



INDEPENDENT AUDITOR'S REPORT
To the Members of Miles Software Solutions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Miles Software Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit/ loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

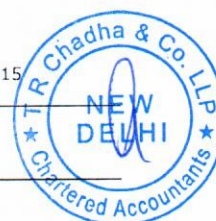
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial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

Emphasis of Matter

We draw attention to Note 32(A) of the financial statements, which describes that during the year the Company has booked expenses of Rs. 603.21 Lakhs as exceptional item for payments against cancellation of outstanding stock options. Due to change in the management during the year, the details required for accounting as per IND AS are not available with the Company and therefore it is impracticable to determine the expenses required to be booked by the Company till 1st April 2017 and during FY 2017-18. Since

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it is impracticable to determine amount to rectify prior period error, the entire expenses of Rs. 603.21 Lakhs, being settlement amount against outstanding vested option has been booked in the current year.

Our opinion is not modified in respect of this matter.

Information other than financial statement and auditor's report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

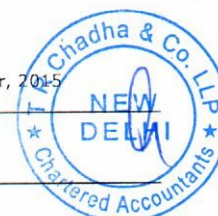
Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 scepticism 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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

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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.

Other Matter

The comparative financial information of the company for the year ended 31st March 2018 prepared in accordance with Ind AS included in these Standalone Ind AS financial statements are based on previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended) audited by another auditor whose report for the year ended 31st March, 2018 and 31st March 2017 dated 3rd Sep 2018 and 4th Sep 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS which have been audited by us.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(g) The Company is a Private Limited Company and accordingly requirements of Section 197(16) of the Act are not applicable.

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

- i. The Company does not have any pending litigation which would impact its financial positions;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Hitesh Garg

Partner

Membership No. 502955



Place: Noida

Date: 25th September 2019

UDIN: 19502955AAAABZ5558

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Miles Software Solutions Private Limited

"Annexure A" as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

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

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The company does not have any immovable property and hence clause 3 (i) (c) of the Order is not applicable to the company.
2. The Company has no inventories and therefore, no comment is required to be made in respect of the matters specified in clause (ii) of Paragraph 3 of the Order.
3. According to the information and explanation given to us, the Company has granted unsecured loan to the parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of such loan:
 - a. The terms and conditions of the grant of such loan is, in our opinion, prima facie, not prejudicial to the company's interest.
 - b. The repayment of principal and the interest is payable on demand. As explained by the management, the Company has not called for repayment of principal and interest till 31st March 2019, therefore, regularity of the receipt against principal and interest cannot be commented upon by us.
 - c. There is no overdue amount remaining outstanding as at the year-end.
4. In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans given by the Company.
5. The Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the



Rules framed thereunder. Accordingly, clause 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including employees state insurance, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it. Further, there were no arrears of undisputed statutory dues as at 31st March 2019, which were outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues which have not been deposited on account of any dispute.
8. According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any loan or borrowing from financial institutions, banks, Government or debenture holders. Accordingly, clause 3 (viii) of the Order is not applicable to the Company.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. The provisions of Section 197 read with Schedule V of the Companies Act 2013 are not applicable for Private Limited Company. Accordingly, clause 3 (xi) of the Order is not applicable to the Company.

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T R Chadha & Co LLP
Chartered Accountants



12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
13. 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 Companies Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
15. 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 him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028


Hitesh Garg

Partner

Membership No. 502955



Place: Noida

Date: 25th September 2019

UDIN: 19502955 AAAABZ5558

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Miles Software Solutions Private Limited

“Annexure B” as referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Miles Software Solutions Private Limited (“the Company”) as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to Ind AS Financial Statements based on the internal controls over financial reporting 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS Financial Statements

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was 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 control system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Ind AS Financial Statements included obtaining an understanding of internal financial control with reference to Ind AS Financial Statements, 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 Ind AS 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 system with reference to Ind AS Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to Ind AS 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 control over financial reporting with reference to Ind AS financial statements includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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 authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Ind AS financial statements and such internal financial controls over financial reporting with reference to Ind AS financial statements were operating effectively as at 31st March 2019, based on the internal control over financial reporting 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.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Hitesh Garg

Partner

Membership No. 502955



Place: Noida

Date: 25th September 2019

UDIN: 19502955 AAAA BZ 5558

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	Note No.	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	24.99	30.76	46.43
Capital Work in Progress	3	284.73	69.96	87.75
Intangible Assets		503.73	-	-
Intangible Assets under Development	4	141.78	142.61	141.78
Investments in Subsidiary		-	-	-
Financial Assets	5	284.17	262.52	242.51
(i) Investment	6	-	112.65	122.84
(ii) Loans	7	674.42	729.92	712.41
Non Current Tax Assets (Net)	8	101.22	-	24.94
Deferred Tax Asset (Net)	9	49.13	-	-
Other Non-Current Assets		-	-	-
Total Non-Current Assets		2,120.13	1,348.42	1,378.66
Current Assets				
Financial Assets	10	1,061.78	229.05	201.05
(i) Investments	11	1,657.21	3,429.48	2,944.18
(ii) Trade Receivables	12	385.76	305.20	123.77
(iii) Cash and Cash Equivalents	13	134.75	68.66	65.08
(iv) Other Bank Balances	14	1,329.12	944.01	739.73
(v) Loans	15	454.06	10.47	0.45
(vi) Other Current Financial Assets	16	83.03	520.44	185.70
Other Current Assets		-	-	-
Total Current Assets		5,105.71	5,507.31	4,259.96
Total Assets		7,225.84	6,855.73	5,638.62
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	17	8.87	8.87	8.87
Instruments entirely equity in nature	17	4.05	4.05	4.05
Other Equity	18	5,446.86	4,964.36	4,609.51
Total Equity		5,459.78	4,977.28	4,622.43
Liabilities				
Non-Current Liabilities				
Provisions	19	183.09	99.08	62.80
Deferred Tax Liabilities (Net)	8	-	19.94	-
Total Non-Current Liabilities		183.09	119.02	62.80
Current Liabilities				
Financial Liabilities				
(i) Trade Payables	20	-	-	-
Micro Small and Medium Enterprises		58.70	48.09	52.47
Others	21	961.25	739.41	528.13
(ii) Other Current Financial Liabilities	22	560.47	970.53	368.49
Other Current Liabilities	23	2.55	1.40	4.30
Provisions		-	-	-
Total Current Liabilities		1,582.97	1,759.43	953.39
Total Liabilities		1,766.06	1,878.45	1,016.19
Total Equity and Liabilities		7,225.84	6,855.73	5,638.62
Notes to Financial Statements	1 to 44			

The accompanying notes are an integral part of these financial statements
 This is the Balance Sheet referred to in our report of even date

Significant Accounting Policies

For T R Chadha & Co LLP
 Chartered Accountants
 Firm Reg No.: 006711N / N500028

Hitesh Garg
 Partner
 M. No.: 502955

Place: Noida
 Date: 25th September 2019



For and on behalf of the board of directors of
 Miles Software Solutions Pvt Ltd

Satva Bhushan Kotru
 Director
 DIN: 01729176

Vikas Verma
 Director
 DIN: 03511116



Miles Software Solutions Pvt Ltd
 CIN: U72200MH1999PTC119143
 Statement of Profit and Loss for the year ended 31 March 2019
 All amounts are in INR Lakhs unless otherwise stated

Particulars	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue	24	7,319.14	5,959.66
Revenue from Operations	25	392.76	119.08
Other Income			
Total Income		7,711.90	6,078.74
Expenses			
Employee Benefits Expense	26	2,864.74	3,155.18
Finance Costs	27	7.07	7.24
Depreciation Expense	28	37.45	49.62
Other Expenses	29	2,844.15	2,265.68
Total Expenses		5,753.41	5,477.72
Profit/ (Loss) Before Tax and exceptional items		1,958.49	601.02
Exceptional Items	32	(1,203.21)	-
Profit/ (Loss) Before Tax and after exceptional items		755.28	601.02
Tax Expense:			
Current Tax	30	331.08	145.74
Deferred Tax	30	(105.34)	60.33
Profit/ (Loss) for the Year		529.54	394.95
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss		(62.86)	(55.55)
Remeasurement of defined benefit plans		(15.82)	(15.45)
Deferred Tax relating to remeasurement of defined benefit plans		(47.04)	(40.10)
Total Other Comprehensive Income for the Period (B)		482.50	354.85
Total Comprehensive Income for the Period (A + B)			
Earnings per Equity Share of Rs. 10 each	31		
Basic		596.78	445.09
Diluted		409.70	305.57
Notes on Financial Statements	1 to 44		

The accompanying notes are an integral part of these financial statements
 This is the Statement of Profit & Loss referred to in our report of even date

Significant Accounting Policies

For T R Chadha & Co LLP
 Chartered Accountants
 Firm Reg No.: 006711N / N500028

Hitesh Garg
 Partner
 M. No.: 502955

Place: Noida
 Date: 25th September 2019



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For and on behalf of the board of directors of
 Miles Software Solutions Pvt Ltd

Satya Bhushan Kotru
 Director
 DIN: 01729176

Vikas Verma
 Director
 DIN: 03511116



Miles Software Solutions Pvt Ltd
Statement of Changes in Equity for the year ended 31 March 2019
All amounts are in INR Lakhs unless otherwise stated

(a) Equity Share Capital

	No. of Shares	Amount
Balance at the 01.04.2017	88,734.00	8.87
Changes in Share Capital during the year		
Balance at the 31.03.2018	88,734.00	8.87
Balance at the 01.04.2018	88,734.00	8.87
Changes in Share Capital during the year		
Balance at the 31.03.2019	88,734.00	8.87

(b) Instruments entirely equity in nature

	No. of Shares	Amount
Participatory, Cumulative, Compulsorily Convertible Preference Shares ("PCCPS")	40,518.00	4.05
Balance at the 01.04.2017		
Changes in Share Capital during the year		
Balance at the 31.03.2018	40,518.00	4.05
Balance at the 01.04.2018	40,518.00	4.05
Changes in Share Capital during the year		
Balance at the 31.03.2019	40,518.00	4.05

(c) Other Equity

	Securities Premium Account	Capital Redemption Reserve	Retained Earnings	General Reserve	OCI Remeasurement of Defined Benefit Plans	Total
Balance at 1 April 2017	2,153.07	1.20	2,429.53	25.71	-	4,609.51
Impacts due to Ind AS Adjustments						
Changes in Accounting Policy / Prior Period Errors						
Restated Balance at the Beginning of the Reporting Period	2,153.07	1.20	2,429.53	25.71	-	4,609.51
Profit/(Loss) for the year			394.95		(40.10)	394.95
Other comprehensive Income/(Loss) for the year			394.95		(40.10)	354.84
Total Comprehensive Income/(Loss) for the year			394.95		(40.10)	354.84
Addition during the year						
Balance at 31 March 2018	2,153.07	1.20	2,824.48	25.71	(40.10)	4,964.36
Changes in Accounting Policy / Prior Period Errors						
Restated Balance at the Beginning of the Reporting Period	2,153.07	1.20	2,824.48	25.71	(40.10)	4,964.36
Profit/(Loss) for the year			529.54		(47.04)	529.54
Other comprehensive Income/(Loss) for the year			529.54		(47.04)	482.50
Total Comprehensive Income/(Loss) for the year			529.54		(47.04)	482.50
Addition during the year						
Balance at 31 March 2019	2,153.07	1.20	3,354.02	25.71	(87.14)	5,446.86

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No. 006711N / N500028



Hitesh Garg
Partner
M. No.: 502955

Place: Noida
Date: 25th September 2019

For and on behalf of the board of directors of
Miles Software Solutions Pvt Ltd

Satya Bhushan Kojur
Director
DIN: 01729176



Vikas Verma
Director
DIN: 03511116

Miles Software Solutions Pvt Ltd
Cash Flow Statement for the year ended 31st March 2018
All amounts are in INR Lakhs unless otherwise stated

	For the year ended 31st March 2019	For the year ended 31st March 2018
A Cash flows from Operating Activities	1,958.49	601.02
Net Profit/ (Loss) after Prior Period Items and Before Tax		(83.29)
Adjustments For:	(119.60)	49.62
a) Interest Income	37.45	0.09
b) Depreciation	(0.20)	694.08
c) Gain/(Loss) on Sale/ discard of Fixed Assets	59.67	-
d) Bad Debts written off	19.65	7.24
e) Provision for Doubtful Debts	7.07	
f) Interest Expense	1,962.53	1,268.75
Operating Cash Profit before Working Capital Changes		
Movement in Working Capital:-	10.61	(4.38)
a) Increase/(Decrease) in Trade Payables	(410.06)	602.03
b) Increase/(Decrease) in Other Current Liabilities	221.84	211.28
c) Increase/(Decrease) in Other Current Financial Liabilities	22.31	(22.18)
d) Increase/(Decrease) in Provisions	112.65	10.18
e) (Increase)/Decrease in Non Current Loans	(385.10)	(204.28)
f) (Increase)/Decrease in Current Loans	(443.59)	(10.00)
g) (Increase)/Decrease in Other Current Financial Assets	(49.13)	-
h) (Increase)/Decrease in Other Non Current Assets	1,692.94	(1,179.39)
i) (Increase)/Decrease in Trade Receivables	437.41	(334.74)
j) (Increase)/Decrease in Other Current Assets	3,172.42	337.29
Cash Generated from/ (used in) Operations	(275.58)	(163.25)
Less: Income Tax Paid (Net of Refunds)		
Net Cash Generated from/ (used in) Operating Activities before Extraordinary Item	2,896.84	174.04
Outflow for Extraordinary Item	(1,203.21)	
Net Cash Generated from/ (used in) Operating Activities (A)	1,693.63	174.04
B Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment and Capital Work in Progress	(806.44)	(16.39)
Net Proceeds from sale of Property, Plant and Equipment	0.48	0.15
Investment in bank deposits	(66.09)	(3.58)
Interest Received	119.60	83.29
(Purchase)/ Sale of Investments	(853.56)	(48.84)
Net Cash Generated from/ (Used in) Investing Activities (B)	(1,606.00)	14.63
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Long Term Borrowings	(7.07)	(7.24)
Interest Paid	(7.07)	(7.24)
Net Cash generated from/ (used in) Financing Activities (C)		
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	80.56	181.43
Cash and Cash Equivalents at the Beginning of the year	305.20	123.77
Cash and Cash Equivalents at the End of the year	385.76	305.20
Components of cash and cash equivalents	2.67	4.50
Cash in Hand	383.09	300.70
With banks on current accounts	385.76	305.20

As per our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955



Place: Noida
Date: 25th September 2019

For and on behalf of the board of directors of
Miles Software Solutions Pvt Ltd

Satva Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116



Miles Software Solutions Pvt Ltd
Notes to Financial Statements for the year ended 31 March 2019
All amounts are in INR Lakhs unless otherwise stated

3. Property, Plant and Equipment

Particulars	Gross Block			Depreciation			Net Block	
	As at 31 March 2018	Additions	As at 31 March 2019	As at 31 March 2018	Additions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible Assets								
Furnitures and Fixtures	15.89	-	15.89	4.15	2.36	6.51	9.38	11.74
Air Conditioner	0.27	-	0.27	0.12	0.07	0.19	0.08	0.15
Electrical Installation	0.44	-	0.44	0.13	0.09	0.22	0.22	0.31
Office Equipment	3.27	0.76	4.03	1.46	1.11	2.57	1.46	1.81
Mobile Instruments	2.33	0.15	2.22	0.91	0.54	1.45	0.77	1.42
Computer Systems	34.26	11.52	45.43	18.93	13.74	32.35	13.08	15.33
Sub Total	56.46	12.43	68.28	25.70	17.91	43.29	24.99	30.76
Intangible Assets								
Software	92.75	5.55	98.30	22.79	19.54	42.34	55.96	69.96
Sub Total	92.75	5.55	98.30	22.79	19.54	42.34	55.96	69.96
Total	149.21	17.98	166.58	48.49	37.45	85.63	80.95	100.72

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 April 2017	Additions	As at 31 March 2018	As at 1 April 2017	Additions	As at 31 March 2018	As at 31 March 2018	As at 1 April 2017
Tangible Assets								
Furnitures and Fixtures	15.68	1.57	15.89	-	5.28	4.15	11.74	15.68
Air Conditioner	0.27	-	0.27	-	0.12	0.12	0.15	0.27
Electrical Installation	0.44	-	0.44	-	0.13	0.13	0.31	0.44
Office Equipment	2.94	0.33	3.27	-	1.46	1.46	1.81	2.94
Mobile Instruments	1.68	0.65	2.33	-	0.91	0.91	1.42	1.68
Computer Systems	25.42	8.84	34.26	-	18.93	18.93	15.33	25.42
Sub Total	46.43	11.39	56.46	-	26.83	25.70	30.76	46.43
Intangible Assets								
Software	87.75	5.00	92.75	-	22.79	22.79	69.96	87.75
Sub Total	87.75	5.00	92.75	-	22.79	22.79	69.96	87.75
Total	134.18	16.39	149.21	-	49.62	48.49	100.72	134.18



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	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
4 Investment in Subsidiary			
Investment Measured at Cost			
- In Equity Shares of Subsidiary Companies - Un-quoted, fully paid up			
50 Equity Shares (As on 31 March 2018: 50 & As on 1st April 2017: 50) of Miles Software Solutions FZ LLC of AED 1,000 Each	7.73	7.73	7.73
949,995 Equity Shares (As on 31 March 2018: 949,995 & As on 1st April 2017: 949,995) of Miles Software Solutions INC of P 10 Each	134.05	134.05	134.05
Nil Equity Shares (As on 31 March 2018: 1,000 & As on 1st April 2017: Nil) shares of Miles Software Solutions UK Ltd. of £1 Each	-	0.83	-
	<u>141.78</u>	<u>142.61</u>	<u>141.78</u>
Aggregate book value of quoted investments	141.78	142.61	141.78
Aggregate book value of un-quoted investments	-	-	-
5 Investment Others			
Investment Measured at Fair Value through Profit & Loss			
- In Bonds - Un-quoted, Non-Trade			
30,000 (As on 31 March 2018: 30,000 & As on 1st April 2017: 30,000) Unsecured Non Convertible Redeemable Zero Coupon Bonds of Rural Electrification Corporation Limited of Rs. 13,578 each	284.17	262.52	242.51
	<u>284.17</u>	<u>262.52</u>	<u>242.51</u>
Aggregate book value of quoted investments	284.17	262.52	242.51
Aggregate book value of unquoted investments	-	-	-
6 Non Current Loans			
Unsecured, considered good	-	112.65	122.84
Security Deposits	-	<u>112.65</u>	<u>122.84</u>
7 Non Current Tax Assets (Net)			
Advance tax (Net of provision for income tax)	674.42	729.92	712.41
	<u>674.42</u>	<u>729.92</u>	<u>712.41</u>
8 Deferred Tax Assets/ (Liabilities) (Net)			
Deferred Tax Liability:			
Difference between Book and Income Tax Depreciation	0.69	3.27	8.59
Others	-	42.54	-
	<u>0.69</u>	<u>45.81</u>	<u>8.59</u>
Deferred Tax Assets:			
Provision for long term employee benefits	46.72	25.87	17.27
Provision for Bonus	50.24	-	-
Others	4.95	-	16.26
	<u>101.91</u>	<u>25.87</u>	<u>33.54</u>
	<u>101.22</u>	<u>(19.94)</u>	<u>24.94</u>
Deferred Tax Assets/ (Liabilities) (Net)			
Reconciliation of Deferred Tax Assets/(Liabilities)			
Particulars	As at 31st March 2019	As at 31st March 2018	
Opening Balance as on 1st April	(19.94)	24.94	
Deferred tax income/ (expense) during the period recognised in statement of profit & loss	105.34	(60.33)	
Deferred tax income/ (expense) during the period recognised in Other Equity	-	-	
Deferred tax income/ (expense) during the period recognised in OCI	15.82	15.45	
Closing Balance	<u>101.22</u>	<u>(19.94)</u>	
9 Other Non Current Assets			
Capital Advances	49.13	-	-
	<u>49.13</u>	-	-
10 Current Investments			
Investment Measured at fair Value through Profit & Loss			
Investment in Mutual Funds (Quoted)	1,061.78	229.05	201.05
	<u>1,061.78</u>	<u>229.05</u>	<u>201.05</u>



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Miles Software Solutions Pvt Ltd
Notes to Financial Statements for the year ended 31 March 2019
All amounts are in INR Lakhs unless otherwise stated

	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
11 Trade Receivables			
Unsecured and considered good	631.79	739.30	1,161.06
-from Related Parties (Refer Note 36)	1,025.42	2,690.18	1,783.12
-from Others	19.65	-	189.49
Unsecured and considered doubtful	19.65	-	189.49
Less: Allowance for bad & doubtful Debts	-	-	-
	<u>1,657.21</u>	<u>3,429.48</u>	<u>2,944.18</u>
12 Cash and Cash Equivalents			
Balance with banks	383.09	300.70	120.69
- In current account	-	-	-
Cash in hand	2.67	4.50	3.08
	<u>385.76</u>	<u>305.20</u>	<u>123.77</u>
13 Other Bank Balances			
Balance with Banks	-	-	-
-In Deposits accounts	-	-	-
with original maturity of 3-12 Months	134.75	68.66	65.08
with original maturity of More than 12 Months	-	-	-
	<u>134.75</u>	<u>68.66</u>	<u>65.08</u>
14 Current Loans			
(Unsecured, considered good)			
Inter corporate deposit to related parties (Refer Note 36)	1,329.12	494.01	439.73
Loans given to others	-	450.00	300.00
	<u>1,329.12</u>	<u>944.01</u>	<u>739.73</u>
15 Other Current Financial Assets			
Interest Accrued on fixed deposits	3.08	-	-
Interest accrued & due on ICD to related parties (Refer note 36)	52.29	-	-
Receivable from related parties (Refer note 36)	22.50	-	-
Unbilled Revenue*	267.43	5.47	-
Security Deposits	108.76	5.00	0.45
	<u>454.06</u>	<u>10.47</u>	<u>0.45</u>
*Movement in contract assets during the year			
Balance at the beginning of the year	5.47	-	-
Revenue recognised during the year	267.43	-	-
Invoices raised during the year	-	5.47	-
Balance at the end of the year	<u>267.43</u>	<u>-</u>	<u>-</u>
16 Other Current Assets			
Prepaid Expenses	33.55	406.75	36.71
Advance to Vendors	11.78	8.85	-
Staff Advances	33.27	95.47	123.75
Other receivables	4.43	9.37	25.24
	<u>83.03</u>	<u>520.44</u>	<u>185.70</u>



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	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
17 Share Capital			
Authorised:	10.70	10.70	10.70
Equity Shares 107,000 (As on 31st Mar'18: 107,000 and as on 1st Apr'17: 107,000) Shares of Rs. 10/- each			
Instruments entirely equity in nature 43,000 (As on 31st Mar'18: 43,000 and as on 1st Apr'17: 43,000) Participatory, Cumulative, Compulsorily Convertible Preference Shares ("PCCPS") of face value of Rs. 10/- each	4.30	4.30	4.30
	10.70	10.70	10.70
Issued, subscribed & fully paid up:	8.87	8.87	8.87
Equity Shares 88,734 (As on 31st Mar'18: 88,734 and as on 1st Apr'17: 88,734) Equity Shares of Rs. 10/- each, fully			
Instruments entirely equity in nature 40,518 (As on 31st Mar'18: 40,518 and as on 1st Apr'17: 40,518) PCCPS of Rs. 10/- each, fully paid	4.05	4.05	4.05
	12.93	12.93	12.93

a. Terms and rights attached to Equity Shares

The Company has only one class of Equity shares referred to as equity shares each having a par value of Rs. 10 per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

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

b. Terms and rights attached to Participatory, Cumulative, Compulsorily Convertible Preference Shares ("PCCPS")

The holders of PCCPS shall be entitled to a dividend of 0.000000001% (One Billionth Percent) per annum cumulative. The PCCPS shall be convertible at the sole discretion of the holders into such number of equity shares as may be determined by the conversion ratio. The conversion ratio shall be 1:1 such that the holders shall be issued one Equity share of the company for every PCCPS.

The conversion price of the PCCPS shall initially be done at a price of Rs. 7.100 which shall be subject to adjustments from time to time in accordance with the rights of the holders under Shareholder agreement. Any adjustment to the conversion price shall be effected through a corresponding adjustment to the conversion ratio.

c. Reconciliation of Number of Shares outstanding at the beginning and end of the year :

	Number of Shares	Amount
Equity Shares		
Outstanding as at 1 April 2017	88,734	8.87
Equity Shares issued during the year	-	-
Outstanding as at 31 March 2018	88,734	8.87
Equity Shares issued during the year	-	-
Outstanding as at 31 March 2019	88,734	8.87
Participatory, Cumulative, Compulsorily Convertible Preference Shares (PCCPS)		
Outstanding as at 1 April 2017	40,518	4.05
Shares issued during the year	-	-
Outstanding as at 31 March 2018	40,518	4.05
Shares issued during the year	-	-
Outstanding as at 31 March 2019	40,518	4.05

d. Shareholders holding more than 5% of the shares in the company

Equity Shares

Name of the Shareholders	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Ebix Technologies Pvt. Ltd.	88,732	99.998%	-	-	-	-
Milan Ganatra	-	-	43,324	48.82%	52,548	59.22%
Kruti Ganatra	-	-	23,592	26.59%	33,592	37.86%
Rama Ganatra	-	-	6,796	7.66%	-	-
M. M. Ganatra - HUF	-	-	5,000	5.63%	-	-
Yashvee Ganatra	-	-	5,000	5.63%	-	-
Puniva Ganatra	-	-	5,000	5.63%	-	-

Participatory, Cumulative, Compulsorily Convertible Preference Shares (PCCPS)

Name of the Shareholders	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Ebix Technologies Pvt. Ltd.	5,385	13.29	-	-	-	-
Ebix Fincorp Exchange Pte. Ltd	35,133	86.71	-	-	-	-
Zephyr Peacock	-	-	21,289	52.54	21,289	52.54
Zephyr Peacock India Trust II	-	-	5,385	13.29	5,385	13.29
India 2020 Ltd.	-	-	13,844	34.17	13,844	34.17



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	As at 31 March 2019	As at 31 March 2018
18 Other Equity		
a. Securities premium account		
Balance at the beginning of the year	2,153.07	2,153.07
Addition during the year	-	-
Balance at the end of the year	<u>2,153.07</u>	<u>2,153.07</u>
b. Capital Redemption Reserve		
Balance at the beginning of the year	1.20	1.20
Addition during the year	-	-
Balance at the end of the year	<u>1.20</u>	<u>1.20</u>
c. General Reserves		
Balance at the beginning of the year	25.71	25.71
Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
Balance at the end of the year	<u>25.71</u>	<u>25.71</u>
d. Retained earnings		
Balance at the beginning of the year	2,824.48	2,429.53
Add: Profit for the year after taxation as per statement of Profit and Loss	529.54	394.95
	<u>3,354.02</u>	<u>2,824.48</u>
e. Other Comprehensive Income		
Remeasurement of defined benefit plans		
Balance at the beginning of the year	(40.10)	-
Addition during the year	(47.04)	(40.10)
Balance at the end of the year	<u>(87.14)</u>	<u>(40.10)</u>
Total	<u>5,446.86</u>	<u>4,964.36</u>

Nature and purpose of other reserves

Securities Premium Account

Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

The Companies Act requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Remeasurement of defined benefit plans

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

- actuarial gains and losses
- the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)



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	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
19 Non- Current Provisions			
Provision for employee benefits	4.43	4.59	10.55
Leave Encashment*	178.66	94.49	52.25
Gratuity (Refer Note 38)	<u>183.09</u>	<u>99.08</u>	<u>62.80</u>

*During the year the Company has changed its policy regarding payment against accumulated leaves and discontinued the same w.e.f. 1st August 2018. As agreed with the employees, payment against leave balances as on 1st August 2018 will be done at the time of retirement of respective employees. As estimated by the Company, the provision already lying in the books against leave will be sufficient for making these payments and therefore no additional provision has been made during the year.

20 Trade Payables			
Due to Micro and Small Enterprises (Refer Note 33)	58.70	48.09	52.47
Other than Micro and Small Enterprises	<u>58.70</u>	<u>48.09</u>	<u>52.47</u>

21 Other Current Financial Liabilities			
Payable to Related Party (Refer Note 36)	139.40	58.47	32.25
Employee Benefits Payable	561.09	370.69	290.53
Other Payables	260.76	310.25	205.35
	<u>961.25</u>	<u>739.41</u>	<u>528.13</u>

22 Other Current Liabilities			
Statutory Dues	118.19	197.50	58.83
Unearned Revenue / Income Received in Advance*	442.28	773.03	309.66
	<u>560.47</u>	<u>970.53</u>	<u>368.49</u>

***Movement in contract liabilities during the year**

Balance at the beginning of the year	773.03
Add: Income received in advance during the year	442.28
Less: Revenue recognised during the year	773.03
Balance at the end of the year	<u>442.28</u>

23 Current Provisions			
Provision for employee benefits			
· Gratuity (Refer Note 38)	2.55	0.52	0.89
· Leave Encashment	-	0.88	3.41
	<u>2.55</u>	<u>1.40</u>	<u>4.30</u>



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	For the year ended 31 March 2019	For the year ended 31 March 2018
24 Revenue from Operations		
-Domestic Sales	3,927.54	3,057.62
-Export Sales	3,391.60	2,902.04
	<u>7,319.14</u>	<u>5,959.66</u>
Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 35).		
25 Other Income		
Interest on Fixed Deposits	7.00	38.13
Interest on inter corporate deposit to related parties (Refer Note 36)	11.19	-
Interest on Loans	42.22	-
from related parties (Refer Note 36)	16.41	-
from others	21.66	20.01
Interest Income on Bonds	21.13	25.15
Interest on Income tax refunds	78.34	31.16
Income from Investments	0.20	-
Profit on sale of fixed Assets	194.61	4.63
Foreign Exchange Gain / Loss	<u>392.76</u>	<u>119.08</u>
26 Employee Benefits Expense		
Salaries and wages	2,659.88	2,996.29
Contribution to provident and other funds	116.28	96.26
Gratuity Expense (Refer Note 38)	38.44	19.52
Staff welfare expenses	50.14	43.11
	<u>2,864.74</u>	<u>3,155.18</u>
27 Finance Cost		
Interest on statutory dues	7.07	7.24
	<u>7.07</u>	<u>7.24</u>
28 Depreciation Expense		
Depreciation on Tangible Assets	17.91	26.83
Amortisation on intangible assets	19.54	22.79
	<u>37.45</u>	<u>49.62</u>
29 Other Expenses		
Commission to agents/ partners	105.53	130.76
Rent expense	258.67	232.73
Rates and taxes	6.59	-
Insurance expense	7.76	7.18
Bank charges	13.97	3.03
Repairs and maintenance- others	8.21	21.36
IT Expenses	188.40	90.42
Outsource Manpower	256.29	69.78
Subcontract costs	653.09	-
Electricity charges	71.52	65.45
Communication expenses	27.76	37.88
Printing and stationary expenses	2.96	3.23
Fees & Subscription Expenses	5.20	19.54
Legal and professional charges	611.56	110.16
Travelling and conveyance expenses	422.21	492.68
Bad debts written off (Net of provision for doubtful debts of Rs. Nil (PY Rs. 189.49 Lacs)	59.67	694.08
Provision for Doubtful Debts	19.65	-
Payment to auditors (Refer Note 29.1)	7.00	6.25
Loss on discard/write off of fixed assets	-	0.09
Penalty on VAT	1.38	-
Housekeeping Charges	21.61	21.84
Security Charges	3.65	2.28
Training Charges	12.91	5.85
Recruitment Expenses	13.51	19.67
Advertisement and publicity expenses	15.75	4.45
Postage & Courier Charges	1.43	1.48
Business promotion expenses	25.16	26.95
Miscellaneous expenses	22.72	198.54
Total	<u>2,844.15</u>	<u>2,265.68</u>



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	For the year ended 31 March 2019	For the year ended 31 March 2018
29.1 Payment to Auditor as:		
Statutory Auditor		
Audit Fees	6.00	5.00
Tax Audit Fees	1.00	0.50
Certification and Consultation Fees	-	0.75
	<u>7.00</u>	<u>6.25</u>
30 Income Tax		
30.1 Income Tax Expenses		
Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Current Tax Expenses		
Current year	260.00	88.03
Adjustment to current tax in respect of prior periods	71.08	57.71
	<u>331.08</u>	<u>145.74</u>
Deferred Tax Expenses		
Change in recognised temporary differences	(105.34)	60.33
Total Tax Expenses	<u>225.75</u>	<u>206.07</u>
30.2 Reconciliation of Effective Tax Rate		
Profit/(Loss) before Tax	755.28	601.02
Applicable Tax Rate	27.82	27.82
Computed Tax Expenses	210.12	167.20
Tax Effect of:		
Non-taxable income	(6.03)	-
Permanent differences	0.41	-
Prior year tax adjustments	71.08	57.71
Expense disallowed in earlier years now allowed	(6.64)	-
Difference in mutual fund income recorded in books and income taxable	(6.93)	-
Deferred Tax Assets not created in earlier years	(42.03)	-
Others	5.76	(18.84)
Tax Expenses Recognised in Profit and Loss	<u>225.74</u>	<u>206.07</u>
Effective Tax Rate	<u>29.89%</u>	<u>34.29%</u>
31 Earning Per Share		
Profit/ (Loss) for the Year	529.54	394.95
Weighted Average Number of Equity Shares of Rs. 10/- each for Basic EPS	88,734	88,734
Weighted Average Number of Equity Shares of Rs. 10/- each for Diluted EPS	129,252	129,252
EPS - Basic	596.78	445.09
EPS - Diluted	409.70	305.57



32 Exceptional Items

(A) Payment against cancellation of ESOP/ASOP

The Company had implemented an Employee Stock Option Scheme 2010 ("ESOP Scheme") and Associate Stock Option Plan ("ASOP Scheme"). Pursuant to ESOP and ASOP Schemes, 10,020 and 2,464 vested options were held by the employees and associates of the Company respectively as on 3rd September 2018. No expense was provided in the books of accounts till 31st March 2018 against these Stock Options vested by employees and associates. During the year, the Company has been acquired by Ebix Inc. group (from erstwhile shareholders of the Company) by entering into Share Purchase Agreement dated 3rd September 2018 (SPA) and the Company has cancelled all outstanding vested options which were outstanding as on 3rd September 2018 by way of cash settlement against the same. Since the ESOP were issued during 2010 and management of the Company has been changed, details required for accounting as per IND AS are not available with the Company and therefore it is impracticable to determine the expenses required to be booked by the Company till 1st April 2017 and during FY 2017-18. Since it is impracticable to determine amount to rectify prior period error, entire expenses of Rs. 603.21 Lakhs, being settlement amount against outstanding vested option has been booked in the current year. Considering the materiality of the amount, this expense has been disclosed as an exceptional item in the Statement of profit and loss.

(B) Incentive to employees

On account of takeover of the Company by Ebix Inc. group, the Company has agreed to make total payment of Rs. 600.00 Lakhs as incentive to selected employees. The Company has booked these expenses in the books of the Company during the current financial year as exceptional item.

33 The information related to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

34 Contingent Liabilities, Contingent Assets and Commitments

A. Contingent Liabilities

The company is not having any contingent liability and commitments. Therefore, disclosure is not required according to Ind-AS.

B. Capital And Other Commitments

Estimated amount of contracts on Capital Account and other commitments remaining to be executed and not provided for in accounts Rs. 109.14 Lakhs (As on 31 March 2018: Nil and As on 1 April 2017: Nil)

C. Contingent Assets

The Company has no contingent assets as at 31 March 2019 (As on 31 March 2018: Nil and As on 1 April 2017: Nil)

35 Segment Information:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Management Information System of the Company identifies and monitors software service business as the business segment. The Company is managed organizationally as a single unit. In the opinion of the management, the Company is primarily engaged in the business of providing services related to software. As the basic nature of these activities are governed by the same set of risks and returns, these constitute and are grouped as a single segment. Accordingly, there is only one Reportable Segment for the Company which is "Software Service", hence no specific disclosures have been made.

Entity wide disclosures

A. Information about products and services

During the year, the Company primarily operated in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about geographical areas

The company derives revenue from following major geographical areas:

Area	For the year ended	
	31 March 2019	31 March 2018
Outside India	3,391.60	2,902.04
Domestic	3,927.54	3,057.62

Domestic segment revenue includes sales and services to customers located in India and overseas segment revenue includes sales and services rendered to customers located outside India.

C. Information about major customers (from external customers)

The Company has not derived revenue from any customer which amounts to 10 per cent or more of its total revenue.



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 Miles Software Solutions Private Limited

36 Related Party Disclosure:-

I List of Related Parties:-

A. Name and nature of relationship with the related party where control exists:-

Ebix Inc. USA- Ultimate Holding Company (w.e.f. 1st August 2018)
Ebix Software India Private Limited- Parent Company (w.e.f. 18th February 2019)
Ebix Technologies Pvt. Ltd.- Intermediate Holding Company (w.e.f. 1st August 2018)
Miles Software Solutions FZ LLC- Subsidiary Company
Miles Software Solutions Inc- Subsidiary Company
Miles Software Solutions UK limited- Subsidiary Company (Upto 3rd December 2018)

B. Fellow subsidiaries of Holding Company/ Ultimate Holding Company

Ebix Travels Private Limited (w.e.f. 1st August 2018)
Mercury Travels Ltd (w.e.f. 1st August 2018)
Ebixcash World Money Limited (w.e.f. 1st August 2018)
Weizmann Forex Limited (w.e.f. 1st December 2018)
Ebix Asia Holdings Inc., Mauritius (w.e.f. 1st August 2018)

C. Key Management Personnel (KMP) and their relatives

Milan Ganatra
Vikas Verma
Satya Bushan Kotru
Mukund Krishnaswami
Rama Manharkant Ganatra
Mukul Gulati
Dhawal Vasant Kamath
Hemanshu Pramod Siria
Stephen Edward Canter
Kruti Ganatra

Director (w.e.f. 26th March 1999)
Director (w.e.f. 4th October 2018)
Director (w.e.f. 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Director (upto 4th October 2018)
Relative of KMP (Upto 24th August 2018)

II Transactions with related parties during the year ended 31-03-2019 in the ordinary course of business is given below:

Particulars	For the year ended	
	2018-19	2017-18
Ebixcash World Money Limited		
Purchase of forex	172.09	-
Inter corporate deposit (ICD) given	860.00	-
Interest Income on ICD	11.19	-
Miles Software Solutions FZ LLC		
Services provided	848.13	830.36
Reimbursement of expenses incurred by Miles Software Solutions FZ LLC		22.46
Expenses incurred by the Company on behalf of Miles Software Solutions FZ LLC	16.91	-
Amount collected by the Company on behalf of Miles Software Solutions FZ LLC	39.21	-
Interest Income on loan	42.22	-
Miles Software Solutions Inc		
Services provided	550.48	328.75
Expenses incurred by the Company on behalf of Miles Software Solutions Inc	6.58	3.75
Miles Software Solutions UK limited		
Loan given	31.97	52.53
Loan repayment received	84.50	-
Ebix Technologies Pvt. Ltd.		
Inter Corporate Deposit given	138.00	-
Inter Corporate Deposit received back	138.00	-
Expenses incurred by the Company on behalf of Ebix Technologies Pvt. Ltd.	22.50	-
Mercury Travels Ltd		
Inter Corporate deposit given	710.00	-
Inter Corporate deposit received back	710.00	-
Services received	70.59	-
Ebix Travels Private Limited		
Services received	0.94	-
Weizmann Forex Limited		
Services received	1.90	-
Ebix Asia Holdings Inc., Mauritius		
Transfer of shares of Miles Software Solutions UK limited	0.83	-
Milan Ganatra		
Remuneration	137.21	3.03
Rent Paid	17.28	-
Kruti Ganatra		
Remuneration	1.77	-
Dhawal Vasant Kamath		
Remuneration	128.12	-
Hemanshu Pramod Siria		
Remuneration	148.25	43.62



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III Closing Balances with related parties during the year ended 31-03-2019 in the ordinary course of business is given below:

Particulars	As at	
	2018-19	2017-18
Ebixcash World Money Limited		
Inter Corporate Deposit receivable	860.00	-
Interest accrued on ICD	10.07	-
Amount Payable	5.13	-
Miles Software Solutions FZ LLC		
Receivable for services provided	-	92.78
Loan amount recoverable	469.12	379.50
Interest receivable on loan	42.22	-
Amount Payable	103.84	39.56
Miles Software Solutions Inc		
Receivable for services provided	636.96	646.52
Amount Payable	16.74	18.90
Miles Software Solutions UK limited		
Loan amount recoverable	-	52.53
Ebix Technologies Pvt. Ltd.		
Reimbursement of expenses receivable	22.50	-
Mercury Travels Ltd		
Payable for services received	30.81	-
Weizmann Forex Limited		
Payable for services received	0.01	-
Milan Ganatra		
Remuneration Payable	1.34	-
Rent Payable	1.30	-
Dhawal Vasant Kamath		
Remuneration Payable	25.89	-
Hemanshu Pramod Siria		
Remuneration Payable	24.96	-

*Transactions with related parties have been disclosed from or upto the date, the parties became/remain as related parties.

37 Lease

The Company has taken various cancellable leases for commercial premises. Lease payments charged during the year to the Statement of Profit and Loss amounts to Rs. 258.67 Lakhs (Previous year Rs.232.73 Lakhs).



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38 Employee benefits

The company contributes to the following post-employment defined benefit plans in India

Defined Contribution Plans:

Amount of Rs. 116.28 Lakhs (Previous Year Rs 96.26 Lakhs) is recognised as expenses and included in "Employee Benefits Expense" in Note 26 of the Statement of Profit and Loss.

Defined Benefit Plan :

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31st March 2019	31st March 2018
(a) Net defined benefit liability		
Liability for Gratuity	181.21	95.01
Total employee Benefit liability	181.21	95.01
Non-Current	178.66	94.49
Current	2.55	0.52

(i) (a) Reconciliation of Opening and Closing balances of the present value of the Defined Benefit Obligation

Particulars	2018-19	2017-18
Present value of Defined Benefit Obligation at the beginning of the year	95.01	53.13
Interest Cost	7.30	2.70
Current Service Cost	31.14	13.56
Past Service Cost including curtailment Gains/Losses	-	3.25
Actuarial Losses/(Gains)	62.86	55.55
Benefits Paid	(15.10)	(33.18)
Present value of Defined Benefit Obligation at the close of the year	181.21	95.01

(b) Changes in the Fair Value of Plan Assets and reconciliation thereof

Particulars	2018-19	2017-18
Fair Value of Plan Assets at the beginning of the year	-	-
Adjustments	-	-
Add : Expected Return on Plan Assets	-	-
Add/(Less) : Actuarial Gains/(Losses)	-	-
Add : Contributions	-	-
Less : Benefits Paid	-	-
Fair Value of Plan Assets at the close of the year	-	-

(c) Amount recognised in the Balance Sheet

Particulars	2018-19	2017-18
Present Value of Defined Benefit Obligation	181.21	95.01
Less : Fair Value of Plan Assets	-	-
Present Value of unfunded obligation	181.21	95.01

(d) Amount recognised in the Statement of Profit and Loss are as follows:

Particulars	2018-19	2017-18
In Income Statement		
Current Service Cost	31.14	16.82
Interest Cost	7.30	2.70
Expected return on Plan Asset	-	-
Total	38.44	19.52
In Other Comprehensive Income		
Net actuarial loss/(gain)	62.86	55.55
Total	62.86	55.55

(e) Investment Details:

Funds Managed by Insurer (investment with insurer)

(f) Actuarial Assumptions as at the Balance Sheet date



0%  0%



Miles Software Solutions Pvt Ltd
Notes to Financial Statements for the year ended 31 March 2019
All amounts are in INR Lakhs unless otherwise stated

	2018-19	2017-18
Particulars		
Discount Rate	7.66%	7.68%
Salary Escalation Rate	5.00%	3.00%



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Miles Software Solutions Private Limited



The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The company is not having any plan assets.

(g) Maturity Profile of Defined benefit Obligations	Amount
Year	
0 to 1 Year	2.55
1 to 2 Year	26.24
2 to 3 Year	23.17
3 to 4 Year	20.15
4 to 5 Year	18.87
5 to 6 Year	14.25
6 Year onwards	75.99

(h) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March 2019	
	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(12.02)	13.19
Change in rate of salary increase (delta effect of +/- 0.5%)	12.54	(11.48)

The company has applied Ind AS for the first time during the year and information w.r.t. sensitivity analysis of previous year are not available.

39 Disclosures as per Ind AS 27: Separate Financial Statements

a) These financial statements are separate financial statements of the Company. The Company has availed exemption as per paragraph 4(a) of IND AS 110 "Consolidated Financial Statements"; accordingly, the financial statements of the subsidiaries have not been consolidated with the company's financial statements as the company itself is a subsidiary of Ebix Software India Private Limited, incorporated in India, which prepares the consolidated financial statements. Such financial statements are available at the registered office of Ebix Software India Private Limited.

b) Details of investments in subsidiaries

Name of Subsidiary	Place of business/ Country of Incorporation	Ownership interest/ Voting Power held by the Company	
		As at	As at
		March 31, 2019	March 31, 2018
Miles Software Solutions FZ LLC	UAE	100.00	100.00
Miles Software Solutions INC	Philippines	100.00	100.00
Miles Software Solutions UK Ltd.	United Kingdom	-	100.00

c) Investments in subsidiary companies are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

40 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	For the year ended	
	31 March 2019	31 March 2018
Amount required to be spent during the year (A)	4.84	-
Shortfall amount of previous year (B)	-	-
Total (A+B)	4.84	-
Amount spent on CSR	-	-
Shortfall amount of Current year (C)	4.84	-

41 Transfer Pricing

The company is required to comply with the transfer pricing regulations under section 92-92F of Income Tax Act 1961. The management is of the opinion that its international transactions are at arm's length and that the aforesaid legislation will not have any impact on the financial statements, particularly not on the amount of tax expense and that of provision for taxation. The transfer pricing adjustments, if any, will be made in the books of accounts of the following financial year.



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42 Financial Instruments – Fair Values And Risk Management

I. Fair Value Measurements

A. Financial Instruments By Category*

Particulars	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets	284.17	-	262.52	-	242.51	-
Non-Current Investments	-	-	-	112.65	-	122.84
Non-Current Loans	-	1,329.12	-	944.01	-	739.73
Current Loans	1,061.78	-	229.05	-	201.05	-
Current Investments	-	1,657.21	-	3,429.48	-	2,944.18
Trade Receivables	-	385.76	-	305.20	-	123.77
Cash and Cash Equivalents	-	134.75	-	68.66	-	65.08
Bank Balances Other Than Above	-	454.06	-	10.47	-	0.45
Other Current Financial Assets	-	-	-	-	-	-
	1,345.96	3,960.90	491.57	4,870.47	443.56	3,996.05
*Exclude financial instruments measured at cost						
Financial Liabilities	-	58.70	-	48.09	-	52.47
Trade Payables	-	961.25	-	739.41	-	528.13
Other Current Financial Liabilities	-	1,019.95	-	787.50	-	580.60

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

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

Financial assets measured at Fair Value - recurring fair value measurements

Particulars	As at 31 March 2019			Total
	Level 1	Level 2	Level 3	
Financial Assets	-	-	284.17	284.17
Non-Current Investments	-	-	-	1,061.78
Current Investments	1,061.78	-	-	-
Total financial assets	1,061.78	-	284.17	1,345.95

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2019			Total
	Level 1	Level 2	Level 3	
Financial Assets	-	-	-	-
Non-Current Investments	-	-	1,329.12	1,329.12
Current Loans	-	-	1,657.21	1,657.21
Trade Receivables	-	-	385.76	385.76
Cash And Cash Equivalents	-	-	134.75	134.75
Bank Balances Other Than Above	-	-	454.06	454.06
Other Current Financial Assets	-	-	-	-
Total financial assets	-	-	3,960.90	3,960.90
Financial Liabilities	-	-	58.70	58.70
Trade Payables	-	-	961.25	961.25
Other Current Financial Liabilities	-	-	1,019.95	1,019.95
Total financial liabilities	-	-	1,019.95	1,019.95

Financial assets measured at Fair Value - recurring fair value measurements

Particulars	As at 31 March 2018			Total
	Level 1	Level 2	Level 3	
Financial Assets	-	-	262.52	262.52
Non-Current Investments	-	-	-	229.05
Current Investments	229.05	-	-	-
Total financial assets	229.05	-	262.52	491.57

Financial Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2018			Total
	Level 1	Level 2	Level 3	
Financial Assets	-	-	-	-
Non-Current Investments	-	-	112.65	112.65
Non Current Loans	-	-	944.01	944.01
Current Loans	-	-	3,429.48	3,429.48
Trade Receivables	-	-	305.20	305.20
Cash And Cash Equivalents	-	-	68.66	68.66
Bank Balances Other Than Above	-	-	10.47	10.47
Other Current Financial Assets	-	-	-	-
Total Financial Assets	-	-	4,870.47	4,870.47
Financial Liabilities	-	-	48.09	48.09
Trade Payables	-	-	739.41	739.41
Other Current Financial Liabilities	-	-	787.50	787.50
Total Financial Liabilities	-	-	787.50	787.50



Financial assets measured at Fair Value - recurring fair value measurements

Particulars	Level 1	As at 01 April 2017		Total
		Level 2	Level 3	
Financial Assets			242.51	242.51
Non-Current Investments				201.05
Current Investments	201			
Total financial assets	201		242.51	443.56

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	Level 1	As at 01 April 2017		Total
		Level 2	Level 3	
Financial Assets				
Non-Current Investments			122.84	122.84
Non Current Loans			739.73	739.73
Current Loans			2,944.18	2,944.18
Trade Receivables			123.77	123.77
Cash And Cash Equivalents			65.08	65.08
Bank Balances Other Than Above			0.45	0.45
Other Current Financial Assets				
Total financial assets			3,996.05	3,996.05
Financial Liabilities				
Trade Payables			52.47	52.47
Other Current Financial Liabilities			528.13	528.13
Total financial liabilities			580.60	580.60

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.
There are no transfers between level 1 and level 2 during the year

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- fair value of derivative financial instruments are based on broker quotations
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

C. Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2019		As at 31 March 2018		As at 1st April 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Non-Current Investments			112.65	112.65	122.84	122.84
Non Current Loans			944.01	944.01	739.73	739.73
Current Loans	1,329.12	1,329.12	3,429.48	3,429.48	2,944.18	2,944.18
Trade Receivables	1,657.21	1,657.21	305.20	305.20	123.77	123.77
Cash and Cash Equivalents	385.76	385.76	68.66	68.66	65.08	65.08
Bank Balances Other Than Above	134.75	134.75	10.47	10.47	0.45	0.45
Other Current Financial Assets	454.06	454.06				
	3,960.90	3,960.90	4,870.47	4,870.47	3,996.05	3,996.05
Financial Liabilities						
Trade Payables	58.70	58.70	48.09	48.09	52.47	52.47
Other Current Financial Liabilities	961.25	961.25	739.41	739.41	528.13	528.13
	1,019.95	1,019.95	787.50	787.50	580.60	580.60

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, other current financial assets, trade payables, and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



II. Financial Risk Management

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

- credit risk;
- liquidity risk; and
- market risk

Risk Management Framework

The company is exposed primarily to credit, liquidity and market risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i. Credit Risk

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

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The company maintains its Cash and cash equivalents and Bank Deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 5,448.66 Lakhs as on 31.3.19, Rs. 5,504.66 Lakhs as on 31.3.18 and Rs. 4,581.38 Lakhs as on 01.04.17 being the total carrying value of investments, cash & cash equivalents, bank balances and other current financial assets.

Trade Receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In determining the allowances for credit losses of 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 the provision matrix.

The gross carrying amount of trade receivables is Rs. 1,676.88 Lakhs (31st March 2018 Rs. 3,429.48 Lakhs & 1 April 2017 – Rs. 3,133.67 Lakhs).

During the period, the Company has made write-offs of trade receivables of Rs. 59.67 Lakhs (Previous Year Rs. 694.08 Lakhs). The Company management also pursues all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is when counterparty fails to make payments within 365 days when they fall due.

Movements in allowance for credit losses of receivables is as below:

Opening balance
Changes in loss allowance calculated at life time expected credit losses
Closing balance

	31 Mar 19	31 Mar 18	1 Apr 17
	-	189.49	189.49
	19.65	(189.49)	-
	19.65	-	189.49

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 to be 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. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The company has no outstanding long term borrowing and the company believes that working capital is sufficient to meet its current requirements.

(a) Maturities of financial liabilities

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

Particulars	Carrying Amounts		Contractual cash flows		
	31 March 2019	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Trade payables	58.70	58.70	-	-	-
Other Current Financial Liabilities	961.25	961.25	-	-	-
Total non-derivative liabilities	1,019.95	1,019.95			
Particulars	Carrying Amounts		Contractual cash flows		
	31 March 2018	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Trade payables	48.09	48.09	-	-	-
Other Current Financial Liabilities	739.41	739.41	-	-	-
Total non-derivative liabilities	787.50	787.50			
Particulars	Carrying Amounts		Contractual cash flows		
	1 April 2017	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Trade payables	52.47	52.47	-	-	-
Other Current Financial Liabilities	528.13	528.13	-	-	-
Total non-derivative liabilities	580.60	580.60			

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company does not have any significant Market risk.



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a) **Currency risk**
The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro against the respective functional currencies of the company. The Company, as per its risk management policy, primarily to hedge foreign exchange.

Exposure to currency risk
The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

As at 31 March 2019	AED	GBP	PHP	USD	OMR
Financial asset	786.49	51.99	374.57	1,568.44	16.51
Trade receivables	511.34				
Current Loans			16.74		
Other Current Financial Assets					
Net exposure to foreign currency risk (assets)	1,297.83	51.99	391.31	1,568.44	16.51
Other Current Financial Liabilities	22.65				
Net statement of financial position exposure	22.65				

As at 31 March 2018	AED	GBP	PHP	USD	OMR
Financial asset	92.78	78.28	646.52	1,892.89	51.56
Trade receivables	379.50	52.53			
Current Loans			646.52	1,892.89	51.56
Net exposure to foreign currency risk (assets)	472.28	130.81	646.52	1,892.89	51.56
Other Current Financial Liabilities	39.56		18.90		
Net statement of financial position exposure	39.56		18.90		

As at 1 April 2017	AED	GBP	PHP	USD	OMR
Financial asset		23.50	636.96	993.35	30.91
Trade receivables	379.50				
Current Loans			15.15		
Other Current Financial Assets					
Net exposure to foreign currency risk (assets)	379.50	23.50	652.11	993.35	30.91
Trade Payables	81.18				
Other Current Financial Liabilities	17.10				
Net statement of financial position exposure	98.28				

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2019				
5% movement				
AED		46.02	(46.02)	46.02
GBP		1.88	(1.88)	1.88
PHP		14.12	(14.12)	14.12
USD		56.60	(56.60)	56.60
OMR		0.60	(0.60)	0.60
31 March 2018				
5% movement				
AED		15.62	(15.62)	15.62
GBP		4.72	(4.72)	4.72
PHP		22.65	(22.65)	22.65
USD		68.31	(68.31)	68.31
OMR		1.86	(1.86)	1.86
1 April 2017				
5% movement				
AED		10.15	(10.15)	10.15
GBP		0.85	(0.85)	0.85
PHP		23.53	(23.53)	23.53
USD		35.85	(35.85)	35.85
OMR		1.12	(1.12)	1.12



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b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's term deposits with banks with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31-Mar-19	31-Mar-18	1-Apr-17
Fixed Rate Instruments			
Financial Assets	1,748.04	1,275.18	1,047.32
Financial Liabilities	-	-	-
	<u>1,748.04</u>	<u>1,275.18</u>	<u>1,047.32</u>
Variable Rate Instruments			
Financial Assets	-	-	-
Financial Liabilities	-	-	-

Sensitivity analysis

Fixed rate instruments

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

Variable rate instruments

There is no variable interest rate financial instrument in the Company.

43 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Board of directors of the Company review the capital structure of the Company on an ongoing basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.



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44 First Time Adoption of Ind AS

As stated in note 2, these are the Company's first standalone financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS statement of financial position as at 1 April 2017 (the Company's date of transition). In preparing its opening Ind AS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed: Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions

- (i) **Deemed cost of Property, plant and equipment:** Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipments as recognised in financial statement as on the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as on the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be availed for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure items of Property, Plant & Equipment (PPE) and intangible assets at their previous GAAP carrying value.
- (ii) **Investments in Subsidiary:** Ind AS 101 permits a first-time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in the subsidiary as the deemed cost. Accordingly, the Company has opted to measure its investment in subsidiary at deemed cost, i.e. previous GAAP carrying amount.

B. Ind AS mandatory exceptions

(i) **Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(ii) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity

Particulars	As at 1 April 2017			As at 31 March 2018		
	Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	46.43	-	46.43	30.75	0.01	30.76
Capital Work in Progress	87.75	-	87.75	69.96	-	69.96
Intangible Assets	-	-	-	-	-	-
Intangible Assets under Development	-	-	-	-	(30.84)	262.52
Financial Assets	292.50	(50.00)	242.51	293.35	(30.84)	112.65
(i) Investment	122.84	-	122.84	112.65	-	-
(ii) Loans	-	-	-	-	-	-
(ii) Other Non-Current Financial Assets	712.41	-	712.41	729.92	-	729.92
Non Current Tax Assets (Net)	24.94	-	24.94	-	-	-
Deferred Tax Asset (Net)	-	-	-	-	-	-
Other Non-Current Assets	-	-	-	-	-	-
Total Non-Current Assets	1,286.87	(50.00)	1,236.88	1,236.63	(30.83)	1,205.81
Current Assets						
Financial Assets	201.05	-	201.05	229.05	-	229.05
(i) Investments	2,944.18	-	2,944.18	3,429.48	-	3,429.48
(ii) Trade Receivables	123.77	-	123.77	305.20	-	305.20
(iii) Cash and Cash Equivalents	65.08	-	65.08	68.66	-	68.66
(iv) Other Bank Balances	679.50	60.23	739.73	882.03	61.98	944.01
(v) Loans	0.45	-	0.45	10.47	-	10.47
(vi) Other Current Financial Assets	185.69	0.01	185.70	520.44	-	520.44
Other Current Assets	4,199.72	60.24	4,259.96	5,445.33	61.98	5,507.31
Total Current Assets	5,486.59	10.24	5,496.84	6,681.96	31.15	6,713.12
TOTAL ASSETS						
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	8.87	-	8.87	8.87	-	8.87
Equity Share Capital	4.05	-	4.05	4.05	-	4.05
Instruments entirely equity in nature	4,457.48	152.03	4,609.51	4,790.59	173.77	4,964.36
Other Equity	4,470.40	152.03	4,622.43	4,803.51	173.77	4,977.28
Total Equity						
Liabilities						
Non-Current Liabilities						
Provisions	62.80	-	62.80	99.08	-	99.08
Deferred Tax Liabilities (Net)	-	-	-	19.94	-	19.94
Total Non-Current Liabilities	62.80	-	62.80	119.02	-	119.02



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Miles Software Solutions Pvt Ltd
Notes to Financial Statements for the year ended 31 March 2018
All amounts are in INR Lakhs unless otherwise stated

Current Liabilities						
Financial Liabilities						
(i) Trade Payables	-	-	-	-	-	48.09
Micro Small and Medium Enterprises	52.47	-	52.47	48.09	-	48.09
Others	-	528.13	528.13	-	739.41	739.41
(ii) Other Current Financial Liabilities	896.62	(528.13)	368.49	1,709.94	(739.41)	970.53
Other Current Liabilities	4.30	0.00	4.30	1.40	-	1.40
Provisions	953.39	0.00	953.39	1,759.43	(0.00)	1,759.43
Total Current Liabilities	1,016.19	0.00	1,016.19	1,878.45	(0.00)	1,878.45
Total Liabilities	5,486.59	152.03	5,638.62	6,681.96	173.77	6,855.73
TOTAL EQUITY AND LIABILITIES						

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	Previous GAAP*	Adjustments	Ind AS
Revenue	5,959.66	-	5,959.66
Revenue from Operations	97.33	21.75	119.08
Other Income	6,056.99	21.75	6,078.74
Total Income			
Employee Benefits Expense	3,210.73	(55.55)	3,155.18
Finance Costs	7.24	-	7.24
Depreciation Expense	49.63	(0.01)	49.62
Other Expenses	2,265.67	0.01	2,265.68
Total Expenses	5,533.27	(55.55)	5,477.72
Profit/ (Loss) Before Tax	523.73	77.30	601.02
Tax Expense:	145.74	-	145.74
Current Tax	44.88	15.45	60.33
Deferred Tax	190.62	15.45	206.07
	333.11	61.84	394.95
Profit/ (Loss) for the Year			
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss	-	(55.55)	(55.55)
Remeasurement of defined benefit plans	-	(15.45)	(15.45)
Deferred Tax relating to remeasurement of defined benefit plans	-	(40.09)	(40.09)
Total Other Comprehensive Income for the Period (B)	333.11	21.75	354.85
Total Comprehensive Income for the Period (A + B)			

Reconciliation of total equity as at 31 March 2018 and 1 April 2017

Particulars	Note Ref	31 Mar 18	1 Apr 17
Total equity (shareholder's funds) as per previous GAAP		4,803.51	4,470.41
Adjustments:			
Ind AS Adjustments	1	20.01	91.79
Recognition of investment in bonds at fair value			
Previous GAAP Error	2	1.74	60.24
Restatement of foreign currency loan		21.75	152.03
Total adjustments		152.03	-
Net impact brought forward from Opening balance sheet		4,977.29	4,622.44
Total equity as per Ind AS			

Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	Amount
Profit after tax as per previous audited financials under India GAAP	333.11
Adjustment on account of error under previous GAAP	1.74
Restatement of foreign currency loan	
Restated Profit after tax as per previous India GAAP	
IND AS Adjustments	20.01
Recognition of investment in bonds at fair value	(55.55)
Actuarial Gain/(loss) on employee Benefit recognised in OCI	15.45
Deferred Tax relating to remeasurement of defined benefit plans	61.84
Total adjustments	394.95
Profit after tax as per Ind AS	
Other Comprehensive Income	(55.55)
Actuarial Gain/(loss) on employee Benefit recognised	15.45
Deferred Tax relating to remeasurement of defined benefit plans	354.86
Total Comprehensive income for the year	



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D. Notes to first-time adoption:

1 Investment

Under the previous GAAP, investment was recorded at cost. Under Ind AS, investment has been recognized on fair value.

2 Restatement of foreign currency loan

Loan given by the company in foreign currency has been restated at the exchange rate prevailing at the balance sheet date.

3 Remeasurements of post-employment benefit obligations

As per Ind AS, actuarial gains/(losses) and its tax effect are recorded in other comprehensive income as items that will not be classified to profit and loss.

As per our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955
Place: Noida
Date: 25th September 2019



For and on behalf of the board of directors of
Miles Software Solutions Pvt Ltd

Satva Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN 03511116



1. Reporting Entity

Miles Software Solutions Private Limited (CIN U72200MH1999PTC119143) ("Company") was incorporated in India on March 26th, 1999, under the provisions of the Companies Act 2013. The Company operates out of Mumbai and provides managed services integrated with Moneyware suite of products to cater complete business life cycle of Wealth, Asset and Portfolio Management.

2. Significant Accounting Policies

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

a. Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The Company uses the Indian National Rupee ('INR') as its reporting currency.

For years up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with Indian GAAP ("Previous GAAP"), including accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

These financial statements, being the Company's first Ind AS financial statements, are covered by Ind AS 101, "First-time Adoption of Indian Accounting Standards". An explanation of the effect of the transition from Previous GAAP to Ind AS on the Company's equity and profit is provided in Note 43.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities which have been measured at fair value:

- a) Derivative financial instruments,
- b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The preparation of these financial statements has resulted in changes to the Company's accounting policies as compared to the most recent annual financial statements prepared under Previous GAAP. Accounting policies have been applied consistently to all years presented in the financial statements including the preparation of the (Ind AS) opening balance sheet as at 1 April, 2017 ("Transition date") for the purpose of transition to (Ind AS) and as required by Ind AS 101.

b. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.



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c. Use of judgement and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Critical Accounting Estimates

i. Useful life of Property, Plant and Equipment

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii. Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

iii. Defined Benefit Plans

The cost of the defined benefit plans 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.

iv. Income Taxes & Deferred Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.



v. Impairment Testing

Intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

vi. Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

d. Property, plant and equipment:

i. Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment.

Land and buildings acquired/constructed, not intended to be used in the operations of the Company are categorized as investment property.

Any gain/loss on disposal of property, plant and equipment is recognized in Profit and loss account.

ii. Subsequent Measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

iii. Depreciation

Depreciation on fixed assets is calculated on Written Down Value (WDV) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

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



iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets having a finite life are subsequently carried at cost less any accumulated amortization and accumulated impairment losses. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognized.

v. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36- 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

e. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- *Debt instruments at amortized cost*
- *Debt instrument at fair value through Other Comprehensive Income (FVTOCI)*
- *Debt instrument at fair value through profit and loss (FVTPL)*
- *Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)*



Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR (effective interest rate) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent solely payments of principal and interest

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

Derecognition of financial assets

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

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

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis, the expected credit losses associated with the assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognized from initial recognition of



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receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

Financial liabilities

Initial recognition and measurement

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial Liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

Derecognition of financial liabilities

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



Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

f. Revenue recognition

With effective from 1st April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted the Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to the contracts that are not completed as at the date of initial application. The comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under the Ind AS 18 and Ind AS 11. Refer Note 18 – Significant accounting policies – Revenue recognition in the audited financial statements of the Company for the year ended March 31, 2018, for the revenue recognition policy as per the Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Rendering of Services

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.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.
- Revenue from the sale of distinct internally developed software and third party software is recognised upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or



customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billing in excess of revenues.

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.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- 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 to determine the degree of the completion of the performance obligation.

Interest income

Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.



Dividend Income

Dividend income is recognized, when the right to receive the dividend is established.

g. Foreign currency transactions

- a. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- b. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year-end are translated at exchange rates applicable on year end date.
- c. Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.
- d. Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

h. Employee benefits

a. Short term employee benefits

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

b. Defined contribution plans

Obligations for contributions to defined contribution plans (Contribution to Provident Fund) are expensed as the related service is provided.

c. Defined benefit plans

The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.



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i. Borrowing Cost

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are expensed in the period in which they are incurred.

j. Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

a. Current tax

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. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- i) Has a legally enforceable right to set off the recognized amounts; and
- ii) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognized using balance sheet approach on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.



Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax items are recognized in correlation to underline transactions either in Other Comprehensive Income or directly in Equity.

k. Provisions, contingent liabilities and contingent assets

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

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

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

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgement of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.



l. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits 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.

m. Leases (As Lessee)

Accounting for finance leases

Leases of property, plant and equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as property, plant and equipment and the related liability is recognized under borrowings. At the inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

The finance expense 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.

Accounting for operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term unless the 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 recognized as an integral part of the total lease expense, over the term of the lease.

n. Operating Segment

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors and Chief Executive Officer is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, finance costs, income tax expenses and head office income.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.



Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, head office assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

o. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

p. Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the new standard to be effective for annual periods beginning on or after 1 April 2019. Ind AS 116, on leases, requires lessees to recognize all leases on the balance sheet. Therefore, leases previously treated as operating leases will now be recognized on balance sheet. A lessee will recognize a right-of-use asset and a lease liability and will accordingly recognize depreciation and interest expense in P&L instead of lease rental recognized earlier. The company believes that there will not be any material impact of this standard on its financial statements.



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