Coforge DPA Australia Pty Ltd

(Formerly known as Incessant Technologies (Australia) Pty Ltd)

ABN 12 138 639 068

Annual Report - 31 March 2021

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Directors' report
31 March 2021

The directors present their report, together with the financial statements, on the company for the year ended 31 March 2021.

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Glenn Merchant
Madan Mohan (resigned 1 April 2021)
Krishna Prasad Modalavalasa (appointed 1 April 2021)
Marcus Hoof (appointed 1 April 2021)

Principal activities
During the financial year the principal continuing activities of the company consisted of:
- Primarily offering services in the area of Software Solutions, Consultancy Services and Solutions on Business Process Management to the Banking, Travelling and Insurance Industry.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The profit for the company after providing for income tax amounted to $865,588 (31 March 2020: loss of $1,120,553).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 March 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation
The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Shares under option
There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 31 March 2021 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Directors' report
31 March 2021

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Glenn Merchant
Glenn Merchant
Director

M.N.V.A.K. Prasad
Krishna Modalavalasa
Director

26 May 2021
SYDNEY

CountPlus One
Relationships for Success

Registered Company Auditor No. 339306

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Email info@cp1.com.au

CountPlus One Audit Pty Ltd
ABN 14 137 175 396

Level 4, 65 Walker St
North Sydney, NSW 2060

Level 1, 93 George Street
Parramatta, NSW 2150

PO Box 501
North Sydney, NSW 2059

Coforge DPA Australia Pty Limited
Auditor's independence declaration

In accordance with section 307C of the *Corporations Act 2001*, as auditor for the audit of Coforge DPA Australia Pty Limited for the financial year ended 31 March 2021, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Countplus One Audit Pty Limited

Countplus One Audit Pty Limited
Registered Company Auditor Number 339306

Ian George
Director

Level 4, 65 Walker Street
NORTH SYDNEY NSW 2060

Dated: 25 May 2021

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
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General information

The financial statements cover Coforge DPA Australia Pty Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Coforge DPA Australia Pty Ltd's functional and presentation currency.

Coforge DPA Australia Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 4
65 Walker Street
NORTH SYDNEY NSW 2060

Principal place of business

Suite 17, Level 14 Lumley House
309 Kent Street
SYDNEY NSW 2000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The comparative financial information presented in this report pertains to the period 1 April 2019 to 31 March 2020.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 May 2021. The directors have the power to amend and reissue the financial statements.

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2021

	Note	2021 $	2020 $
Revenue	3	30,991,008	32,195,970
Other income	4	(34,011)	2,325
Expenses			
Production, development and execution	5	(12,850,568)	(9,087,035)
Employee benefits expense		(14,778,882)	(22,374,666)
Depreciation and amortisation expense		(16,383)	(15,817)
Provision for Doubtful Debts		(827,924)	(106,960)
Other expenses		(1,189,282)	(2,205,216)
Finance costs		(129,797)	32,041
Profit/(loss) before income tax (expense)/benefit		1,164,161	(1,559,358)
Income tax (expense)/benefit	6	(298,573)	438,805
Profit/(loss) after income tax (expense)/benefit for the year attributable to the owners of Coforge DPA Australia Pty Ltd	21	865,588	(1,120,553)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Coforge DPA Australia Pty Ltd		865,588	(1,120,553)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Statement of financial position
As at 31 March 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	7	3,234,826	2,471,319
Trade and other receivables	8	6,598,677	5,847,512
Income tax refund due	9	239,756	998,549
Other	10	3,174,123	1,233,201
Total current assets		13,247,382	10,550,581
Non-current assets			
Property, plant and equipment	11	47,974	34,382
Deferred tax	13	110,534	409,107
Total non-current assets		158,508	443,489
Total assets		13,405,890	10,994,070
Liabilities			
Current liabilities			
Trade payable	14	6,268,361	4,684,007
Borrowings	15	-	2,100,000
Employee benefits	16	486,193	480,810
Other payable	17	27,652	223,528
Total current liabilities		6,782,206	7,488,345
Non-current liabilities			
Borrowings	18	2,100,000	-
Employee benefits	19	152,371	-
Total non-current liabilities		2,252,371	-
Total liabilities		9,034,577	7,488,345
Net assets		4,371,313	3,505,725
Equity			
Issued capital	20	100	100
Retained profits	21	4,371,213	3,505,625
Total equity		4,371,313	3,505,725

The above statement of financial position should be read in conjunction with the accompanying notes

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Statement of changes in equity
For the year ended 31 March 2021

	Issued capital $	Retained profits $	Total equity $
Balance at 1 April 2019	100	4,626,178	4,626,278
Loss after income tax benefit for the year	-	(1,120,553)	(1,120,553)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,120,553)	(1,120,553)
Balance at 31 March 2020	100	3,505,625	3,505,725

	Issued capital $	Retained profits $	Total equity $
Balance at 1 April 2020	100	3,505,625	3,505,725
Profit after income tax expense for the year	-	865,588	865,588
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	865,588	865,588
Balance at 31 March 2021	100	4,371,213	4,371,313

The above statement of changes in equity should be read in conjunction with the accompanying notes

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Statement of cash flows
For the year ended 31 March 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		28,051,545	34,632,432
Payments to suppliers (inclusive of GST)		(27,861,249)	(34,794,019)
Other revenue		190,296	(161,587)
Interest and other finance costs paid		(34,011)	7,501
Income taxes paid		(129,797)	32,041
		758,793	(627,008)
Net cash from/(used in) operating activities	26	785,281	(749,053)
Cash flows from investing activities			
Payments for property, plant and equipment	11	(29,975)	(44,105)
Payments for security deposits	10	-	(16,147)
Proceeds from release of security deposit		8,201	-
Net cash used in investing activities		(21,774)	(60,252)
Cash flows from financing activities			
Loans from/(to) related and other parties		-	2,100,000
Net cash from financing activities		-	2,100,000
Net increase in cash and cash equivalents		763,507	1,290,695
Cash and cash equivalents at the beginning of the financial year		2,471,319	1,180,624
Cash and cash equivalents at the end of the financial year	7	3,234,826	2,471,319

The above statement of cash flows should be read in conjunction with the accompanying notes

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Notes to the financial statements
31 March 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 16 Leases

The company has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

As the company only holds short term leases, no right-of-use asset and corresponding lease liabilities are required.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Note 1. Significant accounting policies (continued)

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Government Grants
During the year company has received government grant in form of Job Keeper Subsidy from Australian Taxation Office. As per AASB - 120 (Para 29), grants related to income are presented as part of profit or loss, either separately or alternatively, they are deducted in reporting the related expense.
In line with AASB - 120, company has deducted the Job Keeper subsidy with total Salary and Wage expense.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Note 1. Significant accounting policies (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computers and peripherals	2-5 years
Office Equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 1. Significant accounting policies (continued)

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 March 2021. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.
Company has considered the possible effects that may result from COVID 19 on the carrying amount of receivables, unbilled revenue, goodwill and intangible assets. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Company, as on date of approval of these financial statements has used various information, as available. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2021 $	2020 $
Sales from operations	30,991,008	32,195,970

Note 4. Other income

	2021 $	2020 $
Other Income	(34,011)	2,325

Note 5. Production, development and execution

	2021 $	2020 $
Professional service expenses for production	12,850,568	9,087,035

Note 6. Income tax expense/(benefit)

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

	2021 $	2020 $
Income tax expense/(benefit)		
Deferred tax - origination and reversal of temporary differences	298,573	(438,805)
Aggregate income tax expense/(benefit)	298,573	(438,805)
Deferred tax included in income tax expense/(benefit) comprises:		
Decrease/(increase) in deferred tax assets (note 13)	298,573	(438,805)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit/(loss) before income tax (expense)/benefit	1,164,161	(1,559,358)
Tax at the statutory tax rate of 30%	349,248	(467,807)
Prior year tax losses not recognised now recouped	(29,002)	-
Current year temporary differences not recognised	(21,673)	29,002
Income tax expense/(benefit)	298,573	(438,805)

	2021 $	2020 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	-	96,673
Potential tax benefit @ 30%	-	29,002

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Coforge DPA Australia Pty Ltd
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Notes to the financial statements
31 March 2021

Note 7. Current assets - cash and cash equivalents

	2021 $	2020 $
Cash at bank	3,234,826	2,471,319

Note 8. Current assets - trade and other receivables

	2021 $	2020 $
Trade receivables	6,816,717	5,953,493
Less: Provision for Doubtful Debts	(218,040)	(105,981)
	6,598,677	5,847,512

Allowance for provision for doubtful debts
The company has recognised a provision in respect of impairment of receivables outstanding for more than 365 days, for the year ended 31 March 2021.

Note 9. Current assets - income tax refund due

	2021 $	2020 $
Income tax refund due	239,756	998,549

Note 10. Current assets - Other

	2021 $	2020 $
Accrued revenue	3,103,284	1,110,862
Prepayments	59,553	102,852
Security deposits	11,286	19,487
	3,174,123	1,233,201

Note 11. Non-current assets - property, plant and equipment

	2021 $	2020 $
Plant and equipment - at cost	88,479	58,503
Less: Accumulated depreciation	(40,505)	(24,121)
	47,974	34,382

Note 11. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and Equipment $	Total $
Balance at 1 April 2019	6,093	6,093
Additions	44,105	44,105
Depreciation expense	(15,816)	(15,816)
Balance at 31 March 2020	34,382	34,382
Additions	29,975	29,975
Depreciation expense	(16,383)	(16,383)
Balance at 31 March 2021	47,974	47,974

Note 12. Non-current assets - intangibles

	2021 $	2020 $
Software - at cost	55,229	55,229
Less: Accumulated amortisation	(55,229)	(55,229)
	-	-

Note 13. Non-current assets - deferred tax

	2021 $	2020 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	388,839	-
Allowance for expected credit losses	65,412	-
Employee benefits	191,569	207,139
Accrued expenses	517,680	-
Revenue (unbilled)	(930,781)	-
Other	(122,185)	201,968
Deferred tax asset	110,534	409,107
Amount expected to be recovered after more than 12 months	110,534	409,107
Movements:		
Opening balance	409,107	(29,698)
Credited/(charged) to profit or loss (note 6)	(298,573)	438,805
Closing balance	110,534	409,107

Note 14. Current liabilities - Trade payable

	2021 $	2020 $
Trade payables	5,149,278	3,393,156
BAS payable	700,427	651,234
Other payables	418,656	639,617
	6,268,361	4,684,007

Refer to note 22 for further information on financial instruments.

Note 15. Current liabilities - borrowings

	2021 $	2020 $
Loan from Affiliates - Unsecured	-	2,100,000

Note 16. Current liabilities - employee benefits

	2021 $	2020 $
Annual leave	486,193	480,810

Note 17. Current liabilities - Other payable

	2021 $	2020 $
Deferred revenue	27,652	223,528

Note 18. Non-current liabilities - borrowings

Borrowings

	2021 $	2020 $
Loan from Affiliates - Unsecured	2,100,000	-

Total unsecured liabilities
The loan has been taken from Coforge Technologies Australia Pty Limited (Formerly, NIIT Technologies Pty Limited), whereby the same is payable as on 31 December 2022.

Note 19. Non-current liabilities - employee benefits

	2021 $	2020 $
Long service leave	152,371	-

Note 20. Equity - issued capital

	2021 Shares	2020 Shares	2021 $	2020 $
Ordinary shares - fully paid	100	100	100	100

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital risk management policy remains unchanged from the 2020 Annual Report.

Note 21. Equity - retained profits

	2021 $	2020 $
Retained profits at the beginning of the financial year	3,505,625	4,626,178
Profit/(loss) after income tax (expense)/benefit for the year	865,588	(1,120,553)
Retained profits at the end of the financial year	4,371,213	3,505,625

Note 22. Financial instruments

Financial risk management objectives
The company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments.

To mitigate the risks Company has Internal Control Financial Risk Matrix (ICFR) which is being audited by Corporate Internal Audit Team at a global level of Incessant and report is discussed with Top Management.

Price risk
The company is not exposed to any significant price risk.

Interest rate risk
The company's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the company to interest rate risk. The policy is to repay all borrowings to reduce any interest charges.

Note 22. Financial instruments (continued)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information and confirming references. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

The company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the company based on recent sales experience, historical collection rates and forward-looking information that is available.

The company has a credit risk exposure with a major customer, which as at 31 March 2021 owed the company $2,241,252 (34.2% of trade receivables). However, a significant part of this balance is within its terms of trade and accordingly, management believes that this balance is fully recoverable and there is no need for any provision for impairment as at 31 March 2021. Management closely monitors all its receivable balances on a monthly basis and is in regular contact with its customers on the outstanding amounts.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	2021 $	2020 $
Audit services -		
Audit of the financial statements	32,500	26,000
Other services -		
Payroll processing	30,000	42,000
Lodgment of Income Tax Return	3,000	3,000
Lodgment of FBT Return	2,000	2,000
	35,000	47,000
	67,500	73,000

Note 24. Related party transactions

Ultimate Parent entity
Coforge Limited (Formerly known as NIIT Technologies Ltd), India is the ultimate parent entity.

Note 24. Related party transactions (continued)

Immediate Parent Entity
Coforge DPA India Private Limited (Formerly known as NIIT Incessant Private Limited) is the immediate parent entity

Transactions with related parties
The following transactions occurred with related parties:

	2021 $	2020 $
Sale of goods and services:		
Sale of services to associate	64,855	-
Payment for goods and services:		
Payment for services from associate	9,889,190	6,444,469
Reimbursement of expenses from company	54,475	412,353
Reimbursement of expenses by company	53,469	835,424
Other expenses	215,524	396,600
Payment for other expenses:		
Interest paid to associate	115,502	-

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2021 $	2020 $
Current payables:		
Trade payables to associate	3,392,169	1,954,828

The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021 $	2020 $
Current borrowings:		
Loan from associate	-	2,100,000
Non-current borrowings:		
Loan from associate	2,100,000	-

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 31 March 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 26. Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	2021 $	2020 $
Profit/(loss) after income tax (expense)/benefit for the year	865,588	(1,120,553)
Adjustments for:		
Depreciation and amortisation	16,383	15,817
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(751,165)	92,933
Decrease/(increase) in income tax refund due	758,793	(627,009)
Decrease/(increase) in deferred tax assets	298,573	(438,805)
Decrease/(increase) in accrued revenue	(1,992,422)	2,221,336
Decrease in prepayments	43,299	22,101
Increase/(decrease) in trade payable	1,584,354	(1,304,890)
Increase in employee benefits	157,754	191,774
Increase/(decrease) in other operating liabilities	(195,876)	198,243
Net cash from/(used in) operating activities	785,281	(749,053)

Coforge DPA Australia Pty Ltd
(Formerly known as Incessant Technologies (Australia) Pty Ltd)
Directors' declaration
31 March 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 March 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Glenn Merchant
Director

M. N. V. A. K. Prasad
Krishna Modalavalasa
Director

26 May 2021
SYDNEY

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Relationships for Success

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Coforge DPA Australia Pty Limited
Independent auditor's report to the members of Coforge DPA Australia Pty Limited

Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report of Coforge DPA Australia Pty Limited which comprises the statements of financial position as at 31 March 2021, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company at the year's end.

Opinion
In our opinion the financial report of Coforge DPA Australia Pty Limited is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the company's financial position as at 31 March 2021 and of their performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and International Financial Reporting Standards, to the extent described in Note 1, and the *Corporations Act 2001*.

Basis for opinion
We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (the 'code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 March 2021, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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.

Directors' responsibility for the financial report
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and International Financial Reporting Standards, to the extent described in Note 1 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

Countplus One Audit Pty Limited

Countplus One Audit Pty Limited
Registered Company Auditor Number 339306

Ian George

Ian George
Director

Level 4, 65 Walker Street
NORTH SYDNEY NSW 2060

Dated: 26 May 2021