Nucleus IT Enabled Services Limited
Balance Sheet as at March 31, 2020

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3A	24,96,099	36,61,575
(b) Intangible Asset	3B	5,17,918	6,91,200
(c) Financial Assets			
(i) Investments			
- other	4	5,92,33,104	10,19,99,000
(ii) Other Financial asset	5	2,14,795	1,00,000
(d) Non- Current tax assets	6	34,47,419	31,20,849
TOTAL NON-CURRENT ASSETS		6,59,09,335	10,95,72,624
CURRENT ASSETS			
(a) Financial Assets			
(i) Trade receivables	7	26,26,737	29,53,418
(ii) Cash and cash equivalents	8	4,57,117	10,24,703
(iii) Loans	9	35,22,786	37,59,998
(iv) Others Financial Assets	10	1,76,274	1,48,011
(b) Other Current Assets	11	36,69,237	15,53,986
TOTAL CURRENT ASSETS		**1,04,52,150**	**94,40,116**
TOTAL ASSETS		**7,63,61,485**	**11,90,12,740**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	12	3,00,00,000	3,00,00,000
(b) Other Equity	13	(10,97,82,109)	(4,81,43,018)
TOTAL EQUITY		**(7,97,82,109)**	**(1,81,43,018)**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Other non-current liabilities	14	5,70,000	5,70,000
(b) Deferred tax liabilities	15	93,61,523	2,59,08,023
(c) Provisions	16	28,813	99,776
TOTAL NON- CURRENT LIABILITIES		**99,60,336**	**2,65,77,799**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	17	13,73,67,390	10,79,67,665
(ii) Trade payables			
- Dues of Micro, Small and Medium enterprises		-	-
- Dues of Others	18	8,67,909	7,25,752
(iii) Other financial liabilities	19	55,41,193	1,84,688
(b) Other Current Liabilities	20	19,92,732	13,11,811
(c) Provisions	21	4,14,034	3,88,045
TOTAL CURRENT LIABILITIES		**14,61,83,258**	**11,05,77,961**
TOTAL LIABILITIES		**15,61,43,594**	**13,71,55,761**
TOTAL EQUITY AND LIABILITIES		**7,63,61,485**	**11,90,12,740**

As per our report of even date attached

For Manek & Associates
Chartered Accountants
Firm Registration No. -0126679W

Shailesh L.Manek
Proprietor
Membership No. 34925
PLACE: MUMBAI
DATED: 29th July 2020

MANEK & ASSOCIATES CHARTERED ACCOUNTANTS FIRM No. 126679W MUMBAI-57

For and on behalf of the Board of Directors
Nucleus IT Enabled Services Limited

Pankaj Parmar
[DIN: 06547336]
Director

Purvi Ambani
[DIN: 06546129]
Director

Nucleus IT Enabled Services Limited			
Statement of Profit and Loss for the Year ended March 31,2020			
Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from Operations	22	2,40,25,153.66	2,80,70,907.41
Other Income	23	3,65,963.50	4,93,710.00
Total Income		**2,43,91,117.16**	**2,85,64,617.41**
EXPENSES			
Employee benefits expense	24	2,63,68,553.84	2,19,79,522.00
Finance costs	25	1,25,27,220.03	1,03,03,577.14
Depreciation and amortisation expense	3A to 3B	20,34,148.54	16,18,893.00
Other expenses	26	1,88,96,832.00	2,04,75,066.72
Total expenses		**5,98,26,754.41**	**5,43,77,058.86**
Profit/(loss) before tax		**(3,54,35,637.25)**	**(2,58,12,441.45)**
Tax expense			
Current Tax		-	-
Deferred Tax (Cr) / Dr		(54,33,604.00)	-
Tax Adjustment of Earlier Years (Cr) / Dr		8,048.06	(18,661.95)
Total Tax Expense		(54,25,555.94)	(18,661.95)
Profit/(loss) for the period		**(3,00,10,081.31)**	**(2,57,93,779.50)**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss :			
(a) Remeasurements of Defined Benefit Plans		2,49,614.00	1,09,336.00
(b) Effect of measuring Equity Instruments on Fair Value		(4,29,91,519.68)	18,88,644
(c) Income Tax on (a) and (b)		1,11,12,895.48	(5,19,474.72)
Total Other Comprehensive Income(net of tax)		**(3,16,29,010.20)**	**14,78,504.97**
Total Comprehensive Income for the year		**(6,16,39,091.51)**	**(2,43,15,274.53)**
Earnings per equity share (Face Value ` 10 Per Share)			
Basic (in `)		(10.00)	(4.11)
Diluted (in `)		(10.00)	(4.11)

As per our report of even date attached

For Manek & Associates
Chartered Accountants
Firm Registration No. -0126679W

Shailesh L.Manek
Proprietor
Membership No. 34925
PLACE: MUMBAI
DATED: 29th July 2020

MANEK & ASSOCIATES CHARTERED ACCOUNTANTS FIRM No. 126679W MUMBAI-57.

For and on behalf of the Board of Directors
Nucleus IT Enabled Services Limited

Pankaj Parmar
[DIN: 06547336]
Director

Purvi Ambani
[DIN: 06546129]
Director

Nucleus IT Enabled Services Limited

Statement of Cash Flow Satatement for the year ended 31st March, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	(3,54,35,637.25)	(2,58,12,441.45)
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Profit/Loss on sale of investment		3,792.00
Depreciation and Amortisation	20,34,148.54	16,18,893.00
Finance Costs	1,24,13,220.03	1,01,89,577.14
Provision for bad debts	-	19,00,041.00
Amortisation of financil gurantee	1,14,000.00	1,14,000.00
Interest Income	(1,87,787.66)	(4,37,358.00)
Salary and Allowance defined benefits Plans	2,49,614.00	
Operating Profit Before Changes in Working Capital	**(2,08,12,442.34)**	**(1,24,23,496.31)**
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	3,26,682.86	41,00,896.82
(Increase) / Decrease in Loans/Advances	2,37,212.00	(1,54,998.00)
(Increase) / Decrease in Other Financial Assets	(28,262.54)	(63,303.88)
(Increase) / Decrease in Other Current Assets	(22,29,250.55)	(8,04,113.70)
(Increase) / Decrease in Other Non Current Assets	(1,14,795.00)	-
(Increase) / Decrease in Other Non Current Tax Assets		
(Increase) / Decrease in Non Current Assets	14,21,646.26	-
Increase / (Decrease) in Tráde Payables,Other Current Liabilities and short-term Provisions	62,05,572.39	(16,00,246.02)
Increase / (Decrease) in Provisions,Other Non Current liability	-70,963.00	26,131.00
Increase / (Decrease) in Deffered Tax Asset/Liabilty		
Cash Generated from Operations	**(1,50,64,599.92)**	**(1,09,19,130.09)**
Less: Taxes Paid	-17,56,265.21	(16,93,892.08)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	**(1,68,20,865.13)**	**(1,26,13,022.17)**
CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	1,87,787.66	4,37,358.00
Security Deposits		-
Inter corporate Loan Received		46,00,000.00
Inter corporate Loan given	-	(20,00,000.00)
Purchase of Property, Plant and Equipment	(6,95,390.00)	(35,29,463.00)
Sale of Property, Plant and Equipment	-	-
Purchase of Investments during the year	(2,25,623.28)	(11,14,148.00)
NET CASH FLOW FROM INVESTING ACTIVITY (B)	**(7,33,225.62)**	**(16,06,253.00)**
CASH FLOW FROM FINANCING ACTIVITY		
Finance Costs	(1,24,13,220.03)	(1,01,89,577.14)
Increase / (Decrease) in Short-term Borrowings	2,93,99,724.62	2,51,61,349.05
Increase / (Decrease) in Reserve and Surplus		
NET CASH FLOW FROM FINANCING ACTIVITY (C)	**1,69,86,504.59**	**1,49,71,771.91**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(5,67,586.16)**	**7,52,496.74**
Opening Balance of Cash and Cash Equivalents	10,24,702.80	2,72,205.28
CLOSING BALANCE OF CASH and CASH EQUIVALENTS	**4,57,116.64**	**10,24,702.02**

MANEK & ASSOCIATES CHARTERED ACCOUNTANTS FIRM No. 126679W MUMBAI-57.

NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

1 **Cash & Cash Equivalents Include :**

Cash on Hand	24,541.00	49,464.00
Balance with Banks in Current and Cash Credit Accounts	4,32,575.65	9,75,238.80
	4,57,116.65	10,24,702.80

2 Disclosure in terms of amendment to Ind AS 7 on " Statement of Cash Flows" to evaluate changes in liabilities arising from financial

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheets for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any impact on the financial statements.

3 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts)Rules,2014

See accompanying notes forming part of the financial statements **3 to 35**

Note 1. Figures in brackets represent outflows / deductions.
2. Previous year's figures have been regrouped wherever necessary.

As per our report of even date attached

For Manek & Associates
Chartered Accountants
Firm Registration No. -0126679W

Shailesh L.Manek
Proprietor
Membership No. 34925
PLACE: MUMBAI
DATED: 29th July 2020

MANEK & ASSOCIATES CHARTERED ACCOUNTANTS FIRM No. 126679W MUMBAI-57.

For and on behalf of the Board of Directors
Nucleus IT Enabled Services Limited

Pankaj Parmar
[DIN: 06547336]
Director

Purvi Ambani
[DIN: 06546129]
Director

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2019	3,00,00,000.00
Add: Changes in Equity Share Capital during the qtr	-
Balance as at March 31, 2020	**3,00,00,000.00**
Balance as at March 31, 2020	**3,00,00,000.00**

B. Other Equity

Particulars	Retained Earnings	Equity Instruments through OCI	Total
Balance as at April 01, 2019	**(12,14,14,974.31)**	**7,32,71,957.00**	**(4,81,43,017.31)**
Profit for the period	(3,00,10,081.31)		**(3,00,10,081.31)**
Other Comprehensive Income for the year			
- Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)		1,84,714.36	**1,84,714.36**
Fair Valuation of Investment	-	(3,18,13,724.56)	**(3,18,13,724.56)**
Balances as at March 31, 2020	**(15,14,25,055.62)**	**4,16,42,946.80**	**(10,97,82,108.82)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

MANEK & ASSOCIATES CHARTERED ACCOUNTANTS FIRM No. 126679W MUMBAI-57

Notes to Financial Statements

1 **Corporate Information**

Nucleus IT Enabled Services Limited ("the Company") is a public limited company incorporated and domiciled in India and has its registered office at Nucleus House, Saki Vihar Road, Mumbai - 400 072.

The Company is engaged in information technology enabled services and provides services to clients both domestic and abroad. The Company is also engaged in Debt Recovery business.

The financial statements for the year ended March 31, 2020 are approved for issue by the Company's Board of Directors on May 30, 2020.

2 **Significant Accounting Policies**

Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

i. Certain financial assets and liabilities

ii. Defined Benefits Plans- Plan assets

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest hundred (INR) upto two decimals, except when otherwise indicated.

2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital work in progress

In the year the assets are ready for their intended use,such properties are classified and capitalised to the appropriate categories of property,plant and equipment.Depreciation of these asset,on the same basis as other property asset.

2.2 Depreciation

Depreciation on Property, Plant and Equipment (other than Capital Work-in-progress) is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. Depreciation is provided on the Written-down value Method as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

2.3 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis as per Schedule II of Companies Act, 2013. Software is being amortised over a period of five years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.4 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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CHARTERED ACCOUNTANTS
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MUMBAI-57

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash- generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.5 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

2.6 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised net of income earned on temporary investments from such borrowings. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.7 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

2.8 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Services

Information Technology Enabled Services (ITES),Debt recovery commission and Software Services Fees : Fees from services rendered of ITES is recognised on services rendered. Software services fees and debt recovery commission are accounted on its completion and acceptance by the customers. Sales exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of rebates and discounts.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably .Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

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2.9 Leases

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease and based on the substance of the lease arrangement, it is classified as a finance lease or an operating lease.

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

Assets under finance leases are capitalised at the commencement of lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments and a liability is created for an equivalent amount. Minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating Leases:

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental expense is recognised on a straight line basis over the term of the relevant lease.

2.10 Employee Benefits

(i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) **Long-term benefits:**

- **Defined Contribution Plan:**

Provident Fund, Employees State Insurance

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

- **Defined Benefit Plan:**

Gratuity:

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Compensated absences:

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and loss in the period in which they arise.

2.11 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income-tax Act, 1961 and other tax laws, as applicable.

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CHARTERED ACCOUNTANTS
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MUMBAI-57.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.12 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

2.13 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.14 Financial Instruments

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets:

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities and equity instruments:

- Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

• the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

• the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

Derecognition of financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

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Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.15 **Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 27.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisaion for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on 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 increases, attrition 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 at each reporting date.

Impairment of Financial Assets

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

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future ouflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

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2.16 Revenue From Contracts with Customers

The company has apply Ind As 115 Revenue from Contract with customers
Ind AS 115: Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS18 on "Revenue" and Ind AS 11 on "Construction Contracts".

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Further, Ind AS 115, requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Ind AS 115 permits two possible methods of transition:

· Retrospective approach - Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

· Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach) only to contracts that are not completed contracts on that date. Under this method, cumulative effect is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period.

The effective date for adoption of Ind AS 115 is accounting period beginning on or after April 1, 2019

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Note 3A

Property, Plant and Equipment

Particulars	Computers	Electric Fittings	Furnitures and fixtures	Office and Other Equipments	Total
(I) Gross Carying Value					
Balance as at March 31, 2018	**15,11,181.00**	**10,507.00**	**1,28,892.00**	**1,49,006**	**17,99,586.00**
Additions during the year	30,67,300.00		1,55,430.00	8,68,452	40,91,182.00
Deductions/Adjustments during the year					
Other Adjustments during the year					-
Balance as at March 31, 2019	**45,78,481.00**	**10,507.00**	**2,84,322.00**	**10,17,458.00**	**58,90,768.00**
Additions during the year	6,95,390.00				6,95,390.00
Deductions/Adjustments during the year					-
Other Adjustments during the year					-
Balance as at March 31, 2020	**52,73,871.00**	**10,507.00**	**2,84,322.00**	**10,17,458.00**	**65,86,158.00**
(II) Accumulated Depreciation					
Balance as at March 31, 2018	**7,26,442.00**	-	-	**56,658.00**	**7,83,100.00**
Depreciation expense for the year	11,41,106.00		9,947.00	2,95,040.00	14,46,093.00
Deductions/Adjustments during the year					
Balance as at March 31, 2019	**18,67,548.00**	-	**9,947.00**	**3,51,698.00**	**22,29,193.00**
Depreciation expense for the year	15,52,378.00		37,748.11	2,70,740.17	18,60,866.28
Deductions/Adjustments during the year					
Balance as at March 31, 2020	**34,19,926.00**	-	**47,695.11**	**6,22,438.17**	**40,90,059.28**
Net Carrying Value (I-II)					
Balance as at March 31, 2019	**27,10,933.00**	**10,507.00**	**2,74,375.00**	**6,65,760.00**	**36,61,575.00**
Balance as at March 31, 2020	**18,53,945.00**	**10,507.00**	**2,36,626.89**	**3,95,019.83**	**24,96,098.72**

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Note 3B
Intangible Asset

Particulars	Software
(I) Gross Carying Value	
Balance as at March 31, 2018	-
Additions during the year	8,64,000
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at Mar 31, 2019	8,64,000
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
Balance as at March 31, 2020	8,64,000
(II) Accumulated Depreciation	
Balance as at March 31, 2018	-
Depreciation expense for the year	1,72,800
Deductions/Adjustments during the year	-
Balance as at Mar 31, 2019	1,72,800
Depreciation expense for the year	1,73,282
Deductions/Adjustments during the year	
Balance as at March 31, 2020	3,46,082
Balance as at March 31, 2019	6,91,200
Balance as at March 31, 2020	5,17,918

Note 4
Non-current Investments

Particulars	As at March 31, 2020	As at Mar 31, 2019
Investments measured at Fair Value through Other Comprehensive Income		
Unquoted		
Investments In Equity Shares		
Pentation Analytics Private Limited	5,85,44,175	10,03,75,000
1,82,500 Equity shares of Rs. 10 each of Pentation Analytics Private Limited		
Qouted		
Sarveshwar Foods ltd	4,59,200.00	16,24,000.00
44,800 Equity shares of Rs. 10 each		
Kintech Renewable Ltd	2,29,728.60	
2139 Equity share of Rs 10 each		
Total	**5,92,33,103.60**	**10,03,75,000.00**

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10,06,00,623.28

Note 5

Non-Current Financial Asset- Others

Particulars	As at March 31, 2020	As at Mar 31, 2019
Fixed Deposit with Bank - Maturities beyond 12 months	2,14,795.00	1,00,000.00
Total	2,14,795.00	1,00,000.00

Note 6

Non-Current tax asset:

Particulars	As at March 31, 2020	As at Mar 31, 2019
Taxes Paid (Net)	34,47,419.44	31,20,848.55
Total	34,47,419.44	31,20,848.55

Note 7

Trade Receivables

Particulars	As at March 31, 2020	As at Mar 31, 2019
Trade Receivables		
Unsecured, considered good	26,26,736.54	48,53,459.18
Less:Provision for Doubtful Debts	-	19,00,041.00
Total	26,26,736.54	29,53,418.18

Note 8

Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at Mar 31, 2019
Balances with Banks		
Current Accounts	4,32,575.65	9,75,238.80
Cash on hand	24,541.00	49,464.00
Total	4,57,116.65	10,24,702.80

Note 9

Current Loans

Particulars	As at March 31, 2020	As at Mar 31, 2019
A. Security Deposits	20,18,000.00	20,23,000.00
B. Others		
Inter Coporate Deposits - Pentation Analytics pvt Ltd	15,00,000	15,00,000.00
Loans to staff	4,786	2,36,998.00
Total	35,22,786.00	37,59,998.00

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Note 10
Other Current Financial Assets

Particulars	As at March 31, 2020	As at Mar 31, 2019
Balances with Bank:		
Margin money with bank for BG		
- Maturities within 12 months		**50,000.00**
Other Financial Assets		
Accrued interest	21,024	71,255
Interest receivable on ICD	1,55,250	6,509.00
Advances recoverable in cash or in kind	-	20,247.00
Total	**1,76,273.54**	**1,48,011.00**

Note 11
Other Current Assets

Particulars	As at March 31, 2020	As at Mar 31, 2019
Advances Other Than Capital advances		
Accrued Income	-	7,61,680
Income Receiveble	19,27,000	
Input Tax Credit (GST)	13,31,176	3,82,788
Prepaid Expenses	4,11,060	4,09,518
Total	**36,69,236.81**	**15,53,986.26**

Note 12
Equity Share Capital

` in '000

Particulars	As at March 31, 2020	As at Mar 31, 2019
Authorised		
5,000,000 Equity shares at Rs.10/- par value	5,00,00,000	5,00,00,000
Total Authorised share Capital	**5,00,00,000**	**5,00,00,000**
Issued, Subscribed & Paid Up		
3,000,000 Equity shares at Rs.10/- par value	3,00,00,000	3,00,00,000
Total Isuued, Subscribed and Paid up Share Capital	**3,00,00,000**	**3,00,00,000**

Note 13
Other Equity

Particulars	As at March 31, 2020	As at Mar 31, 2019
Retained Earnings		
Balance as at the beginning of the year	(12,14,14,974.31)	(9,57,02,103.81)
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	(3,00,10,081.31)	(2,57,93,779.50)
Other Comprehensive Income for the year		
- Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	1,84,714.36	80,909.00
	(15,12,40,341.26)	(12,14,14,974.31)
Equity Instruments through Other Comprehensive Income		
Balance as at the beginning of the year	7,32,71,957.00	7,18,74,360.00
Add/(Less) : Movement during the year	-3,18,13,724.56	13,97,597.00
	4,14,58,232.44	7,32,71,957.00
Total	**(10,97,82,108.82)**	**(4,81,43,017.31)**

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Note 14
Other Non - Current liabilities:

Particulars	As at March 31, 2020	As at Mar 31, 2019
Guarantee commission by ACMIIL	5,70,000	5,70,000.00
Total	**5,70,000.00**	**5,70,000.00**

Note 15
Deferred Tax Liabilities:

Particulars	As at March 31, 2020	As at Mar 31, 2019
Opening Deferred Tax Liabilties (net)	2,59,08,022.00	2,53,88,548.00
Effect as per OCI :		
OCI on Defined Benefits Plan	64,899.64	28,427.00
OCI on Investments	-1,11,77,795.12	4,91,047.00
Others	-54,33,604.00	
Closing Deferred Tax Liabilities (net)	93,61,522.52	2,59,08,022.00
Total	**93,61,522.52**	**2,59,08,022.00**

Note 16
Provision

Particulars	As at March 31, 2020	As at Mar 31, 2019
Provision for employee benefits		
Leave Encashment (unfunded)	28,813.00	99,779.00
Total	**28,813.00**	**99,779.00**

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Note 17
Current Borrowings

Particulars	As at March 31, 2020	As at Mar 31, 2019
Loans repayable on demand-		
From Banks- Secured		
Overdraft from Bank of India	5,66,48,539	5,69,67,665.05
From Other Parties- Unsecured		
Inter Corporate Deposit from Holding Company	1,49,18,251	-
Inter Corporate Deposit from Others	6,58,00,600	5,10,00,000.00
Total	**13,73,67,389.67**	**10,79,67,665.05**

Note 18
Trade Payables

Particulars	As at March 31, 2020	As at Mar 31, 2019
Financial Liabilities		
Due to Micro, Small and Medium enterprises	-	-
Due to Others	8,67,909.07	7,25,752.18
Total	**8,67,909.07**	**7,25,752.18**

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Note 19

Other Current Financial Liabilities

Particulars	As at March 31, 2020	As at Mar 31, 2019
Interest Payable on OD	1,31,921.22	1,67,674.00
Interest payable on ICD	54,09,272.00	17,014.00
Total	**55,41,193.22**	**1,84,688.00**

Note 20

Other Current Liabilities

Particulars	As at March 31, 2020	As at Mar 31, 2019
Other Payables		
Other Statutory Dues	5,10,348	13,02,210.92
Salary payable	10,75,268	9,600.00
Advance for Delta Algo AMC 20-21	4,07,116	
Total	**19,92,732.20**	**13,11,810.92**

Note 21

Current Provisions

Particulars	As at March 31, 2020	As at Mar 31, 2019
A. Provision for employee benefits :		
Provision for Gratuity	3,52,316.00	2,79,275.00
Current Provision for Leave Encashment	61,718.00	1,08,770.00
Provision for Salary nd related expenses		
Total	**4,14,034.00**	**3,88,045.00**

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Note 22
Revenue From Operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Service		
Income From Debt Recovery	1,68,21,159	1,34,65,827
Income Back office function	42,33,068	1,33,89,052
Income From Advisory Services	-	10,00,000
Income From -Talk Delta-ALGO	27,99,034	-
Out of pocket expenses	1,71,892	2,16,028
Total Revenue From Operations	**2,40,25,154**	**2,80,70,907**

Note 23
Other Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest	1,87,788	3,00,155
Dividend Income	2,139	
Interest on income tax refund	-	**1,37,203**
Other Non- Operating Income		
Expenses write back	1,76,037	**56,352**
Total	**3,65,964**	**4,93,710**

Note 24
Employee Benefits Expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries ,Wages & Bonus	2,34,58,418	1,86,80,078
Contribution to PF and Other funds	17,80,900	14,99,098
Staff Welfare	6,08,013	6,91,307
Gratuity	73,041	1,12,563
Leave Encashment	3,64,831	2,04,206
Training Expenses	83,350	7,92,270
Total	**2,63,68,554**	**2,19,79,522**

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Note 25
Finance Costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense	1,24,05,864	1,01,73,928
Other borrowing cost- Bank Charges	7,356	15,649
Guarantee Commission	1,14,000	1,14,000
Total	**1,25,27,220**	**1,03,03,577**

Note 26
Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Leave & Licence fees	1,15,35,000	1,12,16,000
Rates & Taxes	32,472	3,18,008
Travelling & Conveyance	6,17,523	2,42,115
Electricity Exp.	18,68,763	20,39,137
Legal & Prefessional Fees	17,05,888	12,00,299
Repairs & Maintaenance - Others	1,54,029	6,66,638
Insurance Exp.	2,20,252	2,31,086
Auditors Remuneration		
Audit fees	2,10,000	2,10,000
Tax Audit fees	50,000	50,000
Office Exp	8,56,515	7,74,331
Printing & Stationery	63,984	1,66,078
Bad debts	-	20,91,570
Telephone	4,13,807	3,62,893
Software Expenses	7,13,970	4,04,159
Miscellaneous Exp.	4,54,629	5,02,752
Total	**1,88,96,832**	**2,04,75,067**

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Note 27:

Disclosure pursuant to Ind AS 12 on "Income Taxes"

A. Components of Tax Expenses/(Income)

a. Profit or Loss Section	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax	-	-
Deferred Tax	-54,33,604.00	-
Tax Adjustment of Earlier Years	8,048.06	-18,662
Income Tax Expense reported in the statement of Profit or Loss	-54,25,555.94	-18,662

b. Other Comprehensive Income Section	Year ended March 31, 2020	Year ended March 31, 2019
Remeasurements of Defined Benefit Plans	(64,900)	(28,427.36)
Effect of measuring Equity Instruments on Fair Value	1,11,77,795.12	(4,91,047.36)
Income Tax Expense reported in Other Comprehensive Income	1,11,12,895.48	(5,19,474.72)

B. in India

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit (loss) before Tax	(3,54,35,637.25)	(2,58,12,441.45)
Corporate Tax rate as per Income Tax Act, 1961	26.00%	26.00%
Tax on Accounting Profit	-	-
	-	-
Tax effect of :		
Income Exempt from Tax		
Income considered seperately		
Expenses Allowed seperately		
Current Tax Provision (A)	-	-
Deferred Tax Liability recognised	-	-
Deferred Tax Asset recognised	(54,33,604.00)	-
Explanation for change in applicable tax rate		
Deferred Tax (B)	(54,33,604.00)	-
Adjustments in respect of current income tax of previous years (C)	8,048.06	(18,661.95)
Tax expenses recognised during the year (A+B)	(54,33,604.00)	-
Effective tax rate	15.33%	0.00%

C. **Deferred Tax**

2019-20

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Fair Valuation of Financial Assets	(2,58,16,687.44)		1,11,77,795.12	(1,46,38,892.32)
Net loss/(gain) on remeasurements of defined benefit plans	(91,336.12)	-	(64,899.64)	(1,56,235.76)
Fixed Asset and provison for Gratuity and leave encashment		54,33,604.00	-	54,33,604.00
	(2,59,08,023.56)	54,33,604.00	1,11,12,895.48	(93,61,524.09)

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Note 28:

Employee Benefits

The Company has classified various Employee Benefits as under :

A. **Defined Contribution Plans**

i Provident Fund

ii Employees' State Insurance Scheme

The Provident Fund and Employees' State Insurance Scheme are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss :

Particulars		Qtr ended March 31, 2020	Year ended March 31, 2019
Contribution to Provident Fund		10,35,953	7,08,466
Contribution to Employees' State Insurance Scheme		6,76,365	7,18,441
TOTAL		17,12,318	14,26,907

B. **Defined Benefit Plans**

Gratuity

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	Particulars		Valuation as at	
			31-Mar-20	March 31, 2019
i.	Discount Rate (per annum)		*	7.64%
ii.	Rate of increase in Compensation levels (per annum)		4.00%	4.00%
iii	Attrition Rate		1% for all ages	1% for all ages
iv	Retirement Age		58years	58years

v The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

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

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

Gratuity fund asset is managed by Kotak Life Insurance has funding ratio of 100% (i.e. asset over liability ratio), which is on the top when compared to other companies,hence there is no material risk of the Company unable to meet the Gratuity payments.

'iii

Note on other risks:

Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest Risk -A fall in the discount rate which is linked to the G.Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

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Salary risk -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Amounts in `

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
		Gratuity Funded	Gratuity Funded
i.	**Changes in Present value of Obligation**		
	Present value of defined benefit obligation at the beginning of the year	9,79,765	9,50,224
	Current Service Cost	3,02,363	2,09,112
	Interest Cost	51,938	67,626
	Actuarial (Gains)/Loss on obligation	(2,23,316)	(1,10,146)
	Actuarial (gains)/ losses arising from changes in demographic assumption		
	Actuarial (gains)/ losses arising from changes in financial assumption		
	Actuarial (gains)/ losses arising from changes in experience adjustment		
	Past Service cost - Vested Benefits		
	Benefits Paid	(5,99,904)	(1,37,051)
	Present value of defined benefit obligation at the end of the year	5,10,846	9,79,765
ii.	**Fair value of Plan Assets**		
	Fair value of plan assets at the beginning of the year	7,00,490	7,83,512
	Interest Income	30,640	54,839
	Return on Plan Assets excl. interest income	26,298	(810)
	Actuarial Gain/(Loss)		
	Employer's Contributions		
	Benefits Paid	(5,99,904)	(1,37,051)
	Fair value of plan assets at the end of the year	1,58,530	7,00,490
iii.	**and Loss Account**		
	PVO at end of period	5,10,545	9,79,765
	Fair Value of Plan Assets at end of period	1,58,530	7,00,490
	Funded Status	(3,52,316)	(2,79,275)
	Net Assets/(Liability) recognised in the Balance Sheet	(3,52,316)	(2,79,275)
iv.	**Net Benefit (Asset) /Liability**		
	Defined benefit obligation at beginning of period	9,79,765	9,50,224
	Fair value of plan assets at beginning of period	7,00,490	7,83,512
	Net Benefit Asset /(Liability)	2,79,275	1,66,712
v.	**Net Interest Cost for Current Period**		
	Interest Cost	51,938	67,626
	(Interest Income)	30,640	54,839
	Net Interest Cost for Current Period	21,298	12,787

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vi.	**Return on plan assets**		
	Actual Return on plan assets	56,938	54,029
	Interest income included in above	30,640	54,839
	Return on plan assets excluding interest income	26,298	(810)
vii.	**Expenses recognised in the Statement of Profit and Loss**		
	Current Service Cost	3,02,363	2,09,112
	Interest cost on benefit obligation (net)	21,298	12,787
	Total Expenses recognised in the Statement of Profit and Loss	3,23,661	2,21,899
viii.	**Remeasurement Effects Recognised in Other Comprehensive Income for the year**		
	Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	Actuarial (gains)/ losses arising from changes in financial assumption	65,395	3,650
	Actuarial (gains)/ losses arising from changes in experience adjustment	(2,88,711)	(1,13,796)
	Return on plan asset excluding net interest	(26,298)	810
	Recognised in Other Comprehensive Income	(2,49,614)	(1,09,336)
ix.	**Movements in the Liability recognised in Balance Sheet**		
	Opening Net Liability	2,79,275	1,66,712
	Adjustment to opening balance	-	-
	Expenses as above	3,23,661	2,21,899
	Contribution paid	(1,006)	-
	Other Comprehensive Income (OCI)	(2,49,614)	(1,09,336)
	Closing Net Liability	3,52,316	2,79,275
x.	**Cash flow Projection: From the Fund**		
	Within the next 12 months (next annual reporting period)	6,865	22,585
	2nd following year	7,178	29,471
	3rd following year	7,521	36,458
	4th following year	8,625	43,557
	5th following year	12,192	3,84,733
	Sum of Years 6 To 10	2,64,097	5,67,909
xi.	**Sensitivity Analysis**		
	Projected Benefit Obligation on Current Assumptions		
	Delta Effect of +1% Change in Rate of Discounting	434357	868433
	Delta Effect of -1% Change in Rate of Discounting	607443	1114407
	Delta Effect of +1% Change in Rate of Salary Increase	6,08,459	11,14,600
	Delta Effect of -1% Change in Rate of Salary Increase	4,32,527	8,66,379
xii.	**The major categories of plan assets as a percentage of total**		
	Insurer managed funds		

Note on Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

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Note 29:

Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

A. List of Related Parties with whom transactions have taken place during the year

(I) **Holding Company :**
Asit C Mehta Financial Services Limited

(II) **Key Management Personnel (KMP):**

Mr. Pankaj Parmar	- Director
Ms. Purvi Ambani	- Director
Mr. Bharat patel	- Director

(III) **Other Related party:**
Fellow Subsidiary
Asit C Mehta Investment Interrmediates Limited
Asit C mehta commodity Services Ltd

B. Transactions With Related Parties

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Leave & Licence fees paid		
i.	Asit C. Mehta Financial Services Limited	1,15,35,000	1,12,16,000
	Interest paid		
i.	Asit C. Mehta Financial Services Limited	16,84,215	5,91,520
ii	Asit C. Mehta Investment Interrmediates Limited	36,86,865	8,89,438
	Reimbursement of Expenses		
i.	**Asit C. Mehta Financial Services Limited**	72548.00	5,646
ii	Asit C. Mehta Investment Interrmediates Limited	238023.00	-
	Guarantee Commission Charges		
i	Asit C. Mehta Investment Interrmediates Limited	1,14,000	1,14,000
	Loan Given		
i	Asit C mehta commodity Services Ltd	-	5,00,000
	Loan received Back		
i	Asit C mehta commodity Services Ltd	-	46,00,000
	Interest received		
	Asit C mehta commodity Services Ltd	-	2,31,953
	Back office Income		
i	Asit C. Mehta Investment Intermediates Limited	1,17,856	1,98,770
	Talk Delta algo Income		
	Asit C. Mehta Investment Intermediates Limited	2,17,000	

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C. Outstanding Balances

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Inter-corporate loan taken		
i.	Asit C. Mehta Financial Services Limited	8,44,20,000	4,32,28,000
ii	Asit C. Mehta Investment Interrmediates Limited	14,03,00,600	6,94,00,000
	Inter-corporate loan repaid		
i.	Asit C. Mehta Financial Services Limited	6,95,01,749	5,45,08,950
ii	Asit C. Mehta Investment Interrmediates Limited	13,80,00,000	6,39,00,000
	Closing balance payable		
i.	Asit C. Mehta Investment Interrmediates Limited	1,11,18,779	55,00,000
ii	Asit C. Mehta Financial Services Limited	1,65,40,965	-
iii	Asit C. Mehta Financial Services Limited (towards Electriciy)	72,548	
	Closing balance receivable		
i.	Asit C. Mehta Financial Services Limited (towards lease deposit)	2000000.00	2000000.00
ii	Asit C. Mehta Investment Interrmediates Limited	19044.92	

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 30:

Earnings Per Share (EPS)

Amounts in `

Particulars	As at 31st March , 2019	As at 31st March , 2019
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(3,00,10,081)	(2,57,93,780)
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	30,00,000	30,00,000
Face Value per Equity Share	10.00	10.00
Basic and Diluted Earnings per Share	(10.00)	(8.60)

Note 31:

Leases

a. Rental Expenses Relating to Operating Leases

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2019
Minimum Lease payments	1,15,35,000.00	1,12,16,000.00

b) **General description of the leasing arrangement:**

i. Future lease rentals are determined on the basis of agreed terms

ii. At the expiry of the lease term, the Company has an option either to vacate the asset or extend the term by giving notice in writing.

The Compכny has three Leave and Licence arrangement in respect of Office Premises with its holding company. Two arrangements are for a period of One year and one arrangement is terminated as on 31-03-2020, all are renewable for further period with mutual consent.

Lease rental obligation:	As at 31/03/2020	As at 31/03/2019
Not More than one Year	91,92,000.00	1,14,36,000.00
Later than one Year but not later than three year		1,99,72,000.00

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Note 32:

33 **Financial Instruments**

The fair values of the financial assets and liabilities are defined as 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.

Valuation

i. The fair values of investment in quoted equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

ii. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.
The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments
Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The carrying amounts and fair values of financial instruments by class are as follows:

Amounts In `

Particulars	As at March 31, 2020				As at March 31, 2019			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Finanical Assets								
Measured at Cost								
Loans	35,22,786				37,59,998			
Trade Receivable	26,26,737				29,53,418			
Cash and Bank Balance	4,57,117				10,24,703			
Others	3,91,069				2,48,011			
	69,97,708	-	-	-	79,86,130	-	-	-
Measured at Fair Value through Other Comprehensive Income								
Investment in equity instruments	5,92,33,104	-	-	5,92,33,104	10,19,99,000	-	-	10,19,99,000
Total Finanical Assets	**6,62,30,811**	-	-	**5,92,33,104**	**10,99,85,130**	-	-	**10,19,99,000**
Finanical Liabilities								
Measured at Cost								
Borrowing	13,73,67,390				10,79,67,665			
Trade Payables	8,67,909				7,25,752			
Others	55,41,193				1,84,688			
Total Finanical Liabilities	**14,37,76,492**	-	-	-	**10,88,78,105**	-	-	-

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Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

Particulars	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Impact on Profit and Loss				
USD	-	-	-	-

iii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value The Company manage its liquidity risk by maintaining positive Cash and Bank balance and availability of funds through adequate cash credit facility. Management monitors the company's liquidity positions through rolling forecast on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	13,73,67,389.67		-	13,73,67,389.67
Trade Payables	8,67,909.07	-	-	8,67,909.07
Other payables	55,41,193.22	-		55,41,193.22
	14,37,76,491.96	-	-	14,37,76,491.96
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	10,79,67,665.05	-	-	10,79,67,665.05
Trade Payables	7,25,752.18		-	7,25,752.18
Other payables	1,84,688.00	-	-	1,84,688.00
	10,88,78,105.23	-	-	10,88,78,105.23

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Note 33:

Capital Management and Financial Risk Management Policy

A. Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital using debt-equity ratio as its base, which is total debt divided by total

1. Debt Equity Ratio - Total Debt divided by Total Equity

Particulars	As at 31-Mar-20	As at 31-Mar-19
Total Debt	13,73,67,389.67	10,79,67,665.05
Total Equity	-7,97,82,108.82	-1,81,43,017.60
Debt Equity Ratio	-1.72	-5.95

B. Financial Risk Management and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Company has exposure to following risk arising from financial instruments:

Credit risk

Market risk

Liquidity risk

i) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

a) Trade Receivable

Customer credit risk is managed by Company's established policy, procedure and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

ii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Company's foreign currency denominated monetary assets as at the end of the reporting period is as follows :

Particulars	As at March 31, 2020		As at March 31, 2020	
	Amount in Foreign currency (in '000)	Amount (` in '000)	Amount in Foreign currency (in '000)	Amount (` in '000)
Receivable USD	-	-	-	-

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Foreign currency (in '000)	Amount (` in '000)	Amount in Foreign currency (in '000)	Amount (` in '000)
Payable USD	-	-	-	-

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Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

Particulars	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Impact on Profit and Loss				
USD	-	-	-	-

iii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value The Company manage its liquidity risk by maintaining positive Cash and Bank balance and availability of funds through adequate cash credit facility. Management monitors the company's liquidity positions through rolling forecast on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	13,73,67,389.67		-	13,73,67,389.67
Trade Payables	8,67,909.07	-	-	8,67,909.07
Other payables	55,41,193.22	-		55,41,193.22
	14,37,76,491.96	-	-	14,37,76,491.96
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	10,79,67,665.05	-	-	10,79,67,665.05
Trade Payables	7,25,752.18		-	7,25,752.18
Other payables	1,84,688.00	-	-	1,84,688.00
	10,88,78,105.23	-	-	10,88,78,105.23

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Note 34:

Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.

During the year, the Company was engaged in the business of Information Technology Enabled Services (ITES), which is the only operating segment as well as Geographical Segment as per Ind AS 108.

Note 35:

Covid 19

In early 2020, a new corona virus originated from China triggering Disease COVID-19. The Virus has spread across the globe. The World Health Organization (WHO) declared it a global pandemic. Every country was forced to declare part/Full Lockdown to arrest its spread. The Pandemic has caused severe disruption to businesses and economic activities. Various governments have introduced a variety of other measures to contain the spread of the virus The Government of India also announced a country wide lockdown which still continues in large part of the country with some variations

In this nation-wide lock-down, Reserve bank of India has directed banks and other lenders to offer moratorium on loan installments / EMIs for 6 months till 31 august 2020. As such, the collection business has more or less come to a halt as per instructions from our bank clients. We have substantially reduced our recovery team to resize them in line with the business. We expect the personal loan defaults to increase many fold in months to come. The lockdown has triggered job losses and impacted small and medium enterprises substantially. All of that would result in more defaults in repayments / EMI payments on housing, vehicle, personal, education, card loans etc. The banks will have to put in more efforts to follow up and collect. The first half of 2020-21 is impacted due to the monitorium, however as the situation gets normal, we expect that we will need to have a bigger team to address our client need. As such the revenue is likely to show improvement going forward in the second half.

Our data related businesses have also been put to hold due to inability on the part of our insurance / NBFC clients to reach physical documents to us for processing. Due to scare of COVID - 19, people have realised the importance of insurance in their personal finance. The documents are currently lying in the insruance branches, head office pending for processing. We expect the data business also to go up as the situation improves and the back log come up for clearance.

The company has started marketing ALGO based softwares for capital markets particularly for Arbitrage activity. The capital markets have functioned normally during the lock down. There is an increased interest in the capital market as is visible from the number of demat account opened and number of dormant client activated. We expect smart traders to increasingly opt for ALGO based softwares for market participation. The revenue from the product will be based on initial subscription and repeat revenue from AMC.

Based on the Financial Statement , The Companie's networth has got eroded as of March 31, 2020 and it becomes negative of Rs.7,97,82,109/- and Current Liabilities exceeded its Current assets by Rs. 13,57,31,108/-. However , Company has taken support letter from the group Companies for Financial Assistant till the year end 31.03.2021.

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All in all, we expect the business to get back to normallcy and in fact improve going by the indication.

As per our report of even date attached

For Manek & Associates
Chartered Accountants
Firm Registration No. -0126679W

Shailesh L.Manek
Proprietor
Membership No. 34925
PLACE: MUMBAI
DATED: 29th July 2020

MANEK & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM No. 126679W
MUMBAI-57.

For and on behalf of the
Board of Directors

Pankaj Parmar
[DIN: 06547336]
Director

Purvi Ambani
[DIN: 06546129]
Director