

MANAPPURAM COMPTECH & CONSULTANTS LIMITED

Regd. Office: 3rd Floor, Krishna Towers, TUDA Road, Aswini Junction, Thrissur – 680022

CIN: U72200KL2000PLC013966, Website: www.macomsolutions.com

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BOARD'S REPORT

To
The Members of
Manappuram Comptech and Consultants Limited

Your Directors have pleasure to present the 20th Annual Report of the company together with the Audited Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the Report of the Auditors for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS

Sl No	Description	As on March 31, 2019 (INR Lakhs)	As on March 31, 2020 (INR Lakhs)
1	Income from Operations	710.47	991.50
2	Other Income	12.25	22.01
3	Total Revenue	722.72	1013.51
4	Total Expenditure	678.08	772.69
5	Profit before Depreciation & Finance charges	76.97	313.08
6	Depreciation & finance charges	32.33	72.27
7	Profit/(Loss) Before Tax	44.64	240.82
8	Provision for taxation (including deferred tax)	11.61	63.89
9	Profit/(Loss) After Tax	33.03	176.93
10	Profit b/f from previous year	68.95	101.98
11	Balance carried forward to Balance Sheet	101.98	268.97

2. BUSINESS OUTLOOK/OPERATIONS

The Company is in the process of strengthening its operations by augmenting the customer base and extending the service portfolio. While the market continues to be competitive, management is confident that the company can achieve reasonable growth in view of the inherent strengths of the company. Your directors see better prospects for the Company in the years to come.

3. STATE OF THE COMPANY'S AFFAIRS

By virtue of share transfer, the company is a subsidiary to Manappuram Finance Limited. The company wishes to expand its Information Technology on a national base and contribute to profits of the parent company.

4. THE BOARDS PERCEPTION OF FUTURE OF THE COMPANY CONSIDERING MARKET COMPETITION.

Being a subsidiary to Manappuram Finance Limited and with expanded capital base, the boards perception of future is to enhance the growth of the company and serve multi national companies and develop as the best fintech company.

5. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of company

6. MAJOR EVENTS OF THE YEAR

There are no major events for the year except for routine business nature activities.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no significant material changes and commitments affecting financial position of the company between 31st March, 2020 and the date of Board's Report.

8. DIVIDEND

In order to utilise the funds for various research and developmental projects , Board do not recommend any dividend for the financial year 2019 - 2020.

9. CHANGES IN SHARE CAPITAL

During the Financial Year 2019 - 2020, the share capital of the Company has been increased by INR 5,00,00,000. The Authorised Capital of the Company has been increased to Rs 5,30,00,000/- from Rs 90,00,000/- with effect from April 16,2019 and paid up capital of the Company has been increased to Rs 5,27,00,000/- from Rs 27,00,000/- with effect from June 19th,2019

Disclosure regarding Issue of Equity Shares with Differential Rights:

The company has not issued any shares with differential rights during the year.

Disclosure regarding issue of Employee Stock Options:

The company has not issued any shares under an Employee Stock Option scheme during the year.

Disclosure regarding issue of Sweat Equity Shares:

The company has not issued any sweat equity shares during the year.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There are 7 directors on the Board of the Company having diverse experience and expertise in their respective areas. The Board has been actively participating in the affairs of the Company and met 7 times during the year for reviewing the operations of the Company. Leave of Absence were duly granted by the Board of Directors for absentees. The dates on which the Board Meetings, Audit Committee and Nomination and Remuneration Comiittee were held are as follows:

BOARD MEETING ATTENDANCE DETAILS:-

Sl. No	Date	Board Strength	No. of Directors Present	Name of Absentee.
1	09 th May 2019	4	4	NIL
2	19 th June 2019	7	6	Mrs. Sushama Nandakumar
3	03 rd August 2019	7	7	NIL
4	29 th October 2019	7	7	NIL
5	23 rd November 2019	7	6	Mrs Sushama Nandakumar
6	25 th January 2020	7	6	Mr B N Raveendra Babu
7	14 th March 2020	7	7	NIL

AUDIT COMMITTEE MEETING ATTENDANCE DETAILS:-

Sl. No	Date	Audit Committee Strength	No. of Directors Present	Name of Absentee.
1	03 rd August 2019	4	4	NIL
2	29 th October 2019	4	4	NIL
3	25 th January 2020	4	4	NIL

NOMINATION AND REMUNERATION COMMITTEE MEETING ATTENDANCE DETAILS:-

Sl. No	Date	Nomination and Remuneration Committee Meeting Strength.	No. of Directors Present	Name of Absentee.
1	19 th June 2019	4	4	NIL
2	25 th January 2020	4	4	NIL

In accordance with the provisions of Companies Act and Articles of Association of the Company, Mrs. Sushama Nandakumar, Director is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers for re-appointment.

The Company has appointed Mr B N Raveendra Babu [DIN 00043622], CA A K Mohanan [DIN 06440548] [Independent Director] and Dr Sarin P [DIN 08172190] [Independent Director] as directors of the company with effect from 09th May 2019 and thereafter regularized in 19th AGM. Mr. Sreedharan Radhakrishnan Nair [DIN 00024736] was also re-designated as Independent Director in the Company with effect from 14th March 2020.

11. PARTICULARS OF EMPLOYEES

In terms of the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee was drawing remuneration in excess of the limits set out in the said rules.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is primarily engaged in IT and consultancy services and therefore conservation of energy, technology absorption etc. have a limited application only. However, the Company follows a practice of purchasing and using energy efficient electrical and electronic equipment's and gadgets in its operation.

Following are the details of foreign exchange earnings and outgo during the period covered by this report:

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

13. PROVISION FOR SAFEGUARD OF WOMEN

The Company has framed a Policy as required under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013 and an Internal Complaints Committee (ICC) has been constituted in accordance with the said Act. There are no unresolved complaints before the Committee during the year 2019 - 2020.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2020 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

15. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV

The Company does not have any Joint venture or Associate Company or Subsidiary Company. The company is a subsidiary company to Manappuram Finance Limited.

16. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as per Rule 12 of the Companies (Management & Administration) Rules, 2014 is placed at Annexure 1.

17. AUDITORS

The Auditor's Report for the financial year ended March 31, 2020 is included in this Annual Report. The Report does not contain any qualification, reservation or adverse remark.

18. DISCLOSURE U/S 143 (12)

The auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013 (Companies (Amendment) Act, 2013).

19. COST AUDITORS:

The company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013

20. SECRETARIAL AUDIT:

The provisions of section 204 and Rule 9 of the companies (Appointment and Remuneration personnel) Rules, 2014 is not applicable to the company.

21. INTERNAL AUDIT

The Company has appointed M/s KPMG as Internal Auditors of the Company from financial year 2019 – 2020. The internal audit function is regularly carried out in the Company and the reports are submitted to the Audit Committee and also forwarded to the Board of Directors of the Company. The Company has the internal financial control system commensurate with the size of the company.

22. REPORT ON CORPORATE GOVERNANCE

Your Company has been practicing principle of good Corporate Governance right from its inception. The endeavor of the Company is not only to comply with the regulatory requirements but also practice good Corporate Governance that lays strong emphasis on integrity, transparency and overall accountability.

As per the Companies Act, 2013 the Company is not required to constitute Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. However as part of best

practice, the company has voluntarily formed Audit Committee and Nomination and Remuneration Committee.

The Composition of Audit Committee is as follows:-

Name	Designation
CA A K MOHANAN	Chairman
V P NANDAKUMAR	Member
SREEDHARAN RADHAKRISHNAN NAIR	Member
DR SARIN P	Member

The Composition of Nomination and Remuneration Committee is as follows:-

Name	Designation
SREEDHARAN RADHAKRISHNAN NAIR	Chairman
V P NANDAKUMAR	Member
CA A K MOHANAN	Member
DR SARIN P	Member

Disclosure required under Schedule V of the Companies Act, 2013

i. Mr. Deepkumar K R, Managing Director of the Company has been paid an annual CTC of Rs. 60,00,000/- as per the rules of the Company and within the limits set out in the provisions of Section II of Part II of Schedule V to the Companies Act, 2013. He is also eligible for a commission upto INR 30 Lakhs subject to approvals from the Nomination and Remuneration Committee

ii. Details of Remuneration of Mr. Deepkumar K R, Managing Director:

- a. Annual CTC – INR 60 Lakhs
- b. The appointment was made w.e.f December 12, 2018 for a period of 3 years.
- c. The Company has not introduced any stock option plan

The Company has not paid remuneration to any other director during the year except for sitting fees.

iii. During the year 2019 – 2020, the Nomination and Remuneration Committee has recommended a commission of INR 18,00,000 to the Managing Director.

iv. During the year 2019 – 2020, the Nomination and Remuneration Committee has recommended a commission of INR 8,00,000 to the CA A K Mohanan, and INR 5,00,000 each to Mr Sreedharan Radhakrishnan Nair and Dr. Sarin P , Independent Directors of the Company subject to approval of shareholders.

23. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2020. There were no unclaimed or unpaid deposits as on March 31, 2020.

The details of deposits accepted/renewed during the year under review are furnished hereunder

I. Deposits Accepted during the year	NIL
II. Remained unpaid or unclaimed as at the end of the year;	NIL
III. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved.	N.A
a. At the beginning of the year;	N.A
b. Maximum during the year;	N.A
c. At the end of the year;	N.A
IV. The details of deposits which are not in compliance with the requirements of Chapter	N.A

24. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Board has adopted the procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparations of reliable financial disclosures.

25. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The particulars of contracts or arrangements with related parties in the specified format are placed at Annexure 2.

Your Directors also draw attention of the members to Note 35 to the financial statement which sets out related party disclosures.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, the Company has not advanced any loans/ given guarantees.

27. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

29. DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES TO WHICH THE SCHEME RELATES:

There was no purchase by Company or giving of loans by it for purchase of its shares during the period under review.

30. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS AND THAT OF ITS COMMITTEES:

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

The board reviewed the performance of the individual director on the basis of the criteria various factors such as attendance, level of participation, contribution to the meetings and its decision making, continuity on the board.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

31. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy in line with the holding company pursuant to which employees of the Company can raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company.

32. ACKNOWLEDGEMENT

Your Directors acknowledge the dedicated service rendered by the Employees of the Company at all levels. The Directors also acknowledge the support and co-operation received especially from Shareholders, Investors, Customers, Well-wishers and all Authorities and Institutions.

For and on behalf of the Board of Directors

Sd/-

Deepkumar K R
Managing Director and CEO
(DIN: 05348065)

Thrissur
May 13th, 2020.

ANNEXURE - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on **March 31, 2020**
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U72200KL2000PLC013966
- ii) Registration Date: June 01, 2000
- iii) Name of the Company: Manappuram Comptech & Consultants Limited
- iv) Category / Sub-Category of the Company: Public Company having share capital
- v) Address of the registered office and contact details: 3rd Floor, Krishna Towers
TUDA Road, Aswini Junction,
Thrissur - 680 022
Ph: 0487- 3106006
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:

SKDC Consultants Limited

Category I Registrars and Share Transfer Agents

PB No. 2016, "Kanapathy Towers", 3rd Floor, 1391/A1, Sathy Road, Ganapathy Post
Coimbatore – 641006, TN, India

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY.

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main Products/ Services	NIC Code of the Product/ Service	% total turnover of the Company
1.	Computer Programming, Consultancy and Related Activities	620	84%
2.	Accounting, bookkeeping and auditing activities; tax consultancy	692	16%

nominal share capital in excess of Rs. 1 lakh.									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Directors & their Relatives	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	4000	4000	14.81%	-	1000	1000	0.19%	(14.63%)
Total Public									
Shareholding (B)= (B)(1)+(B)(2)	-	4000	4000	14.81%	-	1000	1000	0.19%	(14.63%)
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	22990	4010	27000	100	526000	1000	527000	100	-

(ii) Shareholding of Promoters

Shareholders Name	No. of Shares held at the beginning of the year (01.04.2019)			No. of Shares held at the end of the year (31.03.2020)			% of change during the year
	No. of shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
Manappuram Finance Limited	21889	81.07	-	526000	99.81	-	+18.74
V P Nandakumar	101	0.37	-	-	-	-	-0.37
B N Raveendra Babu	10	0.04	-			-	-0.04
Sushama Nandakumar	1000	3.70	-			-	-3.70
TOTAL	23000	85.18	-	526000	99.81	-	-14.63

(iii) Change in Promoters' Shareholding

Sl. No.	Shareholders Name	Shareholding at the beginning of the year April 1, 2019		Date	Date wise Increase/ Decrease in Promoters Shareholding during the year	Reasons for increase /decrease	Cumulative Shareholding during the year. March 31, 2020	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the company.
1	V P NANDAKUMAR	101	0.37	24.04.2019 07.06.2019	24.04.2019 -100 07.06.2019 - 1	SHARE TRANSFER	-	-
2	MANAPPURAM FINANCE LIMITED	21889	81.07	24.04.2019 03.05.2019 06.05.2019 04.06.2019	24.04.2019 -100 03.05.2019 - 1000 06.05.2019 - 10 04.06.2019 - 1000	19.06.2019 – SHARE ALLOTMENT AND	526000	99.81

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year April 1, 2019		Date	Date wise Increase/ Decrease in Promoters Shareholding during the year	Reasons for increase /decrease	Cumulative Shareholding during the year. March 31, 2020	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the company.
1	V P NANDAKUMAR	101	0.37	-	-	-	-	-0.37
2	SUSHAMA NANDAKUMAR	1000	3.70	-	-	-	-	-3.70
3	S R NAIR	-	-	-	-	-	-	-
4	DEEPAKUMAR K R	-	-	-	-	-	-	-
5	B N RAVEENDRA BABU	10	0.04	-	-	-	-	-0.04
6	CA AK MOHANAN	-	-	-	-	-	-	-
7	DR SARIN P	-	-	-	-	-	-	-
8	BHAVIN VENUGOPAL	-	-	-	-	-	-	-
9	NITHIN MOHAN	-	-	-	-	-	-	-

V.INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i)Principal Amount	-	-	-	-
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
· Addition	-	-	-	-
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year:	-	-	-	-
i)Principal Amount	-	-	-	-
ii)interest due but not paid	-	-	-	-
iii)interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Deepkumar K R
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income- tax Act,1961	57,22,817 Nil Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission - as % of profit - others, specify....	Nil 18,00,000
5	Others, please specify	Nil
	Total (A)	75,22,817
	Ceiling as per the Act: The remuneration paid to MD is within the limits prescribed by Schedule V of the Companies Act, 2013	

B. Remuneration to other directors:

Sl. no.	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending board/ committee meetings	Commission	Others, please specify	
1	Independent Directors:				
	Mr. Sreedharan Radhakrishnan Nair	2,40,000	5,00,000	-	7,40,000
	Mr. Sarin Pakavath	2,15,000	5,00,000	-	7,15,000
	CA A K Mohanan	2,15,000	8,00,000	-	10,15,000
	Total (1)	6,70,000	18,00,000		24,70,000
2	Other Non- Executive Directors:				
	Mr. V P Nandakumar	-	-	-	-
	Ms. Sushama Nandakumar	1,25,000	-	-	1,25,000
	Mr. B N Raveendra Babu	-	-	-	-
	Total (2)	1,25,000	-	-	1,25,000

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/
MANAGER/ WTD**

Sl. no.	Particulars of Remuneration			
		CFO	Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income- tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	15,46,494	9,97,915	25,44,409
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	15,46,494	9,97,915	25,44,409

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sd/-
 Deepkumar KR
 Managing Director and CEO
 (DIN: 05348065)
 Date: May 13th 2020

Note:-

1. For the purpose of filling this disclosure the shareholding of Manappuram Finance Limited is counted in full including nominee share holders.
2. Mr V P Nandakumar, Mr B N Raveendra Babu, Mrs Sushama Nandakumar, Mrs Sumitha Nandan Jayasankar, Mr Suhas Nandan and Mrs Nini Raj holds 1 share on behalf of Manappuram Finance Limited.

ANNEXURE - II

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
(a)	Name (s) of the related party & nature of relationship	NA
(b)	Nature of contracts/arrangements/transaction	NA
(c)	Duration of the contracts/arrangements/transaction	NA
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
(e)	Justification for entering into such contracts or arrangements or transactions'	NA
(f)	Date of approval by the Board	NA
(g)	Amount paid as advances, if any	NA
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the related party	Nature of Relationship	Nature of Contract/Arrangement	Duration of the Contract	Salient Terms of the Contract	Date of Approval by the Board	Amount paid as advance
Manappuram Construction & Properties Limited	Sec 2(76)(v)	Service and Consultancy Agreement	Will be renewed and continue in force until it is terminated	Taxation	27-Aug-12	Nil
				Management Audit	24-Apr-13	
		Sub Contract Service Agreement	Upto 31.03.2024	IT and Other Support Services	19 – June-19	Nil
		Technical/Product Sale	Will be renewed and continue in force until it is terminated	Product Sale/Technical Service	29-Oct-2019 25-Jan-2020 13-May-2020	Nil
Manappuram Insurance Brokers Ltd	Sec 2(76)(v)	IT, Service and Consultancy Agreement	Will be renewed and continue in force until it is terminated	IT, Taxation	27-Aug-12	Received Rs. 1 Lakh as security deposit at the commencement of the IT Contract
			Will be renewed and continue in force until it is terminated	Technical Service	29-Oct-2019 13-May-2020	NIL
		Staff Augmentation		Staff Augmentation	29-Oct-19	NIL
Manappuram Finance Ltd	Holding Company	IT, Service Agreement	Will be renewed and continue in force until it is terminated	IT Fees	27-May-17	Nil
				Technical Services	13-Dec-18 23-Mar-19 09-May-19 19-June-19 03-Aug-19 29-Oct-19 25-Jan-20 13-May-20	
Manappuram Home Finance Limited	Sec 2(76)(v)	IT, Service Agreement	Will be renewed and continue in force until it is terminated	IT Fees for Accounts Module & HR Module	27-May-17	Nil
				Technical Services	13-Dec-18	
				Product Sale	13-May-20	

Manappuram Foundation	Charitable Trust controlled by Director	IT, Service Agreement	Will be renewed and continue in force until it is terminated	TAXATION	18-May-2018	Nil
				IT	27-May-17	
		Product Sale	Will be renewed and continue in force until it is terminated	Sale of a Technical Product	13-May-20	Nil
Aibot Technologies Private Limited	Enterprise owned by Relative of Director	E Filing of ROC Form	On Work Basis	One-time fee E Filing of ROC Forms	03-Aug-2019	Nil
Mukundapuram Educational Society	Enterprise owned by Director	Service Agreement	Will be renewed and continue in force until it is terminated	Taxation	27-May-17	Nil
Asirvad Microfinance Limited	Sec 2(76)(v)	Product Sale	Will be renewed and continue in force until it is terminated	Product Sale	03-Aug-19 13-May-20	NIL

* Date of the Board meeting at which the contract/arrangement is first approved. Date of approval for subsequent additions/modifications is not mentioned.

For and on behalf of the Board of Directors

Sd/-
Deepkumar KR
Managing Director and CEO
(DIN: 05348065)
13th May 2020

MANAPPURAM COMPTECH
AND
CONSULTANTS LIMITED

FINANCIALS STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

Manappuram Comptech And Consultants Limited
Balance Sheet as at March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

PARTICULARS	Note No	As at March 31, 2020	As at March 31, 2019
		Unaudited	Audited
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3A	4,951,884	6,175,456
(b) Right of use assets	4	5,073,968	-
(c) Other intangible assets	3B	21,790,384	409,557
(d) Intangibles under development	5	5,249,340	2,280,694
(e) Financial assets			
(i) Investments	6	50,000	50,000
(ii) Others	7	24,480,753	2,215,687
(f) Deferred tax assets (Net)	8	2,821,848	1,403,174
Total non-current assets		64,418,177	12,534,568
2 Current assets			
(a) Financial assets			
(i) Trade receivables	9	26,028,764	8,121,330
(ii) Cash and cash equivalents	10	8,281,041	13,565,930
(iii) Others	7	147,240	33,365
(b) Non financial assets			
(i) Current tax assets (Net)		4,113,848	9,527,133
(ii) Other current assets	11	3,323,383	891,008
Total current assets		41,894,276	32,138,766
Total assets		106,312,453	44,673,334
EQUITY AND LIABILITIES			
I EQUITY			
(a) Equity share capital	12	52,700,000	2,700,000
(b) Other equity	13	25,504,143	10,189,416
Total equity		78,204,143	12,889,416
II LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities	14	6,168,557	19,200,000
(b) Other non-current liability	15	3,559,514	1,269,823
(c) Long-term provisions	16	2,631,804	-
Total non-current liabilities		12,359,875	20,469,823
2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17		
- Dues of micro enterprises and small enterprises		-	-
- Dues of creditors other than micro enterprises and small enterprises		6,140,513	7,815,841
(ii) Others	18	4,746,677	-
(b) Unearned income	7	182,400	-
(c) Short-term provisions	19	223,385	655,901
(d) Other current liabilities	20	4,455,460	2,842,353
Total current liabilities		15,748,435	11,314,095
Total equity and liabilities (I + II)		106,312,453	44,673,334

See accompanying notes forming part of the financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

S. Sundaresan
Partner



Place: Bengaluru
Date: 13 May, 2020

For and on behalf of the board of directors

V.P. Nandakumar
(Chairman)
(DIN:00044512)

Deepkumar K.R.
(Managing Director)
(DIN:05348065)

Bhavin Venugopal
(Chief Financial Officer)

Nithin Mohan
(Company Secretary)

Place: Thrissur
Date: 13 May, 2020

Manappuram Comptech And Consultants Limited
Statement of Profit and Loss for the year ended March 31, 2020

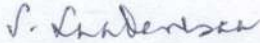
(All amounts are in Indian Rupees unless other wise stated)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	21	99,149,724	71,046,919
II Other income	22	2,201,094	1,225,319
III Total Income (I+II)		101,350,818	72,272,238
IV Expenses			
(a) Employee benefits expense	23	53,185,895	50,262,774
(b) Depreciation and amortisation expenses	24	6,686,732	3,232,916
(c) Finance cost	25	539,843	-
(d) Other expenses	26	16,856,462	14,312,415
Total expenses (IV)		77,268,932	67,808,105
V Profit before tax (III-IV)		24,081,886	4,464,134
VI Tax expense	27		
a) Current tax		7,008,000	1,718,330
b) Deferred tax		(618,974)	(557,656)
VII Profit for the year (V-VI)		17,692,860	3,303,460
VIII Other comprehensive income			
i) Items that will not be reclassified to profit or loss			
(a) Remeasurment of post employment benefit obligation		(1,849,425)	(11,592)
(b) Income tax on (a) above		465,366	3,014
b) Items that will be reclassified to profit or loss			
Other comprehensive income for the year		(1,384,059)	(8,578)
IX Total comprehensive income for the period (VII+VIII)		16,308,801	3,294,882
X Earnings per equity share (Face value per equity share Rs. 100/-) Basic and Diluted	28	42.22	122.35

See accompanying notes forming part of the financial statements.

In terms of our report attached.

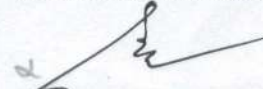
For Deloitte Haskins & Sells LLP
Chartered Accountants


S. Sundaresan
Partner



Place: Bengaluru
Date: 13 May, 2020

For and on behalf of the board of directors


V.P. Nandakumar
(Chairman)
(DIN: 00044512)


Deepkumar K.R.
(Managing Director)
(DIN: 05348065)


Bhavin Venugopal
(Chief Financial Officer)


Nithin Mohan
(Company Secretary)

Place: Thrissur
Date: 13 May, 2020

Manappuram Comptech and Consultants Limited
Statement of Changes in Equity for the year ended March 31, 2020

(All amounts are in Indian Rupees unless otherwise stated)

a. Equity share capital

Particulars	Number of shares	Amount
Balance as at April 01, 2018	27,000	2,700,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	27,000	2,700,000
Changes in equity share capital during the year	500,000	50,000,000
Balance as at March 31, 2020	527,000	52,700,000

b. Other equity

Particulars	Reserves and surplus	Other comprehensive income	Total other equity
	Retained earnings	Employee defined benefit plan	
Balance as at April 1, 2018	6,894,534	-	6,894,534
Profit for the year	3,303,460	-	3,303,460
Other comprehensive income for the year		(8,578)	(8,578)
Balance as at March 31, 2019	10,197,994	(8,578)	10,189,416
Profit for the year	17,692,860	-	17,692,860
Add/(Less): Right of use assets net of liabilities opening transition adjustment	(1,328,408)	-	(1,328,408)
Deferred tax effect on account of above transition	334,334	-	334,334
Other comprehensive Income for the year		(1,384,059)	(1,384,059)
Balance as at March 31, 2020	26,896,780	(1,392,637)	25,504,143

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants





S. Sundaresan
Partner





Place: Bengaluru
Date: 13 May, 2020

For and on behalf of the board of directors


V.P. Nandakumar
(Chairman)
(DIN: 00044512)


Deepkumar K.R.
(Managing Director)
(DIN: 05348065)


Bhavin Venugopal
(Chief Financial Officer)


Nithin Mohan
(Company Secretary)

Place: Thrissur
Date: 13 May, 2020

Manappuram Comptech And Consultants Limited
Cash flow statement for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Net profit before tax	24,081,886	4,464,134
Adjustments for:		
Depreciation and amortization expenses	6,686,732	3,232,916
Property, plant and equipment written off	20,308	-
Finance costs	539,843	-
Interest income from banks	(1,652,760)	(762,927)
Operating Profit before working capital changes	29,676,009	6,934,123
Changes in working capital:		
Decrease / (increase) in other financial assets	(1,582,948)	(214,805)
Decrease / (increase) in Trade Receivables	(17,907,434)	1,542,110
Decrease / (increase) in non-financial assets	(2,432,375)	27,948
Increase / (decrease) in trade payables	(1,675,328)	1,352,237
Increase / (decrease) in provisions	815,229	647,323
Increase / (decrease) in financial liabilities	(14,353,323)	-
Increase / (decrease) in non-current liabilities	3,902,798	1,589,047
Increase / (decrease) in other non-financial liabilities	182,400	-
Cash generated from operations	(33,050,981)	4,943,860
Net income tax (paid)	(3,374,972)	11,877,983
Net cash flows from/(used in) operating activities (A)	(5,435,053)	10,395,387
B. Cash flow from investing activities		
Capital expenditure, including Intangible under development	(27,688,611)	(7,387,823)
Purchase of investments	-	-
Interest received	756,767	729,563
Bank balances not considered as cash and cash equivalents	(19,900,000)	-
Net cash flows from/(used in) investing activities (B)	(46,831,844)	(6,658,260)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	50,000,000	-
Payment of lease liabilities	(3,017,992)	-
Net cash flow from financing activities (C)	46,982,008	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(5,284,889)	3,737,127
Cash and cash equivalents at the beginning of the year	13,565,930	9,828,803
Cash and cash equivalents at the end of the year	8,281,041	13,565,930
Components of cash and cash equivalents comprises: (Refer Note 10)		
Cash on hand	2,214	5,508
Balances with banks:		
In current accounts	8,278,827	213,313
Deposits with original maturity of less than three months	-	13,347,109
Total cash and cash equivalents	8,281,041	13,565,930

See accompanying notes forming part of the financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

S. Sundaresan
Partner



Place: Bengaluru
Date: 13 May, 2020

For and on behalf of the board of directors

V.P.Nandakumar
(Chairman)
(DIN:00044512)

Deepkumar K.R
(Managing Director)
(DIN:05348065)

Bhavin Venugopal
(Chief Financial Officer)

Nithin Mohan
(Company Secretary)

Place: Thrissur
Date: 13 May, 2020

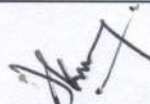
Note 4 - Right of use asset		
The company recognises of right-of-use assets initially at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. The movement of right to use of the asset during the year is shown below:		
Particulars	As at March 31, 2020	As at March 31, 2019
Right of use asset (ROU) at the beginning as per IND 116	5,321,297	-
Add: Defered rental regrouped to ROU	425,134	-
Add: ROU - new lease	2,191,742	-
Less: Amortised during the period	(2,864,205)	-
Right of use asset at the end	5,073,968	-


Note 5 - Intangibles under development		
Particulars	As at March 31, 2020	As at March 31, 2019
Intangibles under development	5,249,340	2,280,694
Total	5,249,340	2,280,694

Note 6 - Investments		
Particulars	Non-current	
	As at March 31, 2020	As at March 31, 2019
Other investments - At amortised cost		
Unquoted investment in Government securities		
National savings certificates	50,000	50,000
Aggregate amount of unquoted investment	50,000	50,000


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Note 7 - Other financial assets

Particulars	Non-current	
	As at March 31, 2020	As at March 31, 2019
At amortised cost		
Security deposits (Rental)	3,252,230	1,826,522
Electricity deposits	331,045	331,045
Bank deposits with original maturity exceeding 12 months	19,900,000	-
Deposit on account of demating of shares	44,000	34,000
Interest accrued on NSC deposits	24,120	24,120
Interest accrued on deposit with banks	929,358	-
Total	24,480,753	2,215,687

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
At amortised cost		
Interest accrued on deposit with banks	-	33,365
Unbilled revenue (Refer Note below)	147,240	-
Total	147,240	33,365

Note: Movement in unbilled revenue

Particulars	As at March 31, 2020	As at March 31, 2019
Opening unbilled revenue	-	-
Add: Revenue recognised during the year	147,240	-
Less: Invoiced during the year	-	-
Closing unbilled revenue	147,240	-

Note: Movement in unearned income


Particulars	As at March 31, 2020	As at March 31, 2019
Opening unearned revenue	-	-
Less: Revenue recognised during the year	7,296,800	-
Add: Invoiced during the year but not recognized as revenue	7,479,200	-
Closing unearned income	182,400	-

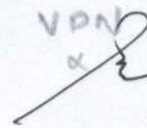
Note 8 - Deferred tax asset (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Net deferred tax asset at the beginning	1,403,174	842,505
Credit / (charge) relating to temporary differences :		
Recognised in Statement of Profit or loss		
- Impact of difference between tax depreciation and amortization expenses in Property, plant and equipment, Right of use asset (net of liabilities)	(261,064)	82,956
- Impact of expenditure charged to the statement of profit and loss in the current year but not allowed for tax purposes	625,107	474,699
- Effect of Ind AS adjustments	254,931	-
Recognised in Other Comprehensive Income		
- Remeasurement gain / (loss) on defined benefit plan	465,366	3,014
Retained Earnings		
- Deferred tax effect on IND AS 116 on account of transition	334,334	-
Net deferred tax asset at the end	2,821,848	1,403,174

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Manappuram Comptech and Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Note : 9 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
(a) Considered good - Unsecured (Refer below notes)	26,028,764	8,121,330
Total	26,028,764	8,121,330

Note 1: Trade receivables from related parties (Refer Note No.35 - Related party disclosures - Sundry receivables)

Note 2: The company classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue for revenue contracts are recognised at a point in time when the company transfers controls over the product to the customer.

Note : 10

Cash and cash equivalents	As at March 31, 2020	As at March 31, 2019
Cash on hand	2,214	5,508
Balances with banks:		
In current accounts	8,278,827	213,313
Deposits with original maturity of less than three months	-	13,347,109
Total	8,281,041	13,565,930


Note 11- Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred lease rentals	-	425,134
Prepaid expenses	2,084,258	337,139
Advance payments	1,239,125	128,735
Total	3,323,383	891,008

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Note 12 - Equity Share Capital		
Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital 530,000 Equity shares of Rs. 100/- each (March 31, 2019 - 90,000 Equity shares of Rs. 100/- each)	53,000,000	9,000,000
Issued, subscribed and paid-up capital 527,000 equity shares of Rs. 100/- each (March 31, 2019 - 27,000 equity shares of Rs. 100/- each)	52,700,000	2,700,000
Total issued, subscribed and fully paid-up share capital	52,700,000	2,700,000

12(a). Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2020	
	Number	Amount
Equity share capital		
Shares at the beginning	27,000	2,700,000
Add: Issued during the year	500,000	50,000,000
Shares at the end	527,000	52,700,000

Particulars	As at March 31, 2019	
	Number	Amount
Equity share capital		
Shares at the beginning	27,000	2,700,000
Add: Issued during the year	-	-
Shares at the end	27,000	2,700,000

12(b). Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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 the shareholders.

12(c) Shares of the Company held by the Holding Company

Particulars	As at March 31, 2020	
	Number of shares	Amount
Manappuram Finance Limited	525,994	52,599,400

Particulars	As at March 31, 2019	
	Number of shares	Amount
Manappuram Finance Limited	21,889	2,188,900

12(d) Details of share holding more than 5% shares in the Company

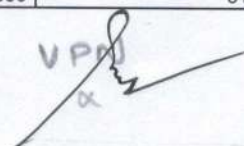
Particulars	As at March 31, 2020	
	Number of shares	%
Manappuram Finance Limited	525,994	99.81%

Particulars	As at March 31, 2019	
	Number of shares	%
Manappuram Finance Limited	21,889	81.07%

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Note 13 - Other equity		
Particulars	As at March 31, 2020	
	Reserves and Surplus	Other comprehensive income
Opening balance	10,197,994	(8,578)
Add/(Less): Right of use assets net of liabilities opening transition adjustment	(1,328,408)	-
Deferred tax effect on account of above transition	334,334	-
Profit for the year	17,692,860	-
Other comprehensive Income for the year	-	(1,384,059)
Closing balance	26,896,780	(1,392,637)
Grand Total - Reserves & Surplus and Other Comprehensive Income	25,504,143	

Particulars	As at March 31, 2019	
	Reserves and Surplus	Other comprehensive income
Opening balance	6,894,534	-
Profit for the year (net of taxes)	3,303,460	-
Other comprehensive Income for the year (net of taxes)	-	(8,578)
Closing balance	10,197,994	(8,578)
Grand Total - Reserves & Surplus and Other Comprehensive Income	10,189,416	

Notes 14 - Non current financial liabilities		
Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (Refer note below)	6,068,557	-
Others - Deposit from related parties (Refer note 35)	100,000	19,200,000
Total	6,168,557	19,200,000

Note: Lease liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liability at the beginning as per IND 116	6,649,705	-
Additions	2,093,345	-
Deletion	-	-
Payment of Lease liabilities	3,246,352	-
Finance cost accrued during the period	571,860	-
Balance as at March 31, 2020	6,068,557	-

Notes 15 - Other non current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity payable	3,559,514	1,269,823
Total	3,559,514	1,269,823

Notes 16 - Long-term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits : Leave encashment	2,631,804	-
Total	2,631,804	-

Note 17- Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises and small enterprises	6,140,513	7,815,841
Total	6,140,513	7,815,841

Note: There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors. Hence disclosures relating to amount unpaid as at year end together with interest paid/payable under this Act have not been given.

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Notes 18 - Other current financial liabilities		
Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	1,146,677	-
Others	3,600,000	-
Total	4,746,677	-

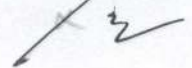
Note 19 - Short term provisions		
Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits : Leave encashment	223,385	655,901
Total	223,385	655,901

Note 20 - Other current liabilities		
Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues payable (other than income tax)	4,455,460	2,842,353
Total	4,455,460	2,842,353

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Note 21 - Revenue from operations		
Disaggregate revenue disclosure:		
The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected. Accordingly, the disaggregation by type of services and goods is provided in the below table.		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue by IT services and products		
(a) Service income:		
Fee received for:		
IT services	47,339,738	42,727,284
IP camera monitoring	2,739,083	2,549,250
(b) Sale of IT products	33,073,690	12,026,107
Revenue by Non-IT services		
(a) Service income		
Fee received for:		
Taxation services	5,390,400	5,260,668
Management audit	6,757,995	5,931,500
Legal services	2,803,976	1,688,610
Post disbursement audit	693,000	425,000
Other services	351,842	438,500
Total	99,149,724	71,046,919


Note: The revenue from operations is earned in India.


Note : 22 - Other income		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on financial assets at amortised cost:		
Deposits with bank	1,327,533	351,077
Income tax refund	325,227	411,851
Other financial assets measured at amortised cost	357,429	180,806
Others	190,905	281,586
Total	2,201,094	1,225,319

Note 23- Employee benefits expense		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages, including bonus	68,188,035	47,705,520
Contribution to provident and other funds	4,325,425	3,171,272
Staff welfare expenses	574,046	588,866
TOTAL	73,087,506	51,465,658
Less: Capitalisation cost	19,901,611	1,202,884
Total	53,185,895	50,262,774


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Note 24 - Depreciation and amortisation expenses		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	3,639,745	2,719,306
Amortisation of intangible assets	1,699,145	513,610
Amortisation of right of use	2,864,205	-
	8,203,095	3,232,916
Less: Capitalisation cost	1,516,363	-
	6,686,732	3,232,916
Total	6,686,732	3,232,916

Note 25 - Finance cost		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Finance cost	571,860	-
Less: Capitalisation cost	32,017	-
	539,843	-
Total	539,843	-

Note : 26 Other expenses		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent	1,182,357	4,268,210
Legal and professional fees	2,091,736	2,817,223
Consulting fee	2,760,756	1,077,810
License renewals	1,228,439	1,661,423
Water and electricity charges	1,637,142	1,398,198
Travelling	1,703,094	1,076,584
Leased line charges	1,021,192	1,025,120
Repairs and maintenance	512,629	554,833
Payment to auditors (refer note (i) below)	700,000	235,000
Fuel expenses	217,812	185,134
Sitting fee	795,000	165,000
Cleaning charges	280,932	146,704
Telephone expense	166,419	140,141
Miscellaneous expenses	407,969	151,677
Training expense	3,589,250	99,150
Insurance	132,672	76,777
IT project expense	-	62,018
Rates and taxes	375,507	57,739
Office expenses	348,476	186,979
Commission to directors	1,800,000	-
Bank charges	4,440	4,505
Advertisement	47,959	-
Property, plant and equipment written off	20,308	-
Total	21,024,089	15,390,225
Less: Capitalisation cost	4,167,627	1,077,810
	16,856,462	14,312,415
Total	16,856,462	14,312,415

Note (i) Payment to auditors

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payments to the auditors comprise		
(a) To statutory auditors (Exclusive of GST)		
Audit	500,000	200,000
Limited Review	200,000	-
Tax Audit	-	35,000
Total	700,000	235,000



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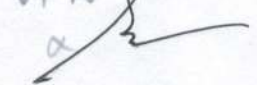
Note 27 - Tax expense		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	7,008,000	1,718,330
Deferred tax	(1,084,340)	(560,670)
Total income tax expense recognised during the year	5,923,660	1,157,660
The reconciliation between the provision of income tax of the Company and amounts computed by applying the statutory income tax rate to profit before taxes is as follows:		
Current Tax:		
Profit before tax	24,081,886	4,464,134
Enacted income tax rate	25.17%	26.00%
Computed expected tax expense	6,060,929	1,160,675
Effect of:		
Expenses that are not deductible in determining taxable profit	5,100	-
Items of restatement and IndAS adjustments	829,409	560,670
Change in Enacted income tax rate	40,042	-
Others	(182,153)	(3,015)
Income tax expense recognised in the profit or loss	6,753,327	1,718,330
Deferred Tax:		
Relating to the origination and reversal of temporary differences (see below)	(364,043)	(557,656)
Relating to OCI	(465,366)	(3,014)
Tax expense reported in the Statement of Profit and Loss	5,923,918	1,157,660

Note 28 - Earnings per share		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic and Diluted EPS		
Profit attributable to equity shareholders	17,692,860	3,303,460
Weighted average number of equity shares outstanding during the year (Nos.)	419,077	27,000
Basic and Diluted EPS of INR 100/- each	42.22	122.35

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Note:29 Capitalisation cost
The Company has incurred expenditure for the development of software intended for sale. The costs incurred towards the development of products are deducted from the respective administration expenses and capitalised under the head "Intangibles under Development". During the year the Company has capitalised INR 2,56,17,617/- deducting from the respective cost heads. Therefore the Profit and loss shows an increase of INR 2,56,17,617/- in the profit as the amount is transferred to Intangibles (developed) INR 2,03,68,278/- and INR 52,49,340/- towards Intangibles under development in line note(4) of the Balance Sheet. The expenses capitalised are detailed below:

Particulars	For the year ended March 31, 2020	
Employee benefits expenses		
Salary	17,392,135	(Refer Note No.23)
Gratuity	547,944	(Refer Note No.23)
ESI contribution	110,259	(Refer Note No.23)
Provident fund contribution	678,222	(Refer Note No.23)
Leave encashment	388,860	(Refer Note No.23)
Bonus	784,190	(Refer Note No.23)
Other expenses		
Rent	37,446	(Refer Note No.26)
Electricity charges	465,788	(Refer Note No.26)
Leased Line Charges	260,375	(Refer Note No.26)
Miscellaneous expenses	16	(Refer Note No.26)
Legal and consultancy	2,760,756	(Refer Note No.26)
License & Hosting	252,996	(Refer Note No.26)
Training Expenses	390,250	(Refer Note No.26)
Depreciation and Amortisation Expenses		
Asset depreciation (Intangibles)	796,488	(Refer Note No.24)
Amortisation of Right to use asset	719,875	(Refer Note No.24)
Finance Cost	32,017	(Refer Note No.25)
Total	25,617,617	
Particulars	For the year ended March 31, 2019	
Employee benefits expenses		
Salary and its related costs	1,202,884	(Refer Note No.23)
Other expenses		
Legal and consultancy	1,077,810	(Refer Note No.26)
Total	2,280,694	

Note 30: Previous year statutory auditor
The financial statements of the Company for the year ended March 31 2019, were audited by the firm Mohandas and Associates Chartered Accountants.



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Note 3A - Property, plant and equipment

Description of Assets	Office equipment	Computers	Furniture and fixtures	Total property, plant and equipment
I. At cost or deemed cost				
Balance as at April 01, 2018	4,150,802	9,554,002	7,350,586	21,055,390
Additions	-	5,107,128	-	5,107,128
Disposals	-	-	-	-
Balance as at March 31, 2019	4,150,802	14,661,130	7,350,586	26,162,518
Additions	-	2,270,955	165,527	2,436,482
Disposals	-	406,155	-	406,155
Balance as at March 31, 2020	4,150,802	16,525,930	7,516,113	28,192,845
II. Accumulated Depreciation				
Balance as at April 01, 2018	3,224,830	8,430,980	5,611,947	17,267,757
Charge for the year	710,925	1,558,253	450,128	2,719,306
Disposals	-	-	-	-
Balance as at March 31, 2019	3,935,755	9,989,233	6,062,075	19,987,063
Charge for the year	9,031	3,171,539	459,175	3,639,745
Disposals	-	385,847	-	385,847
Balance as at March 31, 2020	3,944,786	12,774,925	6,521,250	23,240,961
Carrying value (I-II)				
Balance as at March 31, 2020	206,016	3,751,005	994,863	4,951,884
Balance as at March 31, 2019	215,047	4,671,898	1,288,511	6,175,456

Note 3B - Intangible assets

Description of Assets	Softwares
I. At cost or deemed cost	
Balance as at April 01, 2018	9,648,193
Additions	-
Disposals	-
Balance as at March 31, 2019	9,648,193
Additions	23,079,972
Disposals	-
Balance as at March 31, 2020	32,728,165
II. Accumulated Depreciation	
Balance as at April 01, 2018	8,725,026
Charge for the year	513,610
Disposals	-
Balance as at March 31, 2019	9,238,636
Charge for the year	1,699,145
Disposals	-
Balance as at March 31, 2020	10,937,781
Carrying value (I-II)	
Balance as at March 31, 2020	21,790,384
Balance as at March 31, 2019	409,557

Note 3C - Depreciation and Amortisation Expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (refer note 3A)	3,639,745	2,719,306
Amortisation of intangible assets (Refer note 3B)	1,699,145	513,610
Less: Capitalisation (Refer note 29)	(796,488)	-
Amortisation of right of use	2,864,205	-
Less: Capitalisation (Refer note 29)	(719,875)	-
	6,686,732	3,232,916

Note: All the Property, plant and equipment and intangible assets are owned by the Company, unless stated as taken on lease.



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Note 31 - Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The company has defined business segments as reportable segments. The business segments comprise:

1. IT Services
2. Non-IT Services - Management services

Particulars	March 31, 2020	
	IT Services and products	Non-IT Services
Segment Expenses	56,393,205	17,275,727
Segment Assets	59,032,847	40,343,910
Segment Liability	15,895,711	7,465,922
Segment Revenue	83,152,511	18,198,307
Profit before tax	26,759,306	922,580

Particulars	March 31, 2019	
	IT Services and products	Non-IT Services
Segment Expenses	49,169,324	10,724,588
Segment Assets	58,845,846	9,642,534
Segment Liability	49,609,454	9,838,636
Segment Revenue	58,227,524	8,506,346
Profit before tax	9,058,200	(2,218,242)

Note 32 - Leases

(i) Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

(ii) On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 5,321,297/- and a lease liability of Rs. 6,649,705/-. The cumulative effect of applying the standard, amounting to Rs. 1,328,408/- was debited to retained earnings on transition date and deferred tax amounted to Rs. 334,334/- on have been created on transition impact. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

On transition, the deferred lease rental on Security Deposits under IND AS 109 'Financial Instruments' amounted to Rs. 425,134/- has been recognised as 'Right of Use' asset.

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

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date. Discount rate has been taken as the Incremental Borrowing rate of borrowings with similar tenure.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) Lease of Short Period (Less than 12 months)

The leases of certain premises are less than 12 months and hence are considered as short term leases. Hence, the leases of certain facilities and office premises are exempted from the scope of leases under Ind AS 116.

During the year, the Company charged off Rs. 1,182,357/- as rent expenses on short term leases.

(v) Practical Expedient

Applied practical expedient to grandfather the assessment of which transactions are leases. Accordingly Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Non-cancellable operating lease commitments

The total of future minimum lease payments in respect of premises taken on lease under non-cancellable operating leases are as follows:

Particulars	For the year ended March 31, 2020
For a period not later than one year	4,862,111
For a period later than one year but not later than five years	1,639,031
For a period later than five years	-
	6,501,142



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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Particulars	For the year ended March 31, 2019
For a period not later than one year	3,316,412
For a period later than one year but not later than five years	1,139,744
For a period later than five years	-
	4,456,156

Note 33- Contingent liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the company not acknowledged as debt and other contingent liabilities	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

Note 34 - Employee benefit plans

(a) Defined contribution plan

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Provident fund	2,918,355	1,863,041
Employee state insurance	368,129	430,977
Less: PMRPY benefit received	(364,915)	-
	2,921,569	2,294,018



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(b) Defined Benefit Plans:

Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to Life Insurance Corporation of India's (LIC) Group Gratuity Fund Scheme. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary:

Reconciliation of opening and closing balances of defined benefit obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation at beginning of the year	8,401,903	6,770,000
Current service cost	1,714,815	1,262,920
Past service cost	275,116	-
Interest cost	768,871	618,535
Actuarial (Gain) / Loss	1,926,037	410,372
Benefits paid	(78,487)	(659,924)
Defined Benefit Obligation at the year end	13,008,255	8,401,903

Reconciliation of opening and closing balances of fair value of plan assets

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of Plan Assets at beginning of year	7,429,519	6,587,769
Employer contributions	1,220,732	529,670
Expected Return on Plan Assets	601,861	573,224
Equitable Transfer Received	275,116	-
Actuarial Gain / (Loss)	-	398,780
Benefits paid	(78,487)	(659,924)
Fair value of Plan Assets at the year end	9,448,741	7,429,519
Net Asset / (liability) recognised in Balance sheet	(3,559,514)	(972,384)

Expenses recognised during the year

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
In Income Statement		
Current service cost	1,714,815	1,262,920
Past service cost	-	-
Interest on net defined benefit liability/ (asset)	768,871	618,535
(Gains) / losses on settlement	-	-
Less: Expected Return on Plan Assets	(601,861)	(573,224)
Net Cost	1,881,825	1,308,231
In Other Comprehensive Income		
Actuarial (Gain) / Loss	1,926,037	11,592
Net (Income)/ Expense for the year recognised in OCI	1,926,037	11,592

The current service cost and the net interest expense for the period are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined liability is included in other comprehensive income.

Actuarial assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate (per annum)	6.70%	7.60%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Attrition rate (per annum)	Service above 5 Years- 5 % Service Below 5 years- 15%	2% per Annum upto 40 years, there after 1 %

The retirement age of employees of the Company is 60 years.

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 mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ult table.



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Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate		
Defined benefit obligation on plus 25 basis points	12,687,148	8,096,463
Defined benefit obligation on minus 25 basis points	13,342,971	8,723,300
Salary escalation rate		
Defined benefit obligation on plus 25 basis points	14,725,640	10,358,501
Defined benefit obligation on minus 25 basis points	11,486,367	6,725,557
Employee Turnover rate		
Defined benefit obligation on plus 25 basis points	12,367,597	8,484,324
Defined benefit obligation on minus 25 basis points	13,833,219	8,315,296

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

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Expected total benefit payments		
Within 1 year	833,893	202,784
1 year to 2 years	1,328,291	222,309
2 years to 3 years	811,670	670,732
3 years to 4 years	830,342	239,053
4 years to 5 years	1,020,357	261,214
5 years to 10 years	4,170,507	1,559,673

The Company has unfunded policy for leave encashment and the cost of expenses on account of carried forward leave accounted in books as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Recognised in Statement of Profit and loss	802,096	655,901
Other comprehensive income	(76,612)	-
Obligation for the year		
- Long-term provisions	2,631,804	-
- Short-term provisions	223,385	655,901

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Note 35 - Related party disclosures

List of related parties where control exists and also related parties with whom transactions have taken place and relationships

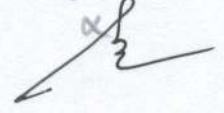
(a) Holding Company	Manappuram Finance Limited
(b) Key Management Personnel (KMP)	Mr. V P Nandakumar - Mr. Sreedharan Radhakrishnan Nair - Director Mr. Deepkumar K.R - Managing Director Mrs. Sushama Nandakumar - Director CA A. K Mohanan - Director B N Raveendrababu - Director Dr. Sarin P - Director Mr Bhavin Venugopal - Chief Financial Officer Mr Nithin Mohan - Company Secretary
(b.1) Relative of KMP	Mrs. Devi Deepkumar
(c) Enterprises over which Key Managerial Personnel are able to exercise significant influence	Manappuram Health Care Limited Manappuram Jewellers Limited Manappuram Chits (Karnataka) Private Limited Manappuram Chits (India) Limited Manappuram Chit Funds Company Private Limited Maben Nidhi Limited Manappuram Construction & Consultants Ltd* (Formerly known as Manappuram Construction & Properties Ltd) Manappuram Asset Finance Limited Manappuram Agro Farms Limited Manappuram Insurance Brokers Limited* Manappuram Finance Limited * Manappuram Foundation (charitable trust)* Manappuram Home Finance Limited* Asirvad Micro Finance Limited* Adlux Medicity And Convention Centre Private Limited Stallion Systems And Solutions Private Limited Mentorguru Professional Services Private Limited Progno Financial Planning Systems Private Limited Mukundapuram Educational and Cultural Society* Macare Dental Care Pvt Ltd Manapuram Chits Lions Cordination Committee of India Association Finance Industry Development Council MAFIN Enterprises Manappuram Travels Propyl Packaging Limited Majo Ventures Private Limited DT3 Advisory Private Limited DTA Advisory Private Limited DTB Advisory Private Limited Orange Retail Finance India Private Limited SNST Advisories Private Limited Ridhvi Constructions and Interiors Private Limited AIBOT Technologies Private Limited

* Represents parties with whom there were transactions during the year

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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Transactions with related parties during the year are set out in the table below
(Previous year figures are in brackets)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&c) above	Total
Transactions during the year			
<u>Remuneration paid</u>			
Mr. Deepkumar K.R	5,722,817	-	5,722,817
	(2,183,371)	-	(2,183,371)
Mr. Bhavin Venugopal	1,546,494	-	1,546,494
	(1,172,490)	-	(1,172,490)
Mr. Nithin Mohan	997,915	-	997,915
	(671,601)	-	(671,601)
<u>Sitting fees paid</u>			
Mr. V.P.Nandakumar	-	-	-
	(60,000)	-	(60,000)
Mrs. Sushama Nandakumar	125,000	-	125,000
	(45,000)	-	(45,000)
Mr. S.R Nair	240,000	-	240,000
	(60,000)	-	(60,000)
CA A. K Mohanan	215,000	-	215,000
	-	-	-
Dr. Sarin P	215,000	-	215,000
	-	-	-

Details of transactions during the year (contd.,)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&d) above	Total
<u>Fee received for Branch Audit</u>			
Manappuram Asset Finance Ltd	-	-	-
	-	(275,000)	(275,000)
Manappuram Jewellers Ltd	-	-	-
	-	(1,017,500)	(1,017,500)
MABEN Nidhi Ltd	-	-	-
	-	(990,000)	(990,000)
Manappuram Chits (India) Ltd	-	-	-
	-	(10,000)	(10,000)
Manappuram Chits (Karnataka) Pvt Ltd	-	-	-
	-	(255,000)	(255,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	2,880,900	2,880,900
	-	-	-
<u>Fee received for IP Camera Monitoring</u>			
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	2,739,083	2,739,083
	-	(1,605,000)	(1,605,000)
MABEN Nidhi Ltd	-	-	-
	-	(1,605,000)	(1,605,000)
Manappuram Asset Finance Ltd	-	-	-
	-	(944,250)	(944,250)



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(All amounts are in Indian Rupees unless other wise stated)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&c) above	Total
<u>Fee received for Taxation Services</u>			
MABEN Nidhi Ltd	-	(1,020,000)	(1,020,000)
Manappuram Asset Finance Ltd	-	-	-
Manappuram Health Care Ltd	-	(720,000)	(720,000)
Manappuram Agro Farms Ltd	-	(246,000)	(246,000)
Manappuram Jewellers Ltd	-	(132,000)	(132,000)
Macare Dental Care Pvt Ltd	-	(1,835,000)	(1,835,000)
Manappuram Chits (India) Ltd	-	(210,000)	(210,000)
V.P.Nandakumar	-	(90,000)	(90,000)
Manappuram Foundation	-	(178,000)	(178,000)
Manappuram Chits (Karnataka) Pvt Ltd	-	150,000	150,000
Manappuram Chits (Karnataka) Pvt Ltd	-	(60,000)	(60,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	(147,000)	(147,000)
Manappuram Chit Funds Company Pvt Ltd	-	4,891,290	4,891,290
	-	(150,000)	(150,000)
	-	-	-
	-	(1,500)	(1,500)
Manappuram Insurance Brokers Ltd	-	300,000	300,000
	-	(300,000)	(300,000)
Mukundapuram Educational and Cultural Society	-	30,000	30,000
	-	(60,000)	(60,000)
White Lillies Marketing Services Pvt Ltd	-	-	-
	-	(99,000)	(99,000)
	-	-	-
<u>Fee received for IT Service charges</u>			
Manappuram Asset Finance Ltd	-	-	-
MABEN Nidhi Ltd	-	(6,600,000)	(6,600,000)
Manappuram Agro Farms Ltd	-	(14,600,004)	(14,600,004)
Manappuram Health Care Ltd	-	(300,000)	(300,000)
Manappuram Chits Karnataka Pvt Ltd	-	(1,842,600)	(1,842,600)
Manappuram Foundation	-	(360,000)	(360,000)
Manappuram Insurance Brokers Ltd	-	240,000	240,000
	-	(240,000)	(240,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	900,000	900,000
	-	(900,000)	(900,000)
Manappuram Jewellers Ltd	-	34,623,155	34,623,155
	-	-	-
V.P.Nandakumar	-	(6,270,000)	(6,270,000)
Macare Dental Care Pvt Ltd	-	(360,000)	(360,000)
Manappuram Chits (India) Ltd	-	(620,280)	(620,280)
White Lillies Marketing Services Pvt Ltd	-	(300,000)	(300,000)
	-	-	-
	-	(510,000)	(510,000)
<u>Fee received for CFO Services</u>			
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	-	-
	-	(100,000)	(100,000)



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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&c) above	Total
<u>Fee received for Internal Audit</u>			
Manappuram Chits (Karnataka) Pvt Ltd	-	-	-
MABEN Nidhi Ltd	-	(68,000)	(68,000)
Macare Dental Care Pvt Ltd	-	(1,081,000)	(1,081,000)
Manappuram Agro Farms Ltd	-	(66,000)	(66,000)
Manappuram Asset Finance Ltd	-	(121,000)	(121,000)
Manappuram Chits (India) Ltd	-	(540,000)	(540,000)
Manappuram Chits (India) Ltd	-	(40,000)	(40,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	3,877,095	3,877,095
Manappuram Health Care Ltd	-	(60,000)	(60,000)
Manappuram Jewellers Ltd	-	(264,000)	(264,000)
V.P.Nandakumar	-	(960,000)	(960,000)
	-	(184,000)	(184,000)
<u>Fee received for Legal Services</u>			
MABEN Nidhi Ltd	-	-	-
Manappuram Agro Farms Ltd	-	(536,610)	(536,610)
Manappuram Asset Finance Ltd	-	(36,000)	(36,000)
Manappuram Jewellers Ltd	-	(552,000)	(552,000)
Manappuram Finance Ltd	-	(84,000)	(84,000)
Manappuram Finance Ltd	-	732,514	732,514
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	-	-
Manappuram Chits (Karnataka) Pvt Ltd	-	2,071,463	2,071,463
	-	(480,000)	(480,000)
<u>Fee received for Technical Services</u>			
Manappuram Foundation	-	100,000	100,000
Manappuram Finance Ltd	-	-	-
Manappuram Finance Ltd	-	27,218,750	27,218,750
Manappuram Chits (Karnataka) Pvt Ltd	-	(7,375,000)	(7,375,000)
White Lillies Marketing Services Pvt Ltd	-	(1,000,000)	(1,000,000)
Manappuram Asset Finance Ltd	-	(200,000)	(200,000)
Manappuram Asset Finance Ltd	-	(1,480,000)	(1,480,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	1,649,940	1,649,940
Asirvad Micro Finance Limited	-	-	-
Asirvad Micro Finance Limited	-	1,210,000	1,210,000
Manappuram Insurance Brokers Ltd	-	2,375,000	2,375,000
Manappuram Home Finance Ltd	-	520,000	520,000
Manappuram Home Finance Ltd	-	(500,000)	(500,000)
<u>Fee received for Stock Audit</u>			
Manappuram Health Care Ltd	-	-	-
Manappuram Health Care Ltd	-	(112,500)	(112,500)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	148,500	148,500



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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&c) above	Total
<u>Fee received for AMC</u>			
Manappuram Home Finance Ltd	-	75,000	75,000
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	-	-
	-	79,200	79,200
Manappuram Finance Ltd	-	-	-
	-	225,000	225,000
	-	-	-
<u>Fee received for Post Disbursement Audit</u>			
Manappuram Asset Finance Ltd	-	-	-
	-	(200,000)	(200,000)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	693,000	693,000
MABEN Nidhi Ltd	-	-	-
	-	(225,000)	(225,000)
<u>Monthly Usage Fee-Accounts</u>			
Manappuram Home Finance Ltd	-	1,611,445	1,611,445
Manappuram Asset Finance Ltd	-	(1,350,000)	(1,350,000)
	-	-	-
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	(428,600)	(428,600)
Manappuram Insurance Brokers Ltd	-	1,315,545	1,315,545
	-	-	-
Asirvad Micro Finance Limited	-	210,000	210,000
	-	-	-
Manappuram Foundation	-	127,500	127,500
	-	-	-
Manappuram Finance Ltd	-	15,000	15,000
	-	-	-
	-	1,926,220	1,926,220
	-	(780,000)	(780,000)
<u>FEE FOR MIS VETTING SERVICES</u>			
Manappuram Chits (Karnataka) Pvt Ltd	-	-	-
	-	(15,000)	(15,000)
<u>FEE FOR SECRETARIAL SERVICES</u>			
Manappuram Chits (India) Ltd	-	-	-
Ridhvi Constructions and Interiors Private Limited	-	(18,000)	(18,000)
	-	-	-
AIBOT Technologies Private Limited	-	(28,000)	(28,000)
	-	4,000	4,000
Manappuram Health Care Ltd	-	(25,000)	(25,000)
	-	-	-
	-	(50,000)	(50,000)
<u>FEE FOR STAFF AUGMENTATION</u>			
Manappuram Finance Ltd	-	4,145,800	4,145,800
Manappuram Insurance Brokers Ltd	-	-	-
	-	160,000	160,000
<u>Monthly Usage Fee-EHRM</u>			
Manappuram Home Finance Ltd	-	923,832	923,832
	-	(750,000)	(750,000)



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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees unless other wise stated)

Nature of transaction	Key Management Personnel (KMP)	Enterprises as defined in point (a&c) above	Total
Balance as on balance sheet date			
<u>Sundry Receivable</u>			
Macare Dental Care Pvt Ltd	-	-	-
	-	(92,546)	(92,546)
Manappuram Construction & Consultants Ltd(Formerly known as Manappuram Construction & Properties Ltd)	-	4,463,391	4,463,391
Manappuram Health Care Ltd	-	-	-
	-	(165,834)	(165,834)
Mukundappuram Education and Cultural Society	-	6,000	6,000
	-	-	-
Manappuram Finance Ltd	-	18,891,167	18,891,167
	-	(6,670,000)	(6,670,000)
Manappuram Home Finance Ltd	-	1,044,832	1,044,832
	-	(45,000)	(45,000)
Manappuram Insurance Brokers Ltd	-	451,350	451,350
	-	-	-
Manappuram Chits (Karnataka) Pvt Ltd	-	-	-
	-	(1,080,000)	(1,080,000)
Ashirwad Micro Finance Limited	-	1,165,250	1,165,250
	-	-	-
Kidhvi Constructions and Interiors Private Limited	-	-	-
	-	(33,040)	(33,040)
AIBOT Technologies Private Limited	-	-	-
	-	(29,500)	(29,500)

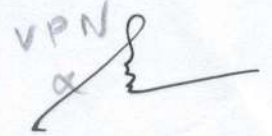
Note:

- a) Related parties have been identified on the basis of the declaration received by the management and other records available.
b) The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

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Note 36 - Financial instruments

36.1 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic expansion plans. The funding needs are met through equity, cash generated from operations.

36.2 Categories of Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2.p.

A. Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
<u>Measured at amortised cost</u>				
Investments (unquoted)	50,000	50,000	50,000	50,000
Others financial assets - non current	24,480,753	24,480,753	2,215,687	2,215,687
Trade receivables	26,028,764	26,028,764	8,121,330	8,121,330
Cash and Bank balances	8,281,041	8,281,041	13,565,930	13,565,930
Others financial assets - current	147,240	147,240	33,365	33,365
Total financial assets measured at amortised cost	58,987,798	58,987,798	23,986,312	23,986,312
Total financial assets	58,987,798	58,987,798	23,986,312	23,986,312
Financial liabilities				
<u>Measured at amortised cost</u>				
Trade payables	6,140,513	6,140,513	7,815,841	7,815,841
Others financial liabilities	10,915,234	10,915,234	19,200,000	19,200,000
Total financial assets measured at amortised cost	17,055,747	17,055,747	27,015,841	27,015,841
Total financial liabilities	17,055,747	17,055,747	27,015,841	27,015,841

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, balances other than cash and cash equivalents, trade payables and other financial liabilities without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

B. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



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36.3 - Financial risk management objective

The Company's activities expose it to a variety of financial risks. The Company's primary focus is to foresee the unpredictability of such risks and seek to minimize potential adverse effects on its financial performance.

The Company has a robust risk management process and framework in place. This process is coordinated by the Board, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Company through such framework. These risks include market risks, credit risk and liquidity risk.

The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

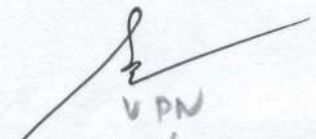
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Risk management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Trade payables and other liabilities	The company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.


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(ii) Assets:

The Company's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure as all the receivables are from related parties companies and the Company has no history of customer default from related parties, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term expansion programmes. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities from its holding company, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company's financial liability is represented significantly by trade payable and other financial Liabilities. The maturity profile of the Company's trade payables and financial Liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company except for Lease liability.

March 31, 2020	Less than 1 year	1-3 year	More than 3 year	Total
Lease Liability	4,461,142	1,607,416	-	6,068,558
Trade payable	6,140,513	-	-	6,140,513
Other financial liabilities	4,746,677	-	-	4,746,677
Total	15,348,332	1,607,416	-	16,955,748
March 31, 2019				
Trade payable	7,815,841	-	-	7,815,841
Other financial liabilities	19,200,000	-	-	19,200,000
Total	27,015,841	-	-	27,015,841

36.4 Fair Value Measurement

A. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

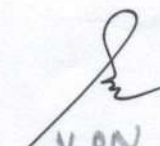
B. Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.


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C. Assets and liabilities by fair value hierarchy


The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Particulars	March 31, 2020				March 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at cost								
Unquoted equity investments	-	-	50,000	50,000	-	-	50,000	50,000
Others financial assets - non current	-	-	24,480,753	24,480,753	-	-	2,215,687	2,215,687
Trade receivables	-	26,028,764	-	26,028,764	-	8,121,330	-	8,121,330
Cash and Bank balances	-	8,281,041	-	8,281,041	-	13,565,930	-	13,565,930
Others financial assets - current	-	147,240	-	147,240	-	33,365	-	33,365
Financial assets	-	34,457,045	24,530,753	58,987,798	-	21,720,625	2,265,687	23,986,312
Financial liabilities	-	17,055,747	-	17,055,747	-	27,015,841	-	27,015,841


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Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

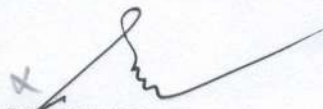
Note 37 - Prior year comparatives

The figures of the previous year have been regrouped / reclassified, wherever necessary to conform with the current year classification.

Note 38 - Approval of financial statements

The financial statements were approved for issue by the board of directors on May 13, 2020.

For and on behalf of the Board of Directors


V.P. Nandakumar
(Chairman)
(DIN:00044512)


Deepkumar K.R
(Managing Director)
(DIN:05348065)


Bhavin Venugopal
(Chief Financial Officer)


Nithin Mohan
(Company Secretary)

Place: Thrissur
Date: 13 May, 2020



Manappuram Comptech And Consultants Limited
Notes to the financial statements for the year ended March 31, 2020

1. Corporate information

Manappuram Comptech and Consultants Limited (the "Company") was incorporated on June 01, 2000 vide certificate of incorporation U72200KL2000PLC013966 issued by the Registrar of Companies, Kerala. The Company is engaged in the business of rendering IT support service, taxation service, software development, support in all areas of hardware maintenance, network support, data centre management, software application, management audit, legal services, human resource management, accounting service, training and sale of license.

The company's registered office is at 3rd Floor, Krishna Towers, TUDA Road, Aswini Junction, Thrissur, Kerala, India - 680 022.

2. Significant accounting policy

2.1 Statement of compliance

These separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the generally accepted accounting principles as referred to in paragraph 2.2 "Basis of Preparation" below.

2.2 Basis of preparation

The standalone 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 from time to time). The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The above financial statements have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 2.4 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) except when otherwise indicated.

2.3 Summary of significant accounting policy

a. Revenue recognition

Revenue is recognised upon transfer of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services as per IND AS 115. Arrangements with the customers for software related services are either on fixed price, fixed time frame or on a time and materials basis. Revenue on time and material contracts are recognised as related services are performed and revenue from the end of last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed price, fixed timeframe contracts, where performance obligations are satisfied over time and where there is no uncertainty as the measurement or collectability of consideration, is recognised as percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or cost expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue recognized rateably over the term of underlying maintenance arrangement.

Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.


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Revenue from fee based activities are recognized as and when services are rendered. Fees earned from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed).

The company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to provide service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

b. Property, Plant and Equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

c. Depreciation

Depreciation on Property, Plant & Equipment has been provided on Written down value method at the rates prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions in Property, Plant & Equipment are provided on pro rata basis.

The estimated useful lives are, as follows:

Nature of Asset	Useful Life of Assets
Plant and Equipment	5
Furniture and Fixtures	10
Computer and Accessories	3
Servers	6

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property,



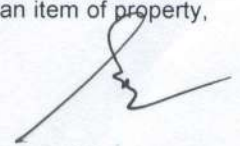
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plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Intangible Asset: An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 6 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research cost are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the software and the cost can be measured reliably. The cost which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset intended to use.

d. Impairment of Tangible and Intangible Assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. After impairment, amortization is provided on the revised carrying amount of the asset over its remaining useful life. During the year, there are no impairment of assets.

e. Employee Benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits



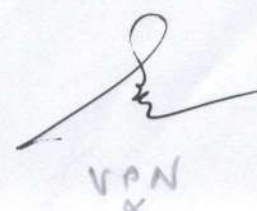
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a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to LIC without routing it through Trust bank account. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Company

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss. The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

f. Income tax

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.




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Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. 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 realised.

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

i. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

j. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

k. Segment reporting

As per Ind AS- 108 Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The two reportable revenue segments identified by the company are as follow:

- 1) IT Services
- 2) Management Audit Services

Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to IT support service business. Other business segments comprise Management services.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

l. Provisions and contingencies

Provisions: Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.


Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.



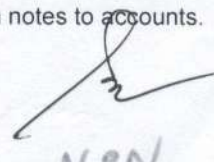
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A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that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

m. Cash and Cash Equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

n. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o. Determination of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The Financial assets and liabilities are presented in ascending order of their liquidity. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases



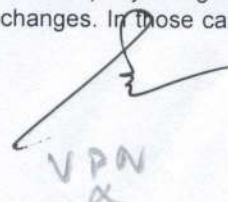
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where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

p. Financial instruments

(i) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- ▶ Reports reviewed by the entity's key management personnel on the performance of the financial assets
- ▶ The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof
- ▶ The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- ▶ The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

Principal's defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

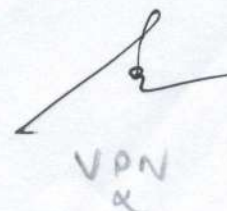
These Financial assets comprise bank balances, investments and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates, and represent solely payments of principal and interest on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortised cost.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

(iii) Financial assets measured at fair value through other comprehensive income

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Investment in equity instruments are generally accounted for as at fair value through the profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument by instrument basis.

Contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through profit and loss account, where amounts presented in other comprehensive income for equity instruments are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

(iv) Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

(v) Recognition and derecognition of financial assets and liabilities

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. A financial liability is derecognised from the balance sheet when the Company has discharged its obligation or the contract is cancelled or expires.

(vi) Impairment of financial assets

The Company recognises impairment allowance for expected credit loss on financial assets held at amortised cost.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets that are measured at amortised costs or at fair value through other comprehensive income account.

No ECL is recognised on equity investments.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired


Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.



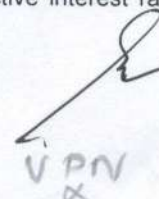
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Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose.

This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowances reverts from lifetime ECL to 12-months ECL.

The loss allowances for these financial assets is based on a 12-months ECL.

When an asset is uncollectible, it is written off against the related allowance. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the allowances in the profit and loss statement.

The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors.

Measurement of ECLs

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. The Company has grouped its various financial assets into pools containing loans bearing homogeneous risks characteristics. The probability of default for the pools are computed based on the historical trends, adjusted for any forward looking factors. Similarly the Company computes the Loss Given Default based on the recovery rates.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive.
- Financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

(vii) Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income / other expenses' line item.

Financial liabilities subsequently measured at amortised cost.

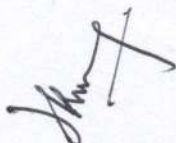
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.



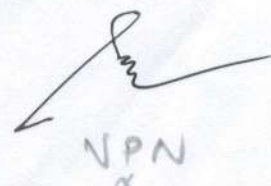
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The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

q. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Company as a lessee

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

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

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

Transition:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the



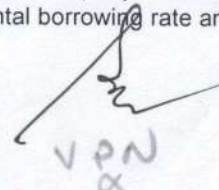
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right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

r. Foreign currency translation

Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition."

s. Other income and expenses

All Other income and expense are recognized in the period they occur.

t. Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and 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 risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Defined employee benefit assets and liabilities:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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



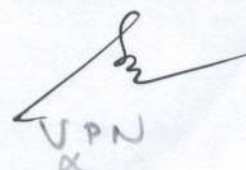
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increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.



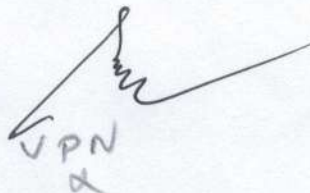
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