the 'Group'). The Group is primarily engaged in providing Information Technology ("IT") and IT - enabled operations, offshore outsourcing solutions and BPO (business process outsourcing) services to large and medium-sized organizations using an offshore/onsite model. The Company has its branches and subsidiaries in United States, Australia, Switzerland and Malaysia. IT services and IT-enabled operation offshore outsourcing solutions are delivered using the offshore centers located in Bangalore, Gurgaon, Hyderabad, Chennai, Noida, Mumbai, Pune, Kolkata, Trichy, Salem and Gandhinagar in India.

Capgemini India Private Limited (CIPL) filed a scheme of merger with the Bombay High court on 3 February 2016, whereby the entire business and undertaking of CIPL had been transferred to the IGATE Global Solutions Limited (IGSL) effective 1 April 2015.

During the year ended 31 March 2017, the Company had filed for change in name from IGSL to its current name Capgemini Technology Services India Limited and same was approved by ROC of Mumbai / Bangalore by issuing a revised certificate of Incorporation dated 16 December 2016. Consequently name of Company changed to Capgemini Technology Services India Limited with effect from 16 December 2016.

2 Significant accounting policies

a) Statement of compliance and basis of preparation

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

The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements include the financial statements of the Company and its subsidiaries, which are more than 50% owned or controlled. The financial statements of the parent company and its majority owned/ controlled subsidiaries which are drawn up to the same reporting date have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intra-group balances/transactions and resulting unrealised gain/loss.

i) Basis of consolidation

The financial statements of the following entities in the Group are prepared using uniform accounting policies and are drawn up to the same accounting period as that of the Group

Sr. no.	Name of the Company	Relationship	Voting power % as at 31 March 2019	31 March 2018
1	IGATE Infrastructure Management Services limited	Subsidiary	100	100
2	IGATE Computer Systems (Suzhou) Co Ltd. (The Company is disinvested on 12 March 2018)	Subsidiary	-	100
3	IGATE Singapore Pte. Ltd. (The Company is disinvested on 12 March 2018)	Subsidiary	-	100
4	TCUBE Software Solutions Pvt.Ltd (w.e.f 1 November 2017)	Subsidiary	100	100

ii) Subsidiaries

Subsidiaries are entities controlled by the Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than majority of voting or similar rights over an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Rights arising from other contractual arrangements
- Potential voting rights held by the Group

The consolidated financial statements of the group are prepared based on a line by line combination of the separate financial statements of the Company and its subsidiaries whereby the book values of like items of assets, liabilities, income, expenses and tax have been added.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Joint venture arrangements where the Group has joint control are accounted for on the basis of proportionate consolidation

The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognised as 'Goodwill'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as 'Capital Reserve' in the consolidated financial statements.

iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Functional currency and presentation currency

These consolidated financial statements are prepared in Indian Rupees (INR) which is also the Group's functional currency. All amounts have been rounded-off to the nearest million except share and per share data, unless otherwise stated .

c) Use of estimates

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

Revenue recognition

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

Taxes

The Group provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and is included in Deferred tax assets. The Group reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will be able to absorb such credit during the specified period.

Business combination

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

Defined benefit plans and compensated absences

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

Allowance for trade receivables

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Useful life of property, plant and equipment

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Provisions and contingent liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d) Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the Statement of Profit and Loss.

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

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

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

Common control business combinations on or after 1 April 2015

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

Business combinations prior to 1 April 2015

In respect of such business combinations, goodwill represents the amount recognised under the Group’s previous accounting framework under previous GAAP adjusted for the reclassification of certain intangibles.

e) Current–non-current classification

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

Assets

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

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

All other assets are classified as non-current.

Liabilities

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

a. it is expected to be settled in the company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

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

f) Property, plant and equipment

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

Property, plant and equipment acquired wholly or partly with specific grant / subsidy from government are recorded at the fair value as on the agreement date.

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

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

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

g) Capital work in progress:

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

h) Depreciation on property, plant and equipment

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

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

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

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

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

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

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

i) Intangible assets

(i) Goodwill

Goodwill that arises on an amalgamation or on acquisition of a business is presented as an intangible asset. Goodwill arising on amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life or five years whichever is shorter. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

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

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Computer software held for use in business purpose is amortised over an estimated useful life of 3 - 5 years or the period of licenses, whichever is lower.

j) Leases

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Payments made under operating leases are generally recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

k) Impairment of property, plant and equipment

Property, plant and equipment which are not yet available for use are tested for impairment annually. Other property, plant and equipment (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangibles mandatorily tested annually for impairment, the asset’s recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to CGUs only when the allocation can be done on a reasonable and consistent basis. If this requirement is not met for a specific CGU under review, the smallest CGU to which the carrying amount of goodwill can be allocated on a reasonable and consistent basis is identified and the impairment testing carried out at that level.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is recognised in the revaluation reserve.

l) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under ‘current assets’ as “current portion of long term investments” in consonance with the current/non-current classification scheme of Schedule III of the Act.

Long term investments are stated at cost less other than temporary decline in the value of such investments, determined separately for each individual investment .

Current investments are carried in financial statements at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. The comparison of cost and fair value is done separately for each individual investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

m) Revenue recognition

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

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group adopted Ind AS 115 applying the full retrospective method with restatement of March 2018 comparative figures and recognition of the aggregate impact in equity at 1 April 2017.

On implementing the full retrospective method, the Group applied a number of practical expedients. Accordingly, completed contracts:

- that ended before 1 April 2017;
- and/or included variable consideration;

were not restated for revenue recognition purposes.

The impact of the adoption of the standard on the financial statements of the Group is insignificant.

On implemention of Ind AS 115 using full retrospective method, Ind AS 1 requires the Group to present a third balance sheet as at 1 April 2017 by restating the items materially effected by the change in policy. However, since the impact of adoption of Ind AS 115 on the Group's financial statements is insignificant, the Group has not presented a third balance sheet.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The method for recognising revenue depends on the nature of the services rendered:

(i) Time and material contracts

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

(ii) Fixed price contracts

Revenue from fixed-price development contracts is recognised using the percentage of completion method, under which the contract performance is determined by relating the actual costs incurred to date to the estimated total costs for each contract. The cost incurred (or input) method is used to measure progress as there is a direct relationship between input and productivity. If the Group does not have a sufficient basis to measure the progress of completion or to eliminate the total contract revenue and costs, revenue

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* (Currency : INR in million)

is recognised only to the extent contract costs incurred, for which recoverability is probable. The related costs on deliverable- based contracts are expensed as incurred.

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

(iii) Fixed price maintenance contracts

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

(iv) Others

- As part of its operational activities, the Group may be required to resell hardware, software and services purchased from third-party suppliers to its customers. The Group acts as a "principal" when it obtains control of the hardware, software or services before transferring them to the customer. In such case, the transaction is presented on a gross basis in the Statement of Profit and Loss. If the Group acts as an "agent", the transaction is recognised on a net basis. For example, transactions are recorded on a net basis when the Group does not have the primary responsibility for the fulfilment of the contract and does not bear inventory and customer acceptance risk.
- Revenue from services rendered to parent company, ulitimate parent company and fellow subsidiaries is recognised on cost plus mark-up basis determined on arm's length principle as and when the related services are rendered.
- Revenue on multi- deliverable contracts is recognised applying the appropriate method as specified above, depending on the performance obligations identified.
- Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established and there is no uncertainity in receiving the same.

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

Costs to obtain and fulfill contracts:

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

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

Costs incurred to fulfill a contract are expensed as incurred, with the exception of certain initial set- up costs, such as transition and transformation costs that do not represent a separate performance obligation.

Reimbursements received from customers are recognised as revenue, as costs are incurred.

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

Critical Judgements

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* (Currency : INR in million)

Contract Assets and Liabilities

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

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

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

Recognition of dividend income, interest income or expense

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

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

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

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

n) Foreign currency transactions and balances

i) Initial recognition

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

ii) Translation

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

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

iii) Translation of foreign operations

The assets and liabilities of foreign operations (subsidiaries and branches) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to OCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the Statement of Profit and Loss.

o) Employee benefits

i) Short-term employee benefits

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Accumulated leave, which is expected to be utilised within the next twelve months, is also treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. These amounts are charged to the Statement of Profit and Loss.

ii) Post-employment benefits

(a) Provident fund

Until the previous year ended 31 Match 2018, employee benefits in respect of provident fund, except as stated below, were a defined contribution plan.

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

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

During the year ended 31 March 2019 and developments subsequently, certain of the private sector investment securities held by the Trust are considered to be potentially doubtful of recovery. Since the matter as to whether the Company is obligated to make good the loss is a matter of legal interpretation, the Company obtained a legal opinion from an independent legal counsel. Based on the legal opinion, the Company considers the provident fund plan as a defined benefit plan. The liability, accordingly, is now being determined actuarially.

(b) Provident fund

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

(c) Defined benefit plan - Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Such net obligation is recognised either as an asset or as a liability in the balance sheet. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Group's obligation is performed annually by a qualified actuary using the projected unit credit method.

The present value of the obligation under such benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method which recognises each period of service that gives rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured using the projected unit credit method. The discounted rates used for determining the present value are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognised in other comprehensive income, net of taxes, for the period in which they occur. All expenses related to defined benefit plan is recognised in employee benefits expense in the Statement of Profit and Loss. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

(d) Defined benefit plan - Pension

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

(e) Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields as at the balance sheet date on Government securities, having maturity periods approximating to the terms of the related obligations. Actuarial gains and losses are recognised in other comprehensive income, net of taxes, for the period in which they occur. To the extent the Group does not have an unconditional right to defer the utilization or encashment of the accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

p) Employee stock compensation

Employees of erstwhile IGATE Global Solutions Limited

Pursuant to the acquisition of IGATE Corporation by Capgemini SE, the ultimate holding company with effect from 1 July 2015, the employees of erstwhile IGSL are now entitled to participate in share based awards issued by Capgemini SE. Although the share based awards are issued and administered by Capgemini SE, the Group is required to settle the obligation to the employee directly in cash. Such expenses are accounted for as part of employee benefit expense and the amounts payable to employees are disclosed under 'other current liabilities'.

Employees of the Company

Capgemini SE, the ultimate parent company has also allocated performance shares of the group company to the employees of the Group. The grant of the such performance and employment linked shares relate to the share capital of the group company and has no impact on the Group's share capital.

In the previous year ended 31 March 2018, the Group had recognised employee stock option costs using equity method. During the current year on vesting of the 2014 plan, Capgemini SE recharged the Group the cost of acquiring such shares for settlement to the employees where the employees have the choice of opting for shares or cash equivalent to the value of shares. Consequent to this, the Group has changed the policy of recognising the compensation cost for these ESOP plans using liability method.

Such stock based awards' compensation expenses is recognised in "Employee benefits expense" in the Statement of Profit and Loss on a straight-line basis over the vesting period with a corresponding credit to current / non-current financial liabilitites.

q) Income taxes

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

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

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

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

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

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

r) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

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

s) Provisions

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous contract

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

t) Contingent liabilities

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

u) Statement of Cash Flows

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

v) Financial instruments

i) Recognition and initial measurement

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

ii) Classification and subsequent measurement

Financial assets

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

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

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv) Offsetting

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

v) Derivative instruments and hedge accounting

The Group uses derivative financial instruments (foreign currency forward and option contracts) to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions.

The use of foreign currency forward contracts and options are governed by the Group's policies, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes. The Group enters into derivatives instruments where the counter party is primarily a bank.

Cash flow hedges

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognised separately within equity. For hedged forecast transactions, the amount accumulated in other equity is reclassified to the Statement of Profit and Loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, it is reclassified to the Statement of Profit and Loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the Statement of Profit and Loss.

w) Impairment

i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

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

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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

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

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

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

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

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

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

Measurement of expected credit losses

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

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit and Loss and is recognised in OCI.

Write-off

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

ii) Impairment of non-financial assets

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

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

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

Recent accounting developments

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new Ind AS and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

(a) Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group will adopt Ind AS 116 effective 1 April 2019. The Group has elected to adopt modified retrospective transition approach, with the cumulative effect of initially applying the standard, recognised on the date of initial application. Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Pursuant to this standard, the Group, as lessee, will:

- recognise a right- of- use asset, representing its right to use the underlying asset and a lease liability, representing its obligation to make future lease payments, in the Balance sheet;
- record amortisation on the right- of- use asset and interest on the lease liability in place of the operating lease expenses previously recorded.

In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

With effect from 1 April 2019, the Group will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortisation charge for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In case of finance leases, in accordance with the option proposed by the standard, finance leases already recognised in the Balance sheet pursuant to Ind AS 17 at 31 March 2019, wil be reclassified in right- of- use assets and lease liabilities at 1 April 2019. No significant impact is expected for the Group's finance leases.

Based on the information currently available, for leases other than short-term leases and leases of low value assets, the Group will recognise a right-of-use asset and a corresponding lease liability in between Rs 7,863 and Rs.8,658 with the cumulative effect of applying the standard by adjusting retained earnings net of taxes. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

(b) Amendments issued by MCA to existing standards -

Amendment to Ind AS 19 - Employee Benefits

Changes in Employee benefit plan

When a change to a plan by way of either an amendment, curtailment or settlement takes place, Ind AS 19 requires a company to remeasure its net defined benefit liability or asset.

The amendments to Ind AS 19 require a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Until now, Ind AS 19 did not specify how to determine these expenses for the period after the change to the plan.

In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ammendment to Ind AS 12 – Income taxes (amendments relating to uncertainty over income tax treatments)

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group is in the process of assessing the impact of the amendment.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

3 **Property, plant and equipment**

	Freehold land (refer note b)	Leasehold land (refer note b)	Buidings (refer note b)	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles (refer note a)	Total
Gross block									
Balance as at 1 April 2017	270	1,396	13,492	10,655	8,727	6,157	4,177	289	45,163
Additions pursuant to acquisition of TCUBE Software Solutions Private Limited (refer note 41 (ii))	-	2	1	11	1	6	-	-	21
Additions	-	210	213	1,419	567	160	178	-	2,747
Disposals	-	-	(2)	(939)	(143)	(67)	(91)	(82)	(1,324)
At 31 March 2018	270	1,608	13,704	11,146	9,152	6,256	4,264	207	46,607
Additions	-	2	4,750	2,238	2,715	1,438	436	2	11,581
Disposals	-	-	-	(1,055)	(544)	(256)	(1,335)	(52)	(3,242)
At 31 March 2019	**270**	**1,610**	**18,454**	**12,329**	**11,323**	**7,438**	**3,365**	**157**	**54,946**
Accumulated depreciation									
Balance as at 1 April 2017	-	(132)	(2,419)	(8,189)	(5,874)	(4,227)	(2,792)	(143)	(23,776)
Additions pursuant to acquisition of TCUBE Software Solutions Private Limited (refer note 41 (ii))	-	-	-	(8)	(1)	(2)	-	-	(11)
Charge for the year	-	(14)	(411)	(1,594)	(1,136)	(373)	(523)	(54)	(4,105)
Disposals	-	-	-	865	126	57	75	63	1,186
At 31 March 2018	-	(146)	(2,830)	(8,926)	(6,885)	(4,545)	(3,240)	(134)	(26,706)
Charge for the year	-	(19)	(502)	(1,628)	(1,225)	(422)	(336)	(34)	(4,166)
Disposals	-	-	-	1,055	511	222	1,255	42	3,085
At 31 March 2019	**-**	**(165)**	**(3,332)**	**(9,499)**	**(7,599)**	**(4,745)**	**(2,321)**	**(126)**	**(27,787)**
Net block									
At 31 March 2018	270	1,462	10,874	2,220	2,267	1,711	1,024	73	19,901
At 31 March 2019	**270**	**1,445**	**15,122**	**2,830**	**3,724**	**2,693**	**1,044**	**31**	**27,159**

a) Details of assets taken on finance lease included in the table above

	Vehicles	
	As at 31 March 2019	As at 31 March 2018
Gross block		
Opening balance	**79**	124
Disposals	**(34)**	(45)
Closing balance	**45**	79
Accumulated depreciation		
Opening balance	**(45)**	(54)
Charge for the year	**(15)**	(23)
Disposals	**30**	32
Closing balance	**(30)**	(45)
Net block	**15**	34

b) Freehold land, leasehold land and buildings of gross block Rs. 2,912 (31 March 2018 : Rs. 2,912) and accumulated depreciation amounting to Rs. 955 (31 March 2018 :Rs. 867) is pending registration in the name of the Company pursuant to merger of Capgemini India Private Limited with the Company.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

4	**Capital work-in-progress**	
	At 1 April 2017	2,952
	Additions	7,153
	Capitalisation	(2,925)
	At 31 March 2018	7,180
	Additions	7,183
	Capitalisation	(11,814)
	At 31 March 2019	**2,549**

5 **Intangible assets**

	Goodwill	Computer software	Total
Gross block			
Balance as at 1 April 2017	178	2,806	2,984
Pursuant to acquisition of TCUBE Software Private Limited (refer note 41(ii))	463	-	463
Additions	-	178	178
Disposals	-	-	-
At 31 March 2018	641	2,984	3,625
Additions	-	233	233
Disposals	-	(105)	(105)
At 31 March 2019	**641**	**3,112**	**3,753**
Amortisation			
Balance as at 1 April 2017	(169)	(2,379)	(2,548)
Pursuant to acquisition of TCUBE Software Private Limited (refer note 41(ii))	-	-	-
Charge for the year	-	(278)	(278)
Disposals	-	-	-
At 31 March 2018	(169)	(2,657)	(2,826)
Charge for the year	-	(236)	(236)
Disposals	-	105	105
At 31 March 2019	**(169)**	**(2,788)**	**(2,957)**
Net block			
At 31 March 2018	472	327	799
At 31 March 2019	**472**	**324**	**796**

		31 March 2019	31 March 2018
6	**Other financial assets**		
	Non-current		
	Unsecured, considered good		
	Security deposits	**1,178**	1,361
	Unsecured, considered doubtful		
	Security deposits	**31**	31
	- Less: Provision for doubtful deposits	**(31)**	(31)
		1,178	1,361
7	**Deferred tax assets (net)**		
	Deferred tax liabilities		
	Cash flow hedges	**28**	3
	Others	**140**	169
		168	172
	Deferred tax assets		
	Property, plant and equipment and intangible assets	**5,444**	7,165
	Provisions - employee benefits	**2,402**	1,555
	Provision for doubtful trade receivables	**240**	269
	Merger expenses	**158**	193
	MAT credit carried forward	**6,641**	6,405
		14,885	15,587
	Net deferred tax asset (refer note 29 (e))	**14,717**	15,415

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
8	**Other non-current assets**		
	Capital advances	**200**	799
	Prepaid expenses	**644**	409
	Prepayment of pension liability	**21**	19
	Balances with statutory/government authorities (VAT/Service tax credit receivable)	**601**	1,339
		1,466	2,566
9	**Investments**		
	Current		
	Investment carried at Fair Value Through Profit and Loss Mutual Funds (quoted)		
	925,921 (31 March 2018 - 731,931) units in Axis Liquid fund direct plan growth	**1,920**	1,411
	388,145 (31 March 2018 - 463,595) units in Reliance Low Duration Fund- Direct Plan Growth plan - Growth Option - LPAG (formerly Reliance Money Manager Fund- Direct Growth Plan)	**1,024**	1,131
	360,971 (31 March 2018 - 950,898) units in Reliance Liquidity Fund Direct Growth Plan Growth Option (formerly Reliance Liquidity Fund Treasury Plan Direct Growth Plan Growth Option)	**1,647**	4,032
	1,233,450 (31 March 2018 - 1,186,589) units in Invesco Liquid Fund - Direct Plan Growth (formerly Religare Invesco Liquid Fund - Growth Direct Plan)	**3,173**	2,838
	32,624,142 (31 March 2018 - 32,624,143) units in DSP Black Rock Low Duration Fund - Direct plan-Growth (formerly DSP Black Rock Ultra Short Term Fund Direct Plan Growth)	**449**	416
	Nil (31 March 2018 - 896,192) units in DSP Black Rock Liquidity Fund- Direct Plan Growth	**-**	2,227
	977,094 (31 March 2018 - 543,175) units in HDFC Liquid Fund Direct Plan Growth Option	**3,594**	1,860
	686,511 (31 March 2018 - 1,494,751) units in IDFC Cash Fund -Regular Plan-Growth Direct Plan	**1,556**	3,155
	44,221,753 (31 March 2018 - 27,604,310) units in IDFC Low Duration Fund Growth - Direct Plan (formerly IDFC Ultra Short Term Fund Growth - Direct Plan)	**1,183**	684
	5,313,217 (31 March 2018 - 4,668,982) units in ICICI Prudential Saving Fund- Direct Plan - Growth (formerly ICICI Prudential Flexible Income - Direct Plan - Growth)	**1,919**	1,564
	9,910,430 (31 March 2018 - 8,951,457) units in ICICI Prudential Liquid - Regular Plan - Growth Direct Plan	**2,739**	2,302
	3,575,862 (31 March 2018 - 4,400,892) units in Aditya Birla Sun Life Savings Fund-Growth - Direct plan	**1,329**	1,514
	16,727,800 (31 March 2018 - 10,093,745) units in Aditya Birla Sun Life Liquid Fund-Growth - Direct Plan (formerly Aditya Birla Sun Life Cash Plus - Growth Direct Plan)	**5,026**	2,819
	736,807 (31 March 2018 - 620,961) units in Tata Liquid Fund Direct Plan Growth (formerly Tata Money Market Fund Direct Growth Plan)	**2,169**	1,700
	131,507 (31 March 2018 - 131,515) units in Kotak Low Duration Fund Direct Growth	**313**	288
	Nil (31 March 2018 - 636,562) units in Kotak Floater Short Term-(Growth) Direct Plan	**-**	1,815
	Nil (31 March 2018 - 8,593,493) units in DHFL Pramerica Insta Cash Plus Fund -Direct Plan Growth	**-**	1,940
	67,920,312 (31 March 2018 - 61,414,791) units in Kotak Savings Fund-Growth - Direct (formerly Kotak Treasury Advantage Direct Plan Growth)	**2,075**	1,734
	548,085 (31 March 2018 - Nil) units in HSBC Cash Fund Growth Direct Plan	**1,020**	-
	19,209,449 (31 March 2018 - 19,209,450) units in HDFC Floating Rate Debt Fund - Direct Plan- Growth Plan (formerly HDFC Floating rate Income Fund - Short term Plan Direct Plan Wholesale Option- Growth Option)	**628**	584
	Nil (31 March 2018 - 619,140) units in DSP BlackRock Money Manager Fund - Direct Plan Growth	**-**	1,479
	315,830 (31 March 2018 - 482,387) units in Axis Treasury Advantage Fund - Direct Growth	**678**	956
	Nil (31 March 2018 - 40,007,873) units in DHFL Pramerica Insta Cash Plus Fund -Direct Plan Growth	**-**	853
	Nil (31 March 2018 - 21,702,881) units in IDFC-Money Manager Fund- Treasury Plan Growth [Direct Plan]	**-**	606
	Nil (31 March 2018 - 11,552,036) units in Aditya Birla Sun Life Banking & PSU Debt Fund Growth Direct Plan	**-**	606
	Nil (31 March 2018 - 375,842) units in HDFC Cash Management Fund - Savings Plan- Direct Plan Growth Option	**-**	1,008
	5,983,735 (31 March 2018 - Nil) units in ICICI Prudential Money Market Fund - Direct Plan - Growth	**1,557**	-
	705,704 (31 March 2018 - Nil) units in Kotak Liquid Direct Plan Growth	**2,671**	-
	191,051 (31 March 2018 - Nil) units in Kotak Money Market Scheme - Growth	**590**	-
	18,736 (31 March 2018 - 18,671) units in Aditya Birla Sun Life Liquid Fund-Growth-Direct Plan (formerly Aditya Birla sun Life Cash Plus - Growth -Direct Plan)	**6**	5

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	31 March 2019	31 March 2018
3,629,180 (31 March 2018 - Nil) units in Aditya Birla Sun life Money Manager Fund- Growth- Direct Plan (formerly Aditya Birla Sun life Floating rate Fund- Short term plan)	**913**	-
Nil (31 March 2018 -175) units in Religare Invesco Liquid Fund - Direct Plan Growth	**-**	1
Nil (31 March 2018 - 40,880) Units in Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	**-**	173
Nil (31 March 2018 - 166,172) units in UTI Treasury Advantage Fund - Institutional Plan - Growth	**-**	473
Nil (31 March 2018 - 1,396,574) in ICICI Prudential - Treasury Plan - Direct Growth Plan - Growth Option	**-**	359
	38,179	40,533

Note - The Group holds non-current investments in 10 (31 March 2018 :10) shares of Rs. 10 each of The Kapol Co-operative Bank Limited and 1530 (31 March 2018 :1530) shares of Rs. 10 each of The Saraswat Co-operative Bank Limited. Since, these investments are lower than rounding off limit, these are not presented separately.

10 Trade receivables (unsecured)

	31 March 2019	31 March 2018
Trade receivables consists of the following :		
- Considered good	**21,925**	17,151
Less: allowance for doubtful receivables	**432**	579
	21,493	16,572
- Credit impaired	**202**	196
Less: allowance for doubtful receivables	**202**	196
	-	-
	21,493	16,572

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

Trade receivables includes :		
Dues from related party (refer note 34)	**17,847**	13,212
Other receivables	**3,646**	3,360

11 Cash and cash equivalents

	31 March 2019	31 March 2018
Balance with banks :		
In current accounts	**600**	606
In EEFC accounts	**493**	60
In deposits accounts	**14,940**	1,795
Cheques in hand	**-**	6
Remittances in transit	**70**	34
	16,103	2,501

Deposit accounts include restricted bank balances Rs. 1 held as margin money deposit against guarantee and Rs. 0.1 held as margin money against Uttar Pradesh VAT.

The deposits maintained by the Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

12 Other financial assets

Current

Unsecured, considered good

	31 March 2019	31 March 2018
Derivative asset	**102**	7
Security deposits	**738**	665
Loans and advances to employees	**345**	295
Interest accrued on fixed deposit	**272**	7
Advances recoverable in cash or in kind or for value to be received	**-**	1
Others	**484**	173
	1,941	1,148

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
13	**Other current assets**		
	Prepaid expenses	**1,493**	893
	Balances with Government authorities (GST credit receivable)	**1,924**	969
	Unbilled revenues	**3,018**	5,459
	Advance to vendors	**118**	389
		6,553	7,710
14	**Share capital**		
	Authorised:		
	249,950,000 (31 March 2018 - 249,950,000) equity shares of Rs. 10 each	**2,500**	2,500
	10,800,000 (31 March 2018 - 10,800,000) compulsorily convertible preference shares ('CCPS') of Rs. 10 each	**108**	108
	14,000,000 (31 March 2018 - 14,000,000) 5% 10 year redeemable non-cumulative preference shares of Rs. 10 each	**140**	140
	Issued, subscribed and fully paid up:		
	59,139,500 (31 March 2018 - 59,139,500) equity shares of Rs. 10 each	**591**	591

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

	31 March 2019		31 March 2018	
	Number of shares	**Amount**	Number of shares	Amount
Balance as at the beginning of the year	**5,91,39,500**	**591**	5,91,39,500	591
Add: Issued during the year	**-**	**-**	-	-
Balance as at the end of the year	**5,91,39,500**	**591**	5,91,39,500	591

b. Right, preferences and restrictions attached to equity shares

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

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

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

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

	31 March 2019		31 March 2018	
	Number of shares	**Amount**	Number of shares	Amount
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**70,90,662**	**71**	70,90,662	71
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**2,54,87,362**	**255**	2,54,87,362	255
PAN-Asia Solutions, Mauritius, subsidiary of Capgemini America Inc.	**1,36,59,959**	**137**	1,36,59,959	137
Capgemini North America Inc. subsidiary of ultimate parent company	**1,27,64,378**	**128**	1,27,64,378	128
Balance as at the end of the year	**5,90,02,361**	**591**	5,90,02,361	591

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

	31 March 2019		31 March 2018	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each, fully paid-up, held by				
Capgemini SE, ultimate parent company	**70,90,662**	**11.99%**	70,90,662	11.99%
Capgemini America Inc., subsidiary of Capgemini North America Inc.	**2,54,87,362**	**43.10%**	2,54,87,362	43.10%
PAN-Asia Solutions, Mauritius, subsidiary of Capgemini America Inc.	**1,36,59,959**	**23.10%**	1,36,59,959	23.10%
Capgemini North America Inc. subsidiary of ultimate parent company	**1,27,64,378**	**21.58%**	1,27,64,378	21.58%

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

e. **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

	31 March 2019 Number of shares	31 March 2018 Number of shares
Equity shares of Rs. 10 each bought back by the Company (see note (i) below)	**28,71,871**	28,71,871
Equity shares of Rs. 10 each issued as consideration towards amalgamation of IGATE Information Services Private Limited (see note (ii) below)	**5,66,758**	5,66,758

Note:

(i) Buyback

On 16 June 2014, the Board of Directors approved a buyback proposal for purchase by the Company of up to 2,873,019 fully paid-up equity shares of face value of Rs.10 each (representing 9.8% of the total equity share capital) from the shareholders of the Company on a proportionate basis at a price of Rs. 2,261 per equity share for an aggregate amount not exceeding Rs. 6,496. Pursuant to the above, the Company bought back 2,871,871 equity shares and utilized Rs. 6,464 by utilising free reserves.

(ii) Merger of IGATE Information Services Private Limited

During the year ended 31 March 2015 erstwhile IGATE Information Services Private Limited was merged with the Company pursuant to which 566,758 equity shares of Rs.10 each of the Company were allotted to the shareholders of IGATE Information Service Private Limited as complete settlement of the purchase consideration.

		31 March 2019	31 March 2018
15	**Other non-current financial liabilities**		
	Long term maturities of finance lease obligations (refer note (i))	**7**	22
	Amounts payable under employees stock option plan	**850**	14
		857	36

Note:

(i) Current maturities of long-term borrowings have been disclosed under 'other current financial liabilities' (refer note 19).
Lease obligations relate to vehicles purchased under a financing arrangement. The loans are secured by vehicles acquired under such lease arrangements and are repayable in monthly installments over a period of three to five years along with interest ranging from 12.5% to 13.5% p.a. (31 March 2018: 12.5% to 13.5% p.a.) (refer note 32(a)).

		31 March 2019	31 March 2018
16	**Provisions**		
	Non-current		
	Provision for employee benefits		
	Gratuity (refer note 30(a))	**2,162**	938
	Compensated absences (refer note 30(d))	**3,035**	2,603
	Other defined benefit obligation (refer note 30(c))	**597**	-
	Other provision		
	Provision for contingencies (refer note (a) below)	**396**	396
		6,190	3,937
(a)	**Movement in provision for contingencies**		
	Balance as at the beginning of the year	**396**	272
	Additions	**-**	124
	Balance as at the end of the year	**396**	396
	Current	**-**	-
	Non current	**396**	396
		396	396

Provision for contingencies as at balance sheet date is on account of certain service tax related matters on input services amounting to Rs. 396 (31 March 2018 - Rs. 396).The provision is based on best estimate of the liability, as estimated by the Management and cash outflow if any, will depend on the ultimate outcome of the respective litigation.

		31 March 2019	31 March 2018
17	**Other non-current liabilities**		
	Lease equalisation reserve	**492**	457
18	**Trade and other payables**		
	Due to micro and small enterprises (refer note 38)	**19**	12
	Due to other than micro and small enterprises	**7,825**	6,832
		7,844	6,844

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
19	**Other financial liabilities**		
	Current		
	Current maturities of finance lease obligations (refer note 32(a))	**10**	16
	Capital creditors and other payables	**1,242**	1,518
	Interest accrued under MSMED Act, 2006 (refer note 38)	**36**	32
	Payable for retention money	**391**	240
	Amounts payable under employees stock option plan	**443**	164
	Bonus and incentives	**1,425**	1,875
	Employee salaries payable	**684**	734
		4,231	4,579
20	**Other current liabilities**		
	Unearned revenue	**180**	102
	Lease equalisation reserve	**92**	49
	Book overdraft	**-**	78
	Statutory dues payable*	**3,164**	3,120
		3,436	3,349

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

*Statutory dues payable comprises of -

	31 March 2019	31 March 2018
Goods and Services Tax payable	**501**	480
Tax Deducted at Source payable	**2,027**	2,147
Provident Fund payable	**599**	441
Profession Tax payable	**18**	27
Employees State Insurance payable	**19**	25
	3,164	3,120

		31 March 2019	31 March 2018
21	**Provisions**		
	Current		
	Provision for employee benefits		
	Compensated absences (refer note 30(d))	**1,387**	1,279
	Other defined benefit obligation (refer note 30(c))	**6**	
		1,393	1,279
22	**Revenue from operations**		
	Revenue from software operations	**1,36,030**	1,28,462

Revenue from software services includes Rs. 8,982 (previous year Rs. 7,026) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

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

Revenue by contract type :	31 March 2019	31 March 2018
Time & Material contracts	**1,31,378**	1,21,655
Fixed price contracts	**4,355**	6,599
Fixed price maintainance contracts	**297**	208
Total	**1,36,030**	1,28,462

Revenue by geography:	31 March 2019	31 March 2018
America	**55,615**	52,415
Europe	**57,767**	52,234
India	**16,072**	16,975
Rest of the world	**6,576**	6,838
Total	**1,36,030**	1,28,462

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

	31 March 2019	31 March 2018
Reconciliation of revenue recognized with the contracted price is as follows :		
Contracted price	**1,36,216**	1,28,462
Discounts	**186**	-
Revenue recognised	**1,36,030**	1,28,462

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2019 is Rs 2,284 (31 March 2018 : Rs 4,747). Out of this, the Group expects to recognize revenue of around 83% (31 March 2018 : 70%) within the next one year and the remaining thereafter.

Pursuant to adoption of Ind AS 115 Revenue from Contracts with Customers, the Group has reclassified following previous year amounts:

Account head transferred from	Account head transferred to	Amount
Other financial assets	Other current assets	5,459
Revenue from operations	Other income	85

The Group has presented contract assets as "Unbilled revenues" in Other current assets and "Unearned revenues" in Other current liabilities in the balance sheet. The table below gives changes in contract assets and liabilities during the year

	31 March 2019		31 March 2018	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Opening balance	**5,459**	**(102)**	4,968	(140)
Revenue recognised during the year	**3,018**	**102**	5,459	140
Increase due to invoices raised during the year	**(5,459)**	**(180)**	(4,968)	(102)
Closing balance	**3,018**	**(180)**	5,459	(102)

The Group has determined the revenue billed during the year on a FIFO basis to arrive at the “Increase due to invoices raised during the year”.

		31 March 2019	31 March 2018
23	**Other income, net**		
	Interest on deposits with banks	**349**	169
	Other interest (including interest on income tax refunds)	**-**	15
	Profit on sale of non-current investments	**-**	135
	Income on mutual funds	**3,343**	2,342
	Net gain on foreign currency transactions	**-**	617
	Provisions no longer required written back	**106**	12
	Provision for doubtful trade receivables written back	**142**	328
	Profit on sale / disposal of assets (net)	**10**	86
	Export incentives	**312**	85
	Other miscellaneous income	**124**	152
		4,386	3,941
24	**Employee benefits expense**		
	Salaries, bonus and incentives	**81,953**	77,341
	Contribution to provident and other funds	**3,497**	3,273
	Retirement benefits expense (refer note 30(a) & note 30(b))	**960**	1,090
	Compensated absences	**1,328**	684
	Employee stock compensation expense (refer note 39)	**998**	310
	Staff welfare expenses	**884**	889
		89,620	83,587
25	**Finance costs**		
	Interest on obligation under finance leases	**13**	28
	Interest under MSMED Act, 2006	**4**	7
	Interest on Income Tax	**89**	67
		106	102

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

		31 March 2019	31 March 2018
26	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	**4,166**	4,105
	Amortisation of intangible assets	**236**	278
		4,402	4,383
27	**Other expenses**		
	Sub-contracting expenses	**1,903**	1,662
	Repairs and maintenance:		
	- Buildings	**698**	633
	- Computer and network maintenance	**1,187**	1,255
	- Office maintenance	**1,177**	1,311
	- Others	**123**	120
	Rent	**2,987**	3,451
	Rates and taxes	**180**	140
	Insurance	**48**	43
	Power and fuel	**1,434**	1,378
	Advertisement and sales promotion	**72**	35
	Communication	**594**	643
	Travelling and conveyance	**8,699**	8,264
	Legal and professional charges	**672**	675
	Bank charges	**36**	27
	Auditors' remuneration (refer note 37)	**22**	24
	Merger and reorganisation expenses	**53**	56
	Expenditure towards corporate social responsibility initiatives (refer note 40)	**187**	161
	Software and hardware expenses	**2,116**	1,230
	Stationery and printing expenses	**86**	102
	Bad trade receivables written off	**84**	319
	Provision for contingencies	**-**	124
	Group management fee	**737**	793
	Training and recruitment	**1,927**	1,750
	Directors sitting fees	**1**	1
	Net loss on foreign currency transactions	**92**	-
	Miscellaneous expenses	**375**	540
		25,490	24,737
28	**Statement of other comprehensive income**		
(i)	Items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss		
	Remeasurement (loss) / gain on defined benefit plans	**(1,346)**	1,108
(ii)	Income tax relating to items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss	**506**	(393)
(i)	Items that will be reclassified subsequently to Consolidated Statement of Profit and Loss		
	Effective portion of gains / (loss) on hedging instruments accounted for as cash flow hedges	**72**	(229)
	Exchange differences on translation of foreign operations	**(48)**	(111)
(ii)	Income tax relating to items that will be reclassified subsequently to Consolidated Statement of Profit and Loss	**(25)**	78
29	**Tax expense**		
(a)	**Income tax expense recognised in Consolidated Statement of Profit and Loss:**		
	1. Current income tax	**3,884**	4,926
	2. Deferred income tax		
	Deferred tax	**1,415**	2,291
	MAT Credit	**(236)**	(1,784)
	Effect of change in tax rates	**-**	(91)
		1,179	416
	Tax expense for the year	**5,063**	5,342

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

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

	31 March 2019			31 March 2018		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified subsequently to Consolidated Statement of Profit and Loss						
Remeasurement (loss) / gain on defined benefit plans	**(1,346)**	**506**	**(840)**	1,108	(393)	715
Items that will be reclassified subsequently to Consolidated Statement of Profit and Loss						
Effective portion of gains / (loss) on hedging instruments accounted for as cash flow hedges	**72**	**(25)**	**47**	(229)	78	(151)
Exchange differences on translation of foreign operations	**(48)**	**-**	**(48)**	(111)	-	(111)
	(1,322)	**482**	**(841)**	768	(315)	453

(c) Reconciliation of effective tax rate

	31 March 2019	31 March 2018
Profit before tax	**20,798**	19,594
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.61%)	**7,268**	6,780
Tax effect of:		
Tax effect due to income tax holidays	**(1,484)**	(1,608)
Expenses not deductible for tax purposes	**60**	66
Impact of indexation and lower tax rates on sale of branches / subsidiaries	**-**	(83)
Income taxes relating to prior years	**(749)**	41
Effect of change in tax rates	**-**	(91)
Others	**(32)**	236
Total income tax expense	**5,063**	5,342
Effective Tax Rate	**24%**	27%

Under the Indian Income-tax Act, 1961, the Company is eligible to claim income tax holiday on profits derived from the export of software services from divisions registered under Special Economic Zone ("SEZ") 2005 scheme. Profits derived from the export of software services from these divisions registered under the SEZ scheme are eligible for a 100% tax holiday during the initial five consecutive assessment years, followed by 50% for further five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions, from the date of commencement of operations by the respective SEZ units. The impact of tax holiday units resulted in tax benefit of Rs. 1,484 and Rs. 1,608 for current and previous year respectively. This tax relief holiday will begin to expire from FY 2023-24 through FY 2032-33.

(d) Income tax assets and liabilities

Income tax assets (net)*	**7,216**	5,985
Income tax liabilities (net)	**1,410**	1,784

* Includes deposits paid under dispute of Rs. 4,891 (31 March 2018 - Rs. 2,974)

(e) Movement in deferred tax balances

	Net balance April 1, 2018	Recognised in Statement of Consolidated Profit and Loss	Recognised in OCI	Net balance March 31, 2019
Deferred tax liability				
Cash flow hedges	3	-	25	28
Others	169	(29)	-	140
	172	(29)	25	168
Deferred tax asset				
Property, plant and equipment and intangible assets	7,165	(1,721)	-	5,444
Provisions - employee benefits	1,555	341	506	2,402
Provision for doubtful trade receivables	269	(29)	-	240
Merger expenses	193	(35)	-	158
MAT Credit carried forward	6,405	236	-	6,641
	15,587	**(1,208)**	**506**	**14,885**
Deferred tax asset (net)	**15,415**	**(1,179)**	**481**	**14,717**

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	Net balance April 1, 2017	Recognised in Statement of Consolidated Profit and Loss	Recognised in OCI	Net balance March 31, 2018
Deferred tax liability				
Cash flow hedges	81	-	(78)	3
Deferred tax asset				
Property, plant and equipment and intangible assets	8,804	(1,639)	-	7,165
Provisions - employee benefits	2,036	(88)	(393)	1,555
Provision for doubtful trade receivables	369	(100)	-	269
Merger expenses	232	(39)	-	193
MAT credit carried forward	4,612	1,793	-	6,405
Others	174	(343)	-	(169)
	16,227	**(416)**	**(393)**	**15,418**
Deferred tax asset (net)	**16,146**	**(416)**	**(315)**	**15,415**

The Group offsets tax assets and liabilities if, and only if, it has a legally enforceable right to set off tax liabilities against tax assets. The Group has tax losses which arose in India of Rs. Nil (31 March 2018 - Rs.132) that are available for offset against future taxable profits.

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

30 Employee benefit plans

(a) *Gratuity benefits*

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

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

		31 March 2019	31 March 2018
Present Value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**4,621**	4,814
Projected benefit obligation assumed on amalgamation (refer note 41)		**-**	4
Current service cost		**916**	1,001
Past service cost		**-**	10
Interest cost		**324**	299
Benefits paid		**(717)**	(436)
Actuarial Losses / (Gain)		**747**	(1,071)
Projected benefit obligation at the end of the year	**(A)**	**5,891**	4,621
Fair Value of plan asset			
Fair Value of plan assets at beginning of the year		**3,683**	3,268
Fair Value of plan assets assumed on amalgamation (refer note 41)		**-**	8
Contributions by employer		**481**	594
Expected return		**280**	220
Actuarial gains		**2**	29
Benefits paid		**(717)**	(436)
Fair Value of plan assets at end of the year	**(B)**	**3,729**	3,683
	(A-B)	**2,162**	938
Amounts in the Balance Sheet			
Liabilities			
Current		**-**	-
Non-current		**2,162**	938

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	31 March 2019	31 March 2018
Included in OCI		
Opening amount recognised in OCI outside the Consolidated Statement of Profit and Loss	**(1,344)**	(243)
Actuarial loss (gain) arising from:		
Demographic assumptions	**(12)**	(1)
Financial assumptions	**903**	(576)
Experience adjustment	**(144)**	(494)
Return on plan assets excluding interest income	**(2)**	(30)
	(599)	(1,344)
Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	**916**	1,001
Past Service cost	**-**	10
Interest cost	**324**	299
Expected return on plan assets	**(280)**	(220)
Total included in "Employee benefit expenses" (refer note 24)	**960**	1,090

The Group provides the gratuity benefit through annual contributions to a fund managed by a trust. Under this plan, the settlement obligation remains with the Group, although the trust administers the plan and determines the contribution required to be paid by the Group. The trust has invested the plan assets in the Insurer managed funds. The expected rate of return on plan assets is based on the expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligation. Expected contributions to the fund post 31 March 2019 is Rs. 750.

Category of Assets	**%**	%
Government debt instruments	**2%**	3%
Insurer managed funds	**96%**	96%
Others	**2%**	1%

The principal assumptions used in determining the gratuity benefit are shown below:		
Salary escalation rate	**7%**	5%-7%
Discount rate	**7.05%p.a.**	7.55% p.a.
Expected rate of return on plan assets	**7.05%p.a.**	7.55% p.a

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

Sensitivity analysis

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

(i) As of March 31, 2019, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (203) and Rs. 215 respectively.

As of March 31, 2018, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of gratuity benefit obligation by approximately Rs. (48) and Rs. 51 respectively.

(ii) As of March 31, 2019 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 216 and Rs. (204) respectively.

As of March 31, 2018 every 0.5 percentage point increase/ (decrease) in expected rate of salary will result in increase / (decrease) of gratuity benefit obligation by approximately Rs. 51 and Rs. (49) respectively.

	31 March 2019
Expected benefit payments are as follows:	
Year ending 31 March	
2020	**731**
2021	**713**
2022	**706**
2023	**659**
2024	**618**
thereafter	**7,511**

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

(b) ***Pension benefits***

Prepayment of pension liability

Certain employees who have elected to continue under the defined benefit scheme are entitled to a pension on retirement subject to vesting conditions of 45 years of age and 15 years of service. In the event of earlier cessation of employment a deferred pension is payable from the normal retirement date. Employee who retires from the service of the Company is entitled to a pension at the rate of 2% of pensionable Salary, "PENSAL" (last drawn Basic Salary plus Variable Pay, limited to 20% for eligible managers) for each year of management service, subject to a maximum of 70% of PENSAL. Pension as determined above is payable for a period of 15 years certain and thereafter during the lifetime of the Member. On his/her death in retirement or whilst in service, 66 - 213% of Member's pension is payable to the spouse during her/ his lifetime.

		31 March 2019	31 March 2018
Present Value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**16**	20
Current Service Cost		**1**	1
Interest cost		**1**	1
Actuarial losses / (gains)		**1**	(3)
Benefits paid		**-**	(3)
Projected benefit obligation at the end of the year	**(A)**	**19**	16
Fair Value of plan assets			
Fair Value of plan assets at beginning of the year		**45**	38
Expected return		**3**	2
Actuarial Gains		**-**	7
Contributions by the Company		**3**	-
Benefits paid		**-**	(3)
Fair Value of plan assets at end of the year	**(B)**	**51**	45
Amount not recognised as an asset (limit in para 64b)	**(C)**	**11**	10
	(A-B+C)	**(21)**	(19)
Amount recognised in the Balance Sheet			
Assets			
Current		**-**	-
Non-current		**21**	19
Opening value of asset ceiling		**10**	6
Interest on opening balance of asset ceiling		**1**	1
Remeasurements due to:			
Change in surplus/ deficit		**-**	3
Closing value of asset ceiling		**11**	10
Included in OCI			
Opening amount recognised in OCI outside the Consolidated Statement of Profit and Loss		**(10)**	(2)
Remeasurement loss / (gain):			
Adjustments to recognise the effect of asset ceiling		**-**	3
Financial assumptions		**2**	(1)
Experience adjustment		**(1)**	(3)
Return on plan assets excluding interest income		**-**	(7)
		(9)	(10)
Expense recognised in the Consolidated Statement of Profit and Loss			
Current Service Cost		**1**	1
Interest cost		**1**	1
Expected return on plan assets		**(3)**	(2)
Total included in "Employee benefits expense" (refer note 24)		**(1)**	-
Category of Assets		**%**	%
Insurer Managed Funds		**100%**	100%
The principal assumptions used in determining pension are shown below:			
Discount rate (p.a)		**7.05% p.a**	7.55% p.a
Expected rate of return on plan assets		**7.05% p.a**	7.55% p.a
Salary escalation rate		**7%**	6%

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

(i) **Discount Rate:**

The discount rate is based on the prevailing market yields of Indian government bonds as at the Balance Sheet date for the estimated term of the obligations.

(ii) **Salary Escalation Rate:**

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Expected contributions to the fund post 31 March 2019 is Rs. Nil.

Sensitivity analysis

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

As of March 31, 2019, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of pension obligation by approximately Rs. (0.7) and Rs. 0.7 respectively.

As of March 31, 2018, every 0.5 percentage point increase / (decrease) in discount rate will result in (decrease) / increase of pension obligation by approximately Rs. (0.6) and Rs. 0.6 respectively.

	31 March 2019
Expected benefit payments are as follows:	
Year ending March 31	
2020*	**-**
2021*	**-**
2022*	**-**
2023	**3**
2024*	**-**
thereafter	**30**

*below rounding off

(c) ***Provident fund***

(i) Defined Contribution Plan

In respect of the defined contribution plan as explained in accounting policy O - ii (b), the Company has contributed Rs. 550 for the year (31 March 2018 Rs. 601). These contributions are charged to the Consolidated Statement of Profit and Loss as they accrue.

(ii) Defined Benefit Plan

In respect of the defined benefit plan as explained in accounting policy O - ii (a), the following tables set forth the movement in plan liabilities, assets, etc.

		31 March 2019	31 March 2018
Present value of defined benefit obligation			
Projected benefit obligation at the beginning of the year		**27,297**	22,813
Current service cost		**1,883**	1,621
Interest cost		**2,141**	1,608
Actuarial losses / (gains)		**258**	486
Employees contribution		**2,933**	2,614
Liabilities transferred in / out		**(778)**	(632)
Benefits paid		**(1,633)**	(1,213)
Projected benefit obligation at the end of the year	**(A)**	**32,101**	27,297
Fair value of plan assets			
Fair value of plan assets at beginning of the year		**27,297**	22,813
Expected return		**2,141**	1,608
Actuarial gains		**(345)**	486
Employer contribution during the year		**1,883**	1,621
Employee contribution during the year		**2,933**	2,614
Assets transferred in / out		**(778)**	(632)
Benefits paid		**(1,633)**	(1,213)
Fair Value of plan assets at end of the year	**(B)**	**31,498**	**27,297**
Amount recognised in Balance Sheet	**(A-B)**	**603**	-

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

	31 March 2019	31 March 2018
Amounts in the balance sheet:		
Liabilities		
Current	**6**	-
Non-current	**597**	-
Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	**1,883**	1,621
Interest cost	**2,141**	1,608
Expected return on plan assets	**(2,141)**	(1,608)
Actuarial (gains) / losses	**-**	-
Total	**1,883**	1,621
Amounts included in OCI		
Opening amount recognised in OCI outside the Consolidated Statement of Profit and Loss	**-**	-
Actuarial loss (gain) arising from:		
Financial assumptions	**6**	-
Experience adjustment	**252**	486
Return on plan assets excluding interest income	**344**	(486)
Closing amount recognised in OCI outside the Consolidated Statement of Profit and Loss	**602**	-
Plan Asset Category		
Government of India securities	**50%**	35%
Corporate Bonds	**38%**	54%
Equity shares of Listed companies	**7%**	4%
Others	**5%**	7%
	100%	100%

The principal assumptions used in determining the defined benefit obligation are as follows:

Discount rate	**7.05%**	7.55%
Expected rate of return on plan assets	**8.64%**	8.99%
Discount rate for the remaining term to maturity of investment	**7.63%**	7.73%
Average historic yield on the investment	**9.22%**	9.17%
Guaranteed rate of return	**8.65%**	8.55%

Sensitivity analysis

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

As of March 31, 2019, every 1 percentage point of an increase / (decrease) in the difference between the rate earned and the guaranteed rate will result in (decrease) / increase of provident fund obligation by approximately Rs. (1,372) and Rs. Nil respectively.

As of March 31, 2018, every 1 percentage point of an increase / (decrease) in the difference between the rate earned and the guaranteed rate will result in (decrease) / increase of provident fund obligation by approximately Rs. (233) and Rs. Nil respectively.

(iii) The Company contributed Rs.1,064 (31 March 2018 Rs. 1,051) to the Central Government towards pension, as required by the PF Rules.

(d) ***Compensated absences:***

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below -

	31 March 2019	31 March 2018
Current provisions (refer note 21)	**1,387**	1,279
Non-current provisions (refer note 16)	**3,035**	2,603
	4,422	3,882
Actuarial assumptions		
Discount rate	**7.05% p.a.**	7.55% p.a.
Salary escalation rate	**7%**	5%-7%

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

31 Segment reporting

The Group's operations predominantly relate to providing Information Technology ('IT') services, IT Enabled services, and business process outsourcing services delivered to customers globally through an onsite / offshore model. The Group considers all of these services to be relating to one segment i.e. IT enabled services. The Group has evaluated its service offerings and has concluded that the risks and rewards of all these services are identical. Accordingly, the Board of Directors and the Chief Executive Officer of the Group review the performance of the Group as one primary business segment i.e. IT and IT- enabled operations, solutions and services. Secondary segment reporting is performed on the basis of the geographical segmentation as the Group operates in various countries.

The Group's geographic segmentation is based on the location of customers. Revenue in relation to geographic segments is categorised based on the location of the specific customer entity for which services are rendered, irrespective of the customer entity that is billed for the services and whether the services are delivered onsite or offshore. Categorisation of customer related assets in relation to geographic segments is based on the location of the specific customer entity which is billed for the services. Costs are not specifically allocable to individual segments as the underlying resources and services are used interchangeably. The Group has common fixed assets for development of software. 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.

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

Geographic Area	Country
America	Argentina, Brazil, Canada, Chile, Colombia, Guatemala, Mexico and United States of America
Europe	Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and United Kingdom
India	India
Rest of the World	Australia, Bangladesh, China, Hong Kong, Japan, Malaysia, Mauritius, Oman, Philippines, Saudi Arabia, Singapore, South Africa, Turkey, Tunisia, United Arab Emirates and Vietnam

	31 March 2019	31 March 2018
Revenue		
- India	**16,072**	16,975
- Europe	**57,767**	52,234
- America	**55,615**	52,415
- Rest of the world	**6,576**	6,838
	1,36,030	1,28,462
Segment assets		
Trade receivables (excluding allowance for doubtful receivables)		
- India	**3,785**	3,439
- Europe	**10,160**	7,357
- America	**6,521**	4,863
- Rest of the world	**1,661**	1,689
	22,127	17,347
Unbilled revenue		
- India	**1,874**	2,552
- Europe	**672**	1,241
- America	**216**	1,209
- Rest of the world	**256**	457
	3,018	5,459
Segment liabilities		
Unearned revenue		
- India	**132**	47
- Europe	**44**	5
- America	**-**	47
- Rest of the world	**4**	2
	180	102

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

32 Leases

(a) Finance lease: Group as lessee

The Group has acquired motor vehicles under finance leases, for which the future minimum lease payments are as follows:

	31 March 2019	31 March 2018
Total minimum lease payments at the year end	**20**	47
Less: amounts representing finance charges	**3**	9
Present value of minimum lease payments	**17**	38
Minimum lease payments:		
Within one year (present value of Rs 10 (31 March 2018 : Rs 16))	**12**	21
After one year but not more than five years (present value of Rs 7 (31 March 2018 : Rs 22))	**8**	26
	20	47

(b) Operating lease: Group as lessee

The Group has taken on operating lease office premises, guest houses and vehicles. The lease arrangements for premises and guest houses have been entered up to a maximum of 10 years from the date of inception. Some of these arrangements have price escalation clauses generally ranging from 5% to 20%. These leases are generally further renewable by mutual agreement. There are no restrictions imposed by these lease arrangements.

Contractual payments under non-cancellable operating leases are as follows:

	31 March 2019	31 March 2018
i) Lease payments (including service charges) recognised in the Consolidated Statement of Profit and Loss	**2,987**	3,451
ii) Total Future minimum lease payments under the non - cancellable operating leases :		
Not later than one year	**2,492**	2,273
Later than one year but not later than five years	**6,832**	4,367
Later than five years	**4,074**	834
	13,398	7,474

Note: Future minimum lease payments include variable lease payments

33 Earnings per share (EPS)

The following table reflects the profit and share data used to compute basic and diluted EPS:

	31 March 2019	31 March 2018
(A) Profit attributable to equity shareholders	**15,735**	14,252
(B) Weighted average number of equity shares in calculating basic EPS (nos.)	**59,139,500**	59,139,500
(C) Weighted average number of equity shares in calculating diluted EPS (nos.)	**59,139,500**	59,139,500
Basic earning per share of face value of Rs.10/- each (A/B)	**266.07**	240.99
Diluted earning per share of face value of Rs.10/- each (A/C)	**266.07**	240.99

34 Related party disclosures

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

Related parties where control exists

Parent companies

Capgemini SE, the Ultimate Parent Company

The ultimate parent company holds 99.77% in the Company through the below group companies:

Capgemini America, Inc., subsidiary of Capgemini North America, Inc.

Pan-Asia Solutions, Mauritius, subsidairy of Capgemini America, Inc.

Capgemini North America, Inc., a subsidiary of the ultimate parent company

Other related parties

Key Management Personnel

Srinivasa Rao Kandula - Managing Director (w.e.f. 4 May 2017, till 31 December 2018) and Executive Director (w.e.f. 4 May 2017)

Sujit Sircar - Director (till 24 Oct 2017) and Chief Financial Officer (w.e.f. 25 July 2018)

Aruna Jayanthi - Executive director (w.e.f. 4 May 2017)

Ashwin Yardi - Executive director (w.e.f. 4 May 2017) and Chief Executive Officer (w.e.f. 1 Jan 2019)

Ritesh Talapatra - Executive director (w.e.f. 11 Aug 2017)

Armin Billimoria - Company Secretary (w.e.f. 7 March 2017)

Nagesh Kumar M – Chief Financial officer (till 4 May 2017)

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Karine Marchat - Director (w.e.f 11 August 2017) and Chief Financial Officer (w.e.f 4 May 2017 till 25 July 2018)
Hubert Paul Henri Giraud - Non- executive director (w.e.f. 16 October 2015)
Paul Hermelin - Non- executive director (w.e.f. 11 August 2017)
Thierry Delaporte - Non- executive director (w.e.f. 03 May 2018)
Arul Kumaran Paramanandam - Chief Operating Officer (w.e.f. 18 Dec 2018)
Antoine Imbert - Chief Operating Officer (w.e.f. 18 Dec 2018)

Employee benefit trusts of the Company or of entity related to the Company
Capgemini India Pvt. Ltd. Employees' Provident Fund
Capgemini Business Services (I) Ltd EPF Trust
Capgemini India Private Limited Employees' Benevolent Fund
Capgemini India Employees Gratuity Fund Trust
Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme
Capgemini Business Services (India) Limited Super Annuation Scheme
IGATE Computer Systems Limited Employees' Gratuity Fund
AXA Technologies Shared Services Private Limited Employees Gratuity Trust

Fellow subsidiaries
Backelite SAS
Capgemini (China) Co. Ltd.
Capgemini (Hangzhou) Co Ltd
Capgemini Argentina, S.A.
Capgemini Australia Pty. Ltd.
Capgemini Belgium NV/S.A.
Capgemini Business Services (China) Limited
Capgemini Business Services Brasil – Assessoria Empresarial Ltda
Capgemini Business Services Chile Ltda
Capgemini Business Services Guatemala SA
Capgemini Business Services USA LLC
Capgemini Brasil S.A.
Capgemini Canada Inc.
Capgemini Colombia SAS
Capgemini Consulting Österreich AG
Capgemini Consulting S.A.S.
Capgemini Czech Republic s.r.o
Capgemini Deutschland GmbH
Capgemini Deutschland Holding GmbH
Capgemini Educational Services B.V.
Capgemini España S.L.
Capgemini Finland Oy
Capgemini France S.A.S.
Capgemini Gouvieux S.A.S
Capgemini Government Solutions LLC
Capgemini Hong Kong Limited
Capgemini Italy spA
Capgemini Ireland Limited
Capgemini Japan K.K.
Capgemini Magyarorszag Kft.
Capgemini Mexico S. de R.L
Capgemini Middle East FZ-LLC (till 5 December 2017)
Capgemini Nederland B.V.
Capgemini Norge A/S

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Capgemini Outsourcing Services GmbH
Capgemini Outsourcing Services S.A.S. (merged with Sogeti France S.A.S. w.e.f. 23 Jan 2018)
Capgemini Polska Sp. z.o.o
Capgemini Portugal, Serviços de Consultoria e Informatica, S.A.
Capgemini Saudi Limited
Capgemini Service Romania s.r.l.
Capgemini Service S.A.S.
Capgemini Services Malaysia Sdn Bhd
Capgemini Singapore Pte. Ltd.
Capgemini Singapore Pte. Ltd. - Abu Dhabi Branch
Capgemini Singapore Pte. Ltd. - Dubai Branch
Capgemini Slovensko s.r.o.
Capgemini Danmark A/S
Capgemini Solutions Canada Inc.
Capgemini Suisse S.A.
Capgemini Sverige AB
Capgemini Technologies LLC
Capgemini Technology Services S.A.S.
Capgemini UK plc
Capgemini Vietnam Co. Ltd
CHCS Services Inc.
Inergi LP
Itelios SAS
New Horizon System Solutions LP
Prosodie S.A.S.
Societe en Commandite Capgemini Quebec Limited Partnership
Sogeti Belgium S.A. (merged with Capgemini Belgium N.V./S.A. w.e.f. 31 Jul 2017)
Sogeti Corporate Services S.A.S. (merged with Sogeti France S.A.S. w.e.f. 23 Jan 2018)
Sogeti Deutschland GmbH
Sogeti Finland Oy
Sogeti France S.A.S. (merged with Capgemini Technology Services S.A.S. w.e.f. 25 Jan 2019)
Sogeti High Tech S.A.S.
Sogeti Luxembourg S.A.
Sogeti Nederland B.V.
Sogeti Norge AS
Sogeti Sverige AB
Sogeti UK Limited
Sogeti USA LLC (merged with Capgemini America, Inc. w.e.f. 01 Oct 2017)
Annik Inc.
Inergi Inc.
Capgemini Asia Pacific Pte Ltd. - Taiwan Branch
Idean Enterprises Inc.
Lyons Consulting Group, LLC (merged with Capgemini America, Inc. w.e.f. 31 Dec 2018)
New Horizons Systems Solutions Inc
Capgemini Philippines Corp.
Liquidhub Analytics Private Limited
Capgemini Asia Pacific Pte. Ltd.
LiquidHub India Private Limited
Capgemini Suisse Slovokia branch
Capgemini Financial Services UK Limited

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
Related party transactions			
a)	**Revenues from operations**		
	Capgemini America, Inc.	**50,749**	46,793
	Others	**66,760**	60,004
b)	**Expense incurred by the Group on behalf of**		
	Capgemini Service S.A.S.	**53**	195
	Capgemini America, Inc.	**-**	12
	Capgemini Ireland Limited	**105**	-
	Capgemini Australia Pty. Ltd.	**35**	-
	Others	**14**	58
c)	**Expenses cross charged**		
	Capgemini Service S.A.S.	**2,000**	1,173
	Capgemini SE	**986**	545
	Capgemini Singapore Pte. Ltd.	**446**	248
	Capgemini Technology Services S.A.S.	**467**	132
	Others	**482**	790
d)	**Income on sale of subsidiary during the year**		
	Capgemini Singapore Pte. Ltd. (sale of IGATE Singapore Pte. Ltd.)	**-**	135
e)	**Proceeds from sale of subsidiary during the year**		
	Capgemini Singapore Pte. Ltd. (sale of IGATE Singapore Pte. Ltd.)	**-**	606
f)	**Contribution to employee benefit funds**		
	Capgemini India Employees Gratuity Fund Trust	**427**	543
	Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme	**55**	51
	Capgemini India Pvt. Ltd. Employees' Provident Fund	**1,751**	1,503
	Capgemini Business Services (I) Ltd EPF Trust	**132**	117
g)	**Remuneration**		
	Managing Director	**19**	21
	Chief Executive Ofiicer	**4**	-
	Chief Financial Officer	**26**	28
	Directors	**75**	64
	Others	**19**	4
h)	**Employee stock compensation expense**		
	Managing Director	**-**	91
	Chief Executive Ofiicer	**11**	-
	Chief Financial Officer	**-**	-
	Directors	**144**	59
	Others	**-**	-
Balances outstanding			
a)	**Trade receivables**		
	Capgemini America, Inc.	**5,837**	4,102
	Capgemini Technology Services S.A.S.	**2,134**	711
	Capgemini Sverige AB	**1,743**	1,065
	Others	**8,133**	7,334

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

		31 March 2019	31 March 2018
b)	**Unbilled revenue**		
	Capgemini UK PLC	**162**	206
	Capgemini Australia Pty. Ltd.	**194**	265
	Capgemini Ireland Limited	**168**	73
	Capgemini America, Inc.	**127**	943
	Sogeti France S.A.S.	**-**	282
	Others	**369**	839
c)	**Other current financial assets**		
	Salary recoverable	**173**	173
d)	**Other current assets**		
	Capgemini India Employees Gratuity Fund Trust	**6**	6
	Capgemini Business Services (India) Limited Employees Group Gratuity Assurance Scheme	**1**	1
e)	**Trade payables**		
	Capgemini Service S.A.S.	**1,203**	381
	Capgemini UK Plc	**7**	238
	Capgemini Singapore Pte. Ltd.	**609**	221
	Capgemini America, Inc.	**-**	227
	Others	**319**	226
f)	**Amounts payable under employee stock option plan**		
	Capgemini SE	**1,253**	-
g)	**Other current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**602**	-
h)	**Other non-current assets - prepaid expenses**		
	Capgemini Service S.A.S.	**7**	-
i)	**Non current provisions - other defined benefit obligation**		
	Capgemini India Pvt. Ltd. Employees' Provident Fund	**508**	**-**
	Capgemini Business Services (I) Ltd EPF Trust	**89**	**-**
j)	**Current provisions - other defined benefit obligation**		
	Capgemini Business Services (I) Ltd EPF Trust	**6**	**-**

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The Group has the following related party transactions for the year ended 31 March 2019 and 31 March 2018

Transactions	Parent company		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018
Revenues from operations	**50,870**	46,793	**66,639**	60,004	-	-	-	-
Expense incurred by the Group on behalf of	**4**	12	**203**	253	-	-	-	-
Expenses cross charged	**1,063**	766	**3,318**	2,121	-	-	-	-
Income on sale of subsidiary during the year	-	-	-	135	-	-	-	-
Proceeds from sale of subsidiary during the year	-	-	-	606	-	-	-	-
Contribution to employee benefit funds	-	-	-	-	-	-	**2,365**	2,215
Key managerial personnel								
- Remuneration	-	-	-	-	**143**	117	-	-
- Employee stock compensation expense	-	-	-	-	**155**	150	-	-

The Group has the following related party balances for the year ended 31 March 2019 and 31 March 2018

Balances outstanding	Parent company		Fellow subsidiaries		Key Management Personnel		Employee benefit trusts of the Company or of entity related to the Company	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018
Trade receivables	**5,854**	4,102	**11,993**	9,111	-	-	-	-
Unbilled revenue	**126**	943	**894**	1,665	-	-	-	-
Other current financial assets	**-**	-	-	-	**173**	173	-	-
Other current assets	**-**	-	-	-	-	-	**7**	7
Trade payables	**-**	227	**2,138**	1,066	-	-	-	-
Amounts payable under employee stock option plan	**1,253**	-	**-**	-	-	-	-	-
Other current assets - prepaid expenses	**-**	-	**602**	-	**-**	-	**-**	-
Other non-current assets - prepaid expenses	**-**	-	**7**	-	**-**	-	**-**	-
Non current provisions - other defined benefit obligation	**-**	-	**-**	-	**-**	-	**597**	-
Current provisions - other defined benefit obligation	**-**	-	**-**	-	**-**	-	**6**	-

35 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Group classifies its inputs used to measure fair value into the following hierarchy :

Level 1 : Unadjusted quoted prices in active market for identical assets or liabilities

Level 2 : Inputs other than quoted prices that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Unobservable inputs for assets and liabilities that are not based on observable market data.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	16,103	16,103	-	-	-	-
Current investments	38,179	-	-	38,179	38,179	-	-	38,179
Trade and other receivables	-	-	21,493	21,493	-	-	-	-
Other non-current financial asset	-	-	1,178	1,178	-	-	-	-
Other current financial asset	25	77	1,839	1,941	-	102	-	102
	38,204	77	40,613	78,894	38,179	102	-	38,281
Financial liabilities								
Other non current financial liabilities	-	-	857	857	-	-	-	-
Trade and other payables	-	-	7,844	7,844	-	-	-	-
Other current financial liabilities	-	-	4,231	4,231	-	-	-	-
	-	-	12,932	12,932	-	-	-	-

31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	2,501	2,501	-	-	-	-
Current investments	40,533	-	-	40,533	40,533	-	-	40,533
Trade and other receivables	-	-	16,572	16,572	-	-	-	-
Other non-current financial asset	-	-	1,361	1,361	-	-	-	-
Other current financial asset	1	6	1,141	1,148	-	7	-	7
	40,534	6	21,575	62,115	40,533	7	-	40,540
Financial liabilities								
Other non current financial liabilities	-	-	36	36	-	-	-	-
Trade and other payables	-	-	6,844	6,844	-	-	-	-
Other current financial liabilities	-	-	4,579	4,579	-	-	-	-
	-	-	11,459	11,459	-	-	-	-

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) amounting to Rs. 29,952 and Rs. 31,676 as of March 31, 2019 and March 31, 2018 respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to Rs. 12,921 and Rs. 10,806 as of March 31, 2019 and March 31, 2018, respectively, are not included

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring fair values:

Financial instruments measured at fair value

Type	Valuation technique
Foreign exchange forward contracts	The Group's derivative financial instruments consist of foreign exchange forward contracts. Fair value of derivative financial instruments are based on prices as provided by the banks and are classified as Level 2. Inputs include current market-based parameters such as forward rates, yield curves and credit default swap pricing.
Investments	The Group's investments consist primarily of investment in debt linked mutual funds. Fair value of debt linked mutual funds are based on prices as stated by the issuers of mutual funds and are classified as Level 1 or 2 after considering whether the fair value is readily determinable.

During the reporting years ended 31 March 2019 and 31 March 2018, there have been no transfers of financial instruments between Level 1 or Level 2 or Level 3 fair value measurements.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

C. **Financial risk management**

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Group periodically assesses the financial reliability of its customers, taking into account the financial conditions, current economic trends and analysis of historic bad debts and ageing of accounts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Group has trade receivables primarily from intercompany for which it does not foresee any credit risk.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. Out of the total trade and other receivables of Rs. 22,127 and Rs. 17,347 as of 31 March 2019 and 31 March 2018 , the Group has receivables which are past due and impaired as detailed below -

	31 March 2019	31 March 2018
Balance at the beginning of the year	**776**	1,104
Impairment loss recognised	**-**	-
Impairment provision written back	**(142)**	(328)
Balance at the end of the year	**634**	776

Others

Credit risk of the Group on cash and cash equivalents and investments is subject to low credit risk since the investments of the Group are only in liquid debt securities with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Counter parties to foreign currency forward contracts are typically multinational and domestic banks with appropriate market reputation.

ii. **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 March 2019		**Contractual cash flows**	
	Carrying amount	**Within one year**	**One year but not more than five years**
Non current financial liabilities	857	-	857
Current financial liabilities	4,231	4,231	-
Trade and other payables	7,844	7,844	-

31 March 2018		**Contractual cash flows**	
	Carrying amount	**Within one year**	**One year but not more than five years**
Non current financial liabilities	36	-	36
Current financial liabilities	4,579	4,579	-
Trade and other payables	6,844	6,844	-

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and market value of its investments. The exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

The currency profile of financial assets and financial liabilities as at 31 March 2019 and 31 March 2018 is as below:

Foreign currency exposures as on 31 March 2019					
Particulars	**Cash and cash equivalents**	**Trade receivables***	**Other non current financial liabilities**	**Trade Payables**	**Other financial liabilities**
USD	503	1,004	-	229	40
EUR	44	195	-	1220	-
SGD	-	2	-	04	-
JPY	-	-	-	-	-
GBP	-	-	-	20	-
CAD	-	-	-	3	-
AUD	-	9	-	16	-
CHF	-	-	-	9	-
SEK	-	-	-	3	-
CNY	-	-	-	2	-
MXN	-	-	-	-	-
AED	-	-	-	-	-
PLN	-	-	-	4	-
HKD	-	-	-	5	-
OMR	-	178	-	-	-

Foreign currency exposures as on 31 March 2018					
Particulars	**Cash and cash equivalents**	**Trade receivables***	**Other non current financial liabilities**	**Trade Payables**	**Other financial liabilities**
USD	59	1,329	14	268	164
EUR	1	154	-	480	-
SGD	-	1	-	222	-
JPY	-	167	-	-	-
GBP	-	3	-	279	-
CAD	-	-	-	6	-
AUD	-	9	-	31	-
CHF	-	2	-	-	-
SEK	-	-	-	20	-
CNY	-	-	-	2	-
MXN	-	-	-	23	-
AED	-	851	-	9	-
PLN	-	-	-	2	-
HKD	-	-	-	9	-
OMR	-	169	-	-	-

*excludes allowance for doubtful receivables

As at March 31, 2019 and March 31, 2018 every 1% increase / decrease in exchange rates of the respective foreign currencies compared to functional currency of the Group would result in increase / decrease in profit of the Group by approximately Rs. 2 and Rs.12 respectively.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Currency risk

The Group is exposed to currency risk on account of its receivables and payables in foreign currencies. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, with a maturity period of generally less than one year. The Group does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as of 31 March 2019 and 31 March 2018:

Category	31 March 2019		31 March 2018	
	In million	In Rs. million	In million	In Rs. million
Forward contracts				
Hedges of recognized assets and liabilities				
USD/INR	**13**	**905**	11	726
Hedges of highly probable forecasted transactions				
USD/INR	**51**	**3,575**	83	5,518
		4,480		6,244

The table below analyses the derivative financial instruments to relevant maturity groupings based on the remaining period as on the balance sheet date:

	31 March 2019	31 March 2018
Forward contracts in USD		
Not later than one month	**452**	1,249
One to 6 months	**2,353**	2,978
6-12 months	**1,675**	2,017
	4,480	6,244

The following table provides the reconciliation of cash flow hedge reserve for the year ended 31 March 2019 and 31 March 2018:

Balance at the beginning of the year	**2**	153
Gain / (Loss) recognised in other comprehensive income during the year	**361**	(21)
Amount reclassified to the Consolidated Statement of Profit and Loss during the year	**(289)**	(208)
Tax impact on above	**(25)**	78
Balance at the end of the year	**49**	2

36 Contingent liabilities and commitments

(a) Capital Commitments		
Estimated value of contracts on capital account remaining to be executed [net of advances Rs. 200 (31 March 2018 Rs. 799)]	**577**	7,081
(b) Contingent liabilities		
Claims not acknowledged as debt	**34**	38

(c) The Hon’ble Supreme Court of India (“SC”) by their order dated 28 February, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Group has complied with the order of the SC prospectively effective 1 March 2019 by including such allowances for PF contribution calculations.

37 Auditors' remuneration

Statutory audit	**17**	17
Tax audit	**3**	3
Other services	**1**	2
Out of pocket expenses	**1**	2
	22	24

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

38 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Group has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March 2019 and 31 March 2018. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on the information received and available with the Group.

The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	**19**	12
- Interest	**1**	1
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**200**	179
The amount of interest accrued and remaining unpaid at the end of each accounting year	**36**	32
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	**4**	6

39 Employee stock compensation plans

(i) The employees of the Company were entitled to participate in share based awards issued by IGATE Corporation the ultimate parent company till 30 June 2015. Costs pertaining to share based awards issued to the Company's employees are cross charged by the ultimate holding company. Such expenses are accounted for as part of employee benefits and the liability to the ultimate parent company is settled in cash.

Pursuant to the acquisition of IGATE Corporation by Capgemini SE, the Company's Performance Share Awards were converted into performance units issued by Capgemini SE, the ultimate parent company with effect from 1 July 2015. The other plans of the Company have been converted into cash settled incentives. Although the share based awards are issued and administered by Capgemini SE, the Company is required to settle the obligation to the employee directly in cash. The features of the performance shares plan are set out below:

Particulars	**2015 Plan**	
	31 March 2019	31 March 2018
Vesting period	**One, two or three years for the market condition and three years for the internal condition**	One, two or three years for the market condition and three years for the internal condition
Vesting schedule *	**25% of the units on 1 July 2016, 1 July 2017 and 1 July 2018 subject to presence and market performance conditions and 25% of the units on 1 July 2019 subject to presence and internal performance conditions**	25% of the units on 1 July 2016, 1 July 2017 and 1 July 2018 subject to presence and market performance conditions and 25% of the units on 1 July 2019 subject to presence and internal performance conditions
Total number of units outstanding as at opening date	**17,315**	23,086
Units vested	**2,688**	2,539
Units forfeited or canceled during the year **	**9,196**	3,232
Total number of units outstanding as at closing date	**5,432**	17,315
Fair value per unit on grant date (in Euros)	**56.3**	56.3

* Units vesting in the first three years are subject to a final adjustment clause tied to the change in the Capgemini SE share price between vesting dates and 1 July 2019

** The internal performance condition was only satisfied 54% at the first vesting date, resulting in the vesting of 2,688 units and cancellation of 9,196 units for the first tranche.

Details of charge and liability for the above performance plan are set out in table below -

	31 March 2019	31 March 2018
Charge for the year	**22**	8
Liability as at balance sheet date	**40**	179

(ii) Table below sets out the stock option activity of the various ESOP plans under which Capgemini SE granted stock options to the Company's employees.

In the previous year ended 31 March 2018, the Company had recognised employee stock option costs using equity method. During the current year on vesting of the 2014 plan, Capgemini SE recharged the Company the cost of acquiring such shares for settlement to the

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

employees. Consequent to this, the Company has changed the policy of recognising the compensation cost for these ESOP plans using liability method. As a consequence of this change, Rs. 1,253 is recognised as liability payable to Capgemini SE. For this purpose, the unvested shares were valued at Capgemin SE's share price as at 31 March 2019.

Particulars	31 March 2019				
	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan
Grant date	30-Jul-14	29-Jul-15	26-Jul-16	05-Oct-17	03-Oct-18
Performance assessment dates	Three years for the internal performance condition and two years for the external performance condition	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Total numbers of options outstanding at opening date	73,250	62,800	1,04,750	1,30,850	-
Total numbers of options granted during the year	-	-	-	-	1,68,645
Options exercised	65,250	-	-	-	-
Options forfeited or canceled during the year	8,000	6,200	9,150	11,200	2,035
Total number of options outstanding at closing date	-	56,600	95,600	1,19,650	1,66,610
Charge for the year	310	153	214	168	121
Amount payable under employee stock option plan - refer note 15 and 19	-	403	456	273	121

During the previous year, the Company had recognised stock based awards' compensation expenses using equity method. For this purpose these employee stock awards were valued at fair value at grant date

Particulars	31 March 2018			
	2014 Plan	2015 Plan	2016 Plan	2017 Plan
Details of the meeting	General Shareholders' meeting (24 May 2013)	General Shareholders' meeting (6 May 2015)	General Shareholders' meeting (18 May 2016)	General Shareholders' meeting (10 May 2017)
Maximum number of shares to be granted	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,590,639 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,721,759 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,721,815 shares	1% of the share capital of the ultimate holding company on the date of Board of Directors' decision i.e. a maximum of 1,691,416 shares
Grant date	30-Jul-14	29-Jul-15	26-Jul-16	5-Oct-17
Performance assessment dates	Three years for the internal performance condition and two years for the external performance condition	Three years for the two performance conditions	Three years for the two performance conditions	Three years for the two performance conditions
Vesting period	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date	4 years as from the grant date
Mandatory lock-in period effective as from the vesting date	NA	NA	NA	NA

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)*

(Currency : INR in million)

Particulars	31 March 2018			
	2014 Plan	2015 Plan	2016 Plan	2017 Plan
Total numbers of options outstanding at opening date	82,000	74,950	1,12,600	-
Total numbers of options granted during the year	-	-	-	1,36,700
Options vested	-	-	-	-
Options exercised	-	-	-	-
Options forfeited or canceled during the year	8,750	12,150	7,850	5,850
Options unexercised	-	-	-	-
Options lapsed	-	-	-	-
Total number of options outstanding at closing date	73,250	62,800	1,04,750	1,30,850
Weighted average remaining contractual life (in years)	0.3	1.3	2.3	3.5
Fair values with performance conditions				
External (Euro)	33.46	74.83	60.97	66.33
Internal (Euro)	48.26	82.18	77.10	93.25
% of external	50%	50%	50%	50%
% of internal	50%	50%	50%	50%
Money realised by exercise of option	NA	NA	NA	NA
Main market conditions at the grant date				
Volatility	26.33%	24.54%	26.35%	25.65%
Risk-free interest rate	0.34% - 0.81%	0.10% - 0.55%	0.2% - 0.17%	-0.17% - 0.9%
Expected dividend rate	2.31%	1.60%	1.60%	1.60%
Other conditions				
In employment within the group at the vesting date	Yes	Yes	Yes	Yes
Valuation model used to calculate the fair value of options	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions	Monte Carlo for performance shares with external (market) conditions
Range of fair values in euros				
Free shares (per share and in euros)	NA	NA	NA	NA
Performance shares (per share and in euros)	26.46 - 48.26	61.73 - 82.18	54.02 - 77.1	62.02 - 93.25
Share price at the grant date (in euros)	53.35	87.60	83.78	100.25
Charge for the year	(97)	125	166	105

(iii) During the current and previous year, Capgemini SE, the ultimate parent company, has set up an employee share ownership plan, where eligible employees of the Company were invited to subscribe to the shares of the ultimate parent company at a discount of 12.5% to the current market price of the ultimate parent company shares. The grant of the above shares relate to the share capital of the ultimate parent company and shall have no impact on the share capital of the subsidiary companies whose employees are also entitled to subscribe to the share allocation. The Company recognised compensation expense for these awards using the fair value method.

Valuation was done by the parent company using the below mentioned assumptions. The status of the plans have been summarised below -

Particulars	ESOP 2018		ESOP 2017	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
Details of the meeting	General Shareholders' meeting (23 May 2018)	-	General Shareholders' meeting (10 May 2017)	General Shareholders' meeting (10 May 2017)
Grant date	12-Nov-18	-	15-Nov-17	15-Nov-17
Base price (in euros)	105.46	-	102.16	102.16
Subscription price (in euros)	92.28	-	89.39	89.39
Par value discount (%)	12.50	-	12.50	12.50
Share price on grant (in euros)	106.70	-	100.00	100.00
Total number of shares subscribed	44,451	-	38,411	46,688
Charge for the year	3	-	7	3

The Company has used fair value method for accounting of the above employee stock options.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

40 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Group has identified areas including activities for promoting programs that benefit the communities in and around the Group's work centre and further results in enhancing the quality of life and economic well being of the local populace, express commitment to the social development through responsible business practices and good governance, engage with state and its agencies in pursuing the development agenda for sustainable change for its CSR activities. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Group on CSR activities is Rs. 271 (31 March 2018 Rs. 234). The total expenditure incurred on 'Corporate Social Responsibility Activities' for the current year is Rs. 187 (31 March 2018 Rs. 161)

Amount spent during the year on:

Particulars	In cash	Yet to be paid	Total
(i) Construction/acquisition of any assets (31 March 2018 Rs. Nil)	-	-	-
(ii) CSR Programs (31 March 2018 Rs. 154)	158	20	**178**
(iii) Other expenses allowed under CSR (31 March 2018 Rs. 7)	9	-	**9**
Total (31 March 2018- Rs. 161)	**167**	**20**	**187**

41 Acquisition of subsidiary

(i) Acquisition of AXA Technologies Shared Services Private Limited:

On 1 December 2016, CTSIL acquired 100 percent of the equity shares of AXA Technologies Shared Services Private Limited (subsequently this entity name was changed to Capgemini Solutions Private Limited (CSPL), a Company engaged in providing IT and ITES services to AXA Group entities, for a total consideration of Rs.1,691.

Control over CSPL will enable CTSIL to increase business portfolio in transversal services particularly in the area of IT and ITES and the synergy it is expected to bring in reduction in CTSIL's operating expenses due to economies of scale.

In the previous year, pursuant to scheme of amalgmation dated 24 January 2018, CSPL has merged with CTSIL effective 1 April 2017 (appointed date).

Acquisition-related costs

In previous year, acquisition-related costs of Rs.27 was expensed in Consolidated Statement of Profit and Loss.

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

Particulars	Amount (in million) as at 30 November 2016
Non Current Assets	733
Current financial assets	1,473
Total assets acquired on amalgamation (A)	**2,206**
Non- Current Liabilities	142
Current liabilities and provisions	378
Total liabilities acquired on amalgamation (B)	**520**
Equity value as per NAV on 30 November 2016	**1,686**
Consideration paid	**1,686**

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows-

Assets acquired	Valuation technique
Fixed Assets consisting of Computer Systems, Office Equipment's Furniture and Fixtures, Leasehold improvements and Vehicles	Based on independent technical valuation analysis of fixed assets performed by a CAT VII Government approved and Registered Valuer, the fair value is equal to the carrying value. Depreciated replacement cost reflects the functional and economic obsolescence.
Goodwill	There has been no goodwill arising out of this acquisition

(ii) Acquisition of TCUBE Software Solutions Private Limited:

On 1 November 2017, CTSIL acquired 100 percent of the equity shares of TCUBE Software Solutions Private Limited (TCUBE), a company engaged in providing software services and solutions for systems implementation, configuration, and maintenance and implementation services for a total consideration of Rs.519.

Control over TCUBE enabled CTSIL to increase business portfolio in transversal services particularly in the area of IT and ITES and the synergy is expected to bring in reduction in CTSIL's operating expenses due to economies of scale.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Acquisition-related costs

In the previous year, acquisition-related costs of Rs.0.3 was expensed in Consolidated Statement of Profit and Loss.

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

Particulars	Amount(in million) as at 31 October 2017
Non Current Assets	19
Current Assets	110
Total assets	**129**
Current Liabilities and Provisions	73
Total liabilities	**73**
Equity value as per NAV on 31 October 2017	**56**
Goodwill arising on business combination	**463**
Consideration paid	**519**

The valuation techniques used for measuring the fair value of material assets acquired were as follows-

Assets acquired	Valuation technique
Fixed Assets consisting of Computer Systems, Office Equipment's Furniture and Fixtures, Leasehold improvements and Vehicles	Based on independent technical valuation analysis of fixed assets performed by SSPA & Co., Chartered Accountants, the fair value is equal to the carrying value. Depreciated replacement cost reflects the functional and economic obsolescence.
Goodwill	Goodwill arising out of this acquisition is Rs. 463

42 Subsidiaries information

Name of the subsidiary	Net Assets (Total assets-total liabilities)		Share in profit or (loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of total	Amount in Rs.	As % of total	Amount in Rs.	As % of total	Amount in Rs.	As % of total	Amount in Rs.
Parent	100.0%	1,13,497	99.9%	15,721	100.3%	(844)	99.9%	14,877
Indian subsidiaries								
IGATE Infrastructure Management Services Limited	0.0%	(25)	-0.1%	(9)	0.0%	-	-0.1%	(9)
TCUBE Software Solutions Pvt.Ltd. (w.e.f 1 October 2017)	0.1%	91	0.1%	23	-0.3%	3	0.2%	26
Adjustment arising out of consolidation	-0.1%	(68)	0.0%	-	0.0%	-	0.0%	-
	100.0%	1,13,497	100.0%	15,735	100.0%	(841)	100.0%	14,894

43 Specified bank notes (SBN)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

44 Managerial remuneration

During the year ended 31 March 2016, the Company paid remuneration amounting to Rs. 291 to its whole-time director. Such amounts paid were in excess of the limits specified in section 197 of the Companies Act, 2013 ('the Act') and Schedule V of the Act. The Company approved resolutions in Board meeting held on 23 November 2016 and shareholders' meeting held on 29 December 2016 seeking approval for the excess remuneration paid and subsequently filed an application to the Central Government on 22 February 2017 to ratify excess remuneration paid aggregating to Rs. 221. Pursuant to the application made by the Company, the Central Government, vide its order dated 1 December 2017, approved remuneration amounting to Rs. 118 and directed the Company to recover excess remuneration of Rs. 173. The Company has recorded such excess remuneration as recoverable from the director under 'other current financial assets' (refer note 12). However, no amount has been recovered till date. The Company had filed for a review petition on 23 April 2018 against the Central Government order. Subsequently, the Central Government responded, vide its order dated 6 May 2019 stating that no action was pending at its end and that the onus of compliance with the Act lies with the Company.

The Companies (Amendment) Act, 2017 ("2017 Amendment Act") inserted a new Section 197(17) and amended Sections 197(9) and 197(10) effective 12 September 2018. In view of the newly notified Section 197 (17), on and from the commencement of the 2017 Amendment Act, any application made to the Central Government under the provisions of the erstwhile section 197, which is pending with the Government shall abate, and the Company shall, within one year of such commencement, obtain the shareholders' approval by way of a special resolution to waive off the excess amount receivable from the whole-time director.

Notes to the consolidated financial statements for the year ended 31 March 2019 *(Contd.)* *(Currency : INR in million)*

Pursuant to Central Government's response and the 2017 Amendment Act, the Company is in the process of obtaining shareholders' approval to waive off the excess amount receivable from the whole-time director through a special resolution within one year i.e. in accordance with the provisions of the amended Section before 12 September 2019 via postal ballot in accordance with the provisions of the Act.

45 Merger schemes pending with National Company Law Tribunal, Mumbai (NCLT)

(i) The Company had filed an application with the Hon'ble High Court of Judicature of Bombay in August 2016 to merge IGATE Infrastructure Management Services Limited with the Company effective 1 April 2017 under Section 391 to 394 of the Companies Act, 1956 pursuant to the approval of the scheme by Board of Directors on 18 July 2016. The said matter got transferred to the NCLT consequent to the notification of provisions relating to scheme of merger under Companies Act, 2013 by the Ministry of Corporate Affairs and to transfer all proceedings pending under Companies Act, 1956 before the various High Courts to the relevant benches of NCLT w.e.f 15 December 2016. In addition to the original scheme of merger, the Board of Directors have approved certain amendments to the scheme on 23 June 2017. The Company has filed the amended scheme of merger with NCLT, Mumbai.

(ii) The Company has filed an application with the NCLT on 19 April 2018 to merge Tcube Software Solutions Private Limited with the Company effective 1 April 2018 under Section 230 to 232 of the Companies Act, 2013 pursuant to the approval of the scheme by the Group's Board of Directors on 23 February 2018.

46 Overdue receivables for export services

As on 31 March 2019, the Company has foreign currency receivables amounting to Rs. 348 (31 March 2018: 277) which is outstanding for a period exceeding nine months from the invoice date. As per the RBI Master Circular No. 14/2015-16 on Export of Goods and Services updated on 16 July 2015, "It is obligatory on the part of the exporter to realize and repatriate the full value of goods or services to India within a period of nine months from the date of export". The export proceeds against these dues have not been repatriated within the stipulated period under the FEMA Rules and Regulations. Management does not expect any penalties/levies in this regard as it has already filed for extension of time for collecting the dues of Rs. 348 (31 March 2018: Rs. 277) with authorised dealer and is awaiting confirmation.

47 Subsequent event

Pan-Asia Solutions, Mauritius, subsidiary of Capgemini America, Inc., sold 13,659,959 equity shares i.e. 23.10% of the equity share capital of the Company to Capgemini SE, the ultimate parent company on 29 April 2019. Pursuant to the transaction, Capgemini SE, holds 20,750,621 equity shares i.e. 35.09% of the equity share capital of the Company.

48 Transfer pricing

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Group is required to update and put in place the information latest by the due date of filing its income tax return (30 November 2019). The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

49 Previous year comparatives

Previous year's figures have been regrouped or reclassified as detailed below to conform to current year's presentation.

Account head transferred from	Account head transferred to	Amount
Other current liabilities	Other current assets	1,646
Other current liabilities	Trade receivables	65

Signatures to Note 1 to 49 form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Vijay Mathur
Partner
Membership No: 046476
UDIN - 19046476AAAABE3065

Ashwin Yardi
Chief Executive Officer & Director
DIN - 07799277

R Ramaswamy
Director
DIN - 00038146

Armin Billimoria
Company Secretary
FCS - 8637

Sujit Sircar
Chief Financial Officer

Place : Mumbai
Date : 24 July 2019

Place : Mumbai
Date : 24 July 2019

NOTES

Capgemini Technology Services India Limited

Regd. office: No.14, Rajiv Gandhi Infotech Park, Hinjawadi Phase III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune - 411 057 Maharashtra
CIN: U85110PN1993PLC145950; E-mail: cgcompanysecretary.in@capgemini.com; Website: https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india limited-formerly-known-as-igate-global-solutions-limited/ ; Telephone: +91-20-66991000; Fax: +91-20-66995050

Twenty Sixth Annual General Meeting Proxy Form
Form No.MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

Name of the member(s):		E-mail Id:	
Registered address:		Folio No/Client Id:	
		DP Id:	

I/We, being the member(s) of Capgemini Technology Services India Limited holding ____________________________________ shares, hereby appoint:

1. Mr./Ms. ________________________________ Address ________________________________,
   E-mail id: ________________________________ Signature , or failing him/her
2. Mr./Ms. ________________________________ Address ________________________________,
   E-mail id: ______________ ________________________________ Signature , or failing him/her
3. Mr./Ms. ______________ Address ________________________________,
   E-mail id: ______________ Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Thursday, 26 September 2019 at 10:00 a.m. at No.14, Rajiv Gandhi Infotech Park, Hinjawadi Phase-III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune – 411 057, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Tick the relevant item for which the proxy is appointed
Ordinary Business		
1	A. To receive, consider and adopt the Audited Standalone Financial Statement as at 31 March 2019 together with the Auditors' Report thereon and the Board's Report including the Secretarial Audit Report of the Company for the financial year ended 31 March 2019.	
	B. To receive, consider and adopt the Audited Consolidated Financial Statement as at 31 March 2019 together with the Auditors' Report of the Company for the financial year ended 31 March 2019.	
2	To appoint a Director in place of Mr. Srinivasa Rao Kandula (DIN: 07412426) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	
3	To appoint a Director in place of Mr. Ashwin Yardi (DIN: 07799277) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	
4	To appoint a Director in place of Ms. Aruna Jayanthi (DIN: 00817860) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.	
5	To appoint a Director in place of Ms. Karine Marchat (DIN: 07901978) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.	
6	To appoint a Director in place of Mr. Ritesh Talapatra (DIN: 07849732) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	
7	To appoint a Director in place of Mr. Hubert Giraud (DIN: 00817709) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	
8	To appoint a Director in place of Mr. Paul Hermelin (DIN: 07887276) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	
9	To appoint a Director in place of Mr. Thierry Delaporte (DIN: 08107242) who retires as per article 14 (8) (a) of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.	

Signed this ______________________ day of ___________ 2019

Signature of Share holder____

Signature of Proxy holder(s)____

Affix Revenue Stamp

Notes:

a. A proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members holding more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.

b. This form of proxy in order to be effective should be duly completed, signed and stamped should be deposited in person or through post at the registered office of the Company, not less than 48 hours before the commencement of the meeting. Incomplete proxy form will be treated as invalid.

Capgemini Technology Services India Limited

Regd. office: No.14, Rajiv Gandhi Infotech Park, Hinjawadi Phase III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune - 411 057 Maharashtra
CIN: U85110PN1993PLC145950; E-mail: cgcompanysecretary.in@capgemini.com; Website: https://www.capgemini.com/in-en/what-we-do/group-overview/capgemini-technology-services-india limited-formerly-known-as-igate-global-solutions-limited/ ; Telephone: +91-20-66991000; Fax: +91-20-66995050

Twenty Sixth Annual General Meeting Attendance Slip

Folio No.:______________	DP ID*: ________________	Client ID*: ______________

* Applicable for Equity Shareholders holding Equity Shares in dematerialized form

I hereby record my presence at the Twenty Sixth Annual General Meeting of the Company at 10:00 a.m. on Thursday, 26 September 2019 at No.14, Rajiv Gandhi Infotech Park, Hinjawadi, Phase-III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune- 411 057, Maharashtra

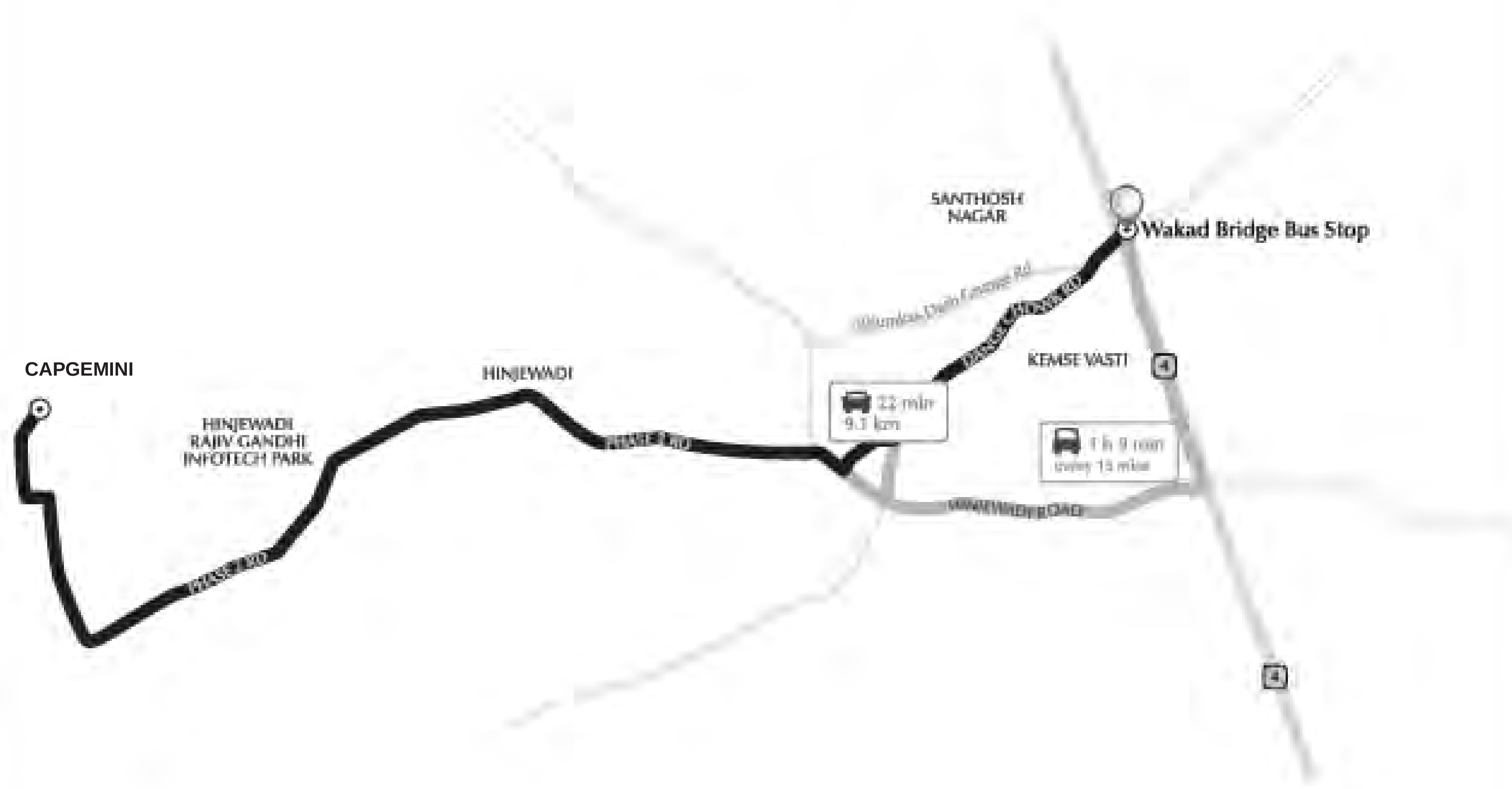
Name of the Shareholder (In Block Letters): ________________________________

Signature of the Shareholder or Proxy: ________________________________

Notes:

1. Please complete this attendance slip and hand it over at the entrance of the hall.
2. Members are requested to bring their copies of the Annual Report to the Meeting.

ROUTE MAP FOR MEETING VENUE



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

Capgemini Technology Services India Limited

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