accelya

ASIL/NSE/2019-20
30th September, 2019

The Executive Director,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

Dear Sir,

Sub.: Submission of Annual Report of the Company for the year 2018-19

Ref: Regulation 34 and all other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Annual Report:

We enclose herewith the 33rd Annual Report of the Company for the year 2018-19.

Request you to take the same on record.

Thanking you.

Yours faithfully,
For ***Accelya Solutions India Limited***

Ninad Umranikar
Company Secretary

Encl: As above.

Contents

Board of Directors

John Johnston	Chairman
Neela Bhattacherjee	Managing Director
K.K. Nohria	Director
Sekhar Natarajan	Director
Nani Javeri	Director
Sangeeta Singh	Director

Auditor

B S R & Co., LLP
Chartered Accountants

Company Secretary

Ninad Umranikar

Bankers

State Bank of India
ICICI Bank Ltd.

Registered Office

Accelya Enclave, 685/2B & 2C,
1st Floor, Sharada Arcade,
Satara Road, Pune - 411 037.
Tel. No. +91 20 6608 3777
Fax No. +91 20 2423 1639
Website : w3.accelya.com
CIN : L74140PN1986PLC041033

Registrar and Share Transfer Agent

M/s. Karvy Fintech Private Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad - 500 032
Phone : +91 - 40 - 6716 2222
Fax : +91 - 40 - 2300 1153
Toll Free No.: 1800-345-4001

Letter to Shareholders 2

Financial Highlights 3

Directors' Report 4

Management Discussion and Analysis 42

Standalone Financial Statements 51

Consolidated Financial Statements 117

Salient Features of Subsidiaries 181

Shareholder Information 182

AGM Notice 185



Dear Shareholders,

I am happy to share with you your Company's performance in FY 2019.

The financial performance during the year has been encouraging, with total revenue growing by 13% and net profit after tax (PAT) growing by 19% over the previous year.

The Company's total revenue for FY 2019 stood at ₹ 4,330.25 million compared to ₹ 3,825.30 million in FY 2018. The PAT grew from ₹ 891.79 million in FY 2018 to ₹ 1,063.78 million in FY 2019.

We continued to reward our shareholders with dividends. This year, the total dividend was ₹ 32 per share including an interim dividend of ₹ 17.

These are exciting times for your Company's business. The role of the airline CFO has evolved from being the back-end custodian of the finance department to a more strategic front-end role. I often say 'The CFO is now in the cockpit, next to the CEO, guiding the airline's strategy'. And they are more prepared than ever to leverage data and automation to make better decisions. So, we looked at our financial solutions portfolio and made it more relevant for the modern airline finance organization. As a result, today we offer bundled financial solutions that provide CFOs a 360° vision of their financial processes across their book-to-cash and procure-to-pay lifecycles. In addition, the rich and accurate data generated by our solutions is used to provide key financial insights to our customers.

This year, we continued our focus on the revenue accounting business, successfully migrating many of our customers to the new Version 20.

As an industry leader, we continuously ensure that all our solutions are compliant with the changes in the airline distribution landscape. Our revenue accounting solution is NDC and One Order ready. We are certified by IATA as One Order capable accounting provider. We are also recognized by IATA as Supporting NDC for our revenue accounting solution. Some of our revenue accounting customers have already started processing NDC transactions through our revenue accounting platform.

We are ahead of the curve when it comes to embracing new technology advancements. We are building artificial intelligence and machine learning capabilities in our solutions. In fact, our cost management solution has already integrated robotics which has resulted in increased efficiency for our customers.

I would like to close with a note on the Company's commitment towards building a motivated and engaged workforce. Enhancing employee experience has been a key objective. To that effect, we are consolidating our offices across Mumbai and Thane and will be moving to a new facility within the city in the second quarter of FY20. The new premises, in line with international workplace standards, will enhance employee experience and productivity.

I thank each one of you for your continued confidence in the Company. I look forward to another successful year together!

Yours truly,

Neela Bhattacherjee
Managing Director

(Amount in ₹ Million)

	2018-19	2017-18	2016-17	2015-16	2014-15
INCOME STATEMENT					
Operating Revenue	3,784.77	3,450.41	3,324.05	3,097.15	2,722.76
Operating EBITDA	1,726.91	1,551.47	1,595.57	1,365.46	1,159.71
Profit Before Tax	1,560.11	1,408.17	1,452.15	1,232.69	1,114.74
Profit After Tax	1,038.49	947.16	947.47	806.91	757.15
BALANCE SHEET					
Net Worth	1,904.53	1,738.75	1,730.95	1,517.60	945.59
Borrowings	-	-	-	-	-
Net Fixed Assets	437.09	407.76	361.92	350.80	290.94
Cash and cash equivalents	25.70	23.49	17.29	10.94	52.53
Current Assets	1,413.62	1,363.38	1,350.56	976.24	986.08
Current Liabilities	571.97	608.46	535.18	391.64	864.36
Capital Employed	1,904.53	1,738.75	1,730.95	1,517.60	945.59
FINANCIAL INDICATORS					
Operating EBITDA Margin	46%	45%	48%	44%	43%
Current Ratio	2.47	2.24	2.52	2.49	1.14
Net Worth per share (₹)	127.60	116.49	115.97	101.67	63.35
Dividend per share (₹)	32.00	46.00	51.00	45.00	36.00
Market price per share	862.70	1,163.80	1,328.00	1,144.95	999.50
Basic Earnings per share (₹)	69.57	63.46	63.48	54.06	50.73

To,

The Members,

Your Directors are pleased to present the thirty third report on the business and operations of the Company for the year ended 30th June, 2019.

FINANCIAL RESULTS (STANDALONE) ₹ in Million

Particulars	2018-19	2017-18
Revenue		
- Revenue from operations	3,784.77	3,450.41
- Other Income	167.97	152.94
Total income	**3,952.74**	**3,603.35**
Total expenses	2,392.63	2,195.18
Profit before Tax	**1,560.11**	**1,408.17**
Tax expenses		
- Current Tax	522.74	512.08
- Deferred Tax	(1.12)	(51.07)
Net Profit for the year	**1,038.49**	**947.16**
Other comprehensive income	(9.08)	4.73
Total comprehensive income for the year (net of tax)	**1,029.41**	**951.89**
Profit brought forward from previous year	1,023.81	1,016.00
Profit available for appropriation	**2,053.22**	**1,967.89**
Appropriations:		
- Interim dividend	253.75	208.97
- Dividend distribution tax on interim dividend	52.16	42.54
- Final equity dividend	477.64	597.05
- Dividend distribution tax on final dividend	98.18	121.55
- Dividend distribution Tax Credit	(18.09)	(26.03)
- Balance Carried Forward to Balance Sheet	1,189.59	1,023.81

DIVIDEND

The Company had declared and paid an interim dividend of ₹ 17 per equity share during the year.

Your Directors are pleased to recommend a final dividend of ₹ 15 per equity share for the financial year ended 30th June, 2019.

The total dividend for 2018-19 is ₹ 32 per equity share (previous year ₹ 46 per equity share).

OPERATING RESULTS

During the year under review, your Company's operating revenues grew by from ₹ 3,450.41 million to ₹ 3,784.77 million, an increase of 9.69%. The total expenditure for the year stood at ₹ 2,392.63 million as against ₹ 2,195.18 million, an increase of 9% over the previous year.

The Company recorded profit after tax of ₹ 1,038.49 million for the year 2018-19 as against ₹ 947.16 million in the previous year, a surge of 9.64%.

BUSINESS OPERATIONS

Throughout the year, the Company saw a good traction across its revenue accounting and cost management solutions. Some of the highlights include:

- 35 customers for Passenger Revenue Accounting (PRA) were successfully migrated over to version 20 of the Company's revenue accounting solution.
- 11 airlines are now using the Company's cost management solution.
- The Company integrated a robotics engine into its cost management suite to increase process automation in the accounts payable process. This solution has been successfully deployed at a large European airline.

CHANGE OF NAME

During the year, the shareholders passed a special resolution by postal ballot for change in the name of the Company from Accelya Kale Solutions Limited to Accelya Solutions India Limited. The new name 'Accelya Solutions India Limited' is effective 20th May, 2019.

SUBSIDIARIES

During the year under review, the name of Kale Softech Inc. was changed to Accelya Solutions Americas Inc. Similarly, the name of Zero Octa UK Limited was changed to Accelya Solutions UK Limited.

Pursuant to the provisions of section 129(3) of the Companies Act, 2013 ("the Act"), a statement containing salient features of financial statements of Accelya Solutions Americas Inc. and Accelya Solutions UK Limited, in Form AOC-1 is attached to the financial statements.

The Company does not have any subsidiaries in India. The financial statements of the subsidiary companies shall be available for inspection by any shareholder at the registered office of the Company and of the subsidiary companies concerned. These documents can be requested by any shareholder of the Company. Further, in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Accounting Standard 21 (AS-21), the Consolidated Financial Statements prepared by the Company include financial information of its subsidiaries.

BOARD OF DIRECTORS

Five meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

The Independent Directors of your Company have given the declaration of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Act.

The details of familiarization programme and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

The policy on appointment of directors, key managerial personnel, senior management and other employees and remuneration policy is annexed herewith as Annexure "A".

Re-appointment of Mr. John Johnston

Mr. John Johnston (DIN 07258586) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Johnston is the CEO of Accelya Group. He has work experience of over 40 years, out of which he has worked for more than 25 years in the information technology and communications industry. For more than last 20 years he has been serving the airline industry and has held senior positions in several countries. He has provided consulting services to a number of global airlines. Before joining Accelya, Mr. Johnston was the CEO of Luxembourg based Champ Cargosystems S.A.

Companies in which Mr. John Johnston is a Director	
Accelya Solutions India Limited	Accelya Holding World SLU
Accelya UK Limited	Accelya Portugal Unipessoal Lda
Accelya America S.A. de C.V.	Accelya Topco Limited
Accelya Lux Sarl	Accelya Solutions UK Limited

Re-appointment of Ms. Sangeeta Singh as an Independent Director

Ms. Sangeeta Singh was appointed as an independent director on 18th July, 2014 by the Board of Directors. At the 28th Annual General Meeting held on 25th September, 2014, the members had approved the appointment of Ms. Sangeeta Singh as an Independent Director of the Company for a period of five years with effect from the said date. Her term as Director expired on 17th July, 2019.

The performance of Ms. Sangeeta Singh was evaluated by the Nomination & Remuneration Committee ("the Committee"), on the basis of which the re-appointment of Ms. Sangeeta Singh as an Independent Director was recommended by the Committee for a period of 5 years with effect from 18th July, 2019. Accordingly, at the meeting of the Board of Directors held on 3rd May, 2019, Ms. Sangeeta Singh was re-appointed as an Independent Director upto 17th July, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The Board recommends the re-appointment of Ms. Sangeeta Singh as an Independent Director of the Company, not liable to retire by rotation.

Re-appointment of Mr. Sekhar Natarajan as an Independent Director

Mr. Sekhar Natarajan was appointed as an Independent Director on 7th July, 2011 by the Board of Directors and approved by the members on 8th November, 2011. At the 28th Annual General Meeting held on 25th September, 2014, the members had approved the appointment of Mr. Sekhar Natarajan as an Independent Director of the Company for a period of five years with effect from the said date. His term as Director expires on 24th September, 2019.

The performance of Mr. Sekhar Natarajan was evaluated by the Nomination & Remuneration Committee ("the Committee"), on the basis of which the re-appointment of Mr. Sekhar Natarajan as an Independent Director was recommended by the Committee upto 6th July, 2021. Accordingly, at the meeting of the Board of Directors held on 28th August, 2019, Mr. Sekhar Natarajan was re-appointed as an Independent Director upto 6th July, 2021, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The Board recommends the re-appointment of Mr. Sekhar Natarajan as an Independent Director of the Company, not liable to retire by rotation.

Re-appointment of Mr. Nani Javeri as an Independent Director

Mr. Nani Javeri was appointed as an independent director on 8th July, 2013 by the Board of Directors and approved by the members on 26th September, 2013. At the 28th Annual General Meeting held on 25th September, 2014, the members had approved the appointment of Mr. Nani Javeri as an Independent Director of the Company for a period of five years with effect from the said date. His term as Director expires on 24th September, 2019.

The performance of Mr. Nani Javeri was evaluated by the Nomination & Remuneration Committee ("the Committee"), on the basis of which the re-appointment of Mr. Nani Javeri as an Independent Director was recommended by the Committee upto 7th July, 2023. Accordingly, at the meeting of the Board of Directors held on 28th August, 2019, Mr. Nani Javeri was re-appointed as an Independent Director upto 7th July, 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The Board recommends the re-appointment of Mr. Nani Javeri as an Independent Director of the Company, not liable to retire by rotation.

Dr. K. K. Nohria

Dr. K. K. Nohria (DIN: 00060015) has held the position of Director of the Company since 1988. He was appointed as an independent director of the Company for a period of 5 years from 25th September, 2014 until 24th September, 2019.

Pursuant to the amendment in Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018), it is necessary for companies to pass special resolution for appointment or continuance of non-executive director who has attained the age of seventy-five years. Accordingly, the Company had, at the previous Annual General Meeting held on 10th October, 2018, passed a special resolution for continuance of appointment of Dr. K. K. Nohria, aged 86 years, as an Independent Director of the Company till 24th September, 2019.

Dr. Nohria, who has been a director for 31 years, will retire as Director of the Company on 24th September, 2019.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of the Act.

Information regarding investments covered under the provisions of section 186 of the Act is detailed in the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a. in the preparation of the annual accounts for the year ended 30th June, 2019, the applicable accounting standards 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2019 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts have been prepared 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.

HUMAN RESOURCE

The Board has not granted any stock options during the year under review. During the year the Company also did not have any options in force. Therefore, the details required to be given under the SEBI (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999 are not being given.

During the year, the Company had cordial relations with its employees.

Disclosures with respect to the remuneration of Directors and employees as required under section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure "B".

Details of employee remuneration as required under provisions of section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours before 21 days of the Annual General Meeting and shall be made available to any shareholder on request.

POLICIES

Your Company has formulated Policy on Related Party Transactions, Policy for determining material subsidiaries, CSR Policy and Whistle Blower Policy in terms of the legal requirements. These policies are available on the website of the Company at https://w3.accelya.com/accelya-solutions-india-limited-policies

RELATED PARTY TRANSACTIONS

All contracts/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

No material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm's length.

All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Act and SEBI Listing Regulations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of section 135 of the Act, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure "C".

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide a framework to promote responsible and secure whistle blowing process. It protects employees wishing to raise a concern about serious irregularities within the Company or its employees.

Protected disclosures can be made by a whistle blower through an email or by a phone call to the Ombudsperson appointed under the Policy.

No personnel of the Company has been denied access to the audit committee.

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

RISK MANAGEMENT

The Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Risk Management framework to identify, evaluate and mitigate risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The risk framework defines the risk management approach across the enterprise at various levels.

AUDITORS

Statutory Auditors

M/s. B S R & Co. LLP were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 10th October, 2018 for a term of one year.

The term of B S R & Co. LLP expires at the conclusion of the forthcoming Annual General Meeting.

M/s. B S R & Co. LLP have been the Auditors of the Company since 2010-11 and have completed a term of nine years.

As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. It is, therefore, proposed to appoint M/s. B S R & Co. LLP as auditors of the Company for a period of 1 year to hold office from the conclusion of the ensuing AGM till the conclusion of the 34th AGM on a remuneration as may be fixed by the Board of Directors of the Company.

The Report given by the Statutory Auditors on the financial statements of the Company is part of the Annual Report.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditor

Pursuant to the provisions of section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed C. S. Kelkar & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure D".

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure "E".

CORPORATE GOVERNANCE

A report on Corporate Governance is set out separately, which forms part of this report.

FIXED DEPOSITS

During the year your Company has not accepted fixed deposits from the public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are annexed hereto as Annexure "F".

ACKNOWLEDGMENT

Your directors extend their gratitude to all investors, clients, vendors, banks, financial institutions, regulatory and governmental authorities and stock exchanges for their continued support during the year. The directors place on record their appreciation of contribution made by the employees at all levels for their dedicated and committed efforts during the year.

For and on behalf of the Board of Directors

Neela Bhattacherjee	**John Johnston**
Managing Director	**Chairman**
(DIN : 01912483)	(DIN : 07258586)

Place : Thane
Date : 28th August, 2019

Annexure 'A'

Policy on Appointment of Directors, Key Managerial Personnel, Senior Management & Other Employees and Remuneration Policy

1. Term of Appointment of Directors

A. Maximum Tenure of Independent Directors

i) An independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment for another term of up to five consecutive years on passing of a special resolution by the Company.

Provided that a person who has already served as an independent director for five years or more in the Company as on 1st October, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence mentioned in (5) (A) below.

ii) An independent director who completes his above mentioned term shall be eligible for appointment as independent director in the Company only after the expiration of three years of ceasing to be an independent director in the Company.

B. Term of Other Directors

Not less than two-thirds of the total number of directors of the Company shall be persons whose period of office is liable to determination by retirement of directors by rotation and be appointed by the Company in general meeting.

For the purpose of determining directors liable to retire by rotation, "total number of directors" shall not include independent directors on the Board of the Company.

2. Appointment of Key Managerial Personnel and Persons in Senior Management

The Committee shall appoint Key Managerial Personnel and persons in Senior Management and shall approve the terms and conditions of their appointment including their remuneration. The Committee shall strive to appoint a person best suited for the job in terms of talent, qualification and experience required for the position.

Senior Management shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Board of Directors and includes functional heads.

3. Criteria for Determining Qualifications of Directors

For a person to qualify as a director he shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, human resource, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

4. Positive Attributes

a) Integrity

A director, Key Managerial Personnel and a person in Senior Management shall be a person of integrity and shall uphold highest standards of probity.

b) Commitment

A director, Key Managerial Personnel and a person in Senior Management shall devote sufficient time and attention to his professional obligations for informed and balanced decision making.

c) Compatibility

A director should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.

5. Criteria for Determining Independence of Directors

An independent director shall be a director other than a managing director or a whole-time director or a nominee director,—

(a) who is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the Company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company; or

(f) who possesses the qualifications prescribed in (1) above.

6. Evaluation of Performance of Independent Directors

Every independent director shall self-evaluate his performance and shall submit a report on his self-evaluation to the Chairman of the Company.

The Chairman shall review the performance of the independent director and provide feedback as appropriate.

PART B

Remuneration Policy

1. Objective

The Nomination and Remuneration Committee of the Board of Directors ("the Committee") of Accelya Solutions India Limited (the "Company" or "ASIL") has adopted the following policy and procedures with regard to remuneration to the directors, key managerial personnel and other employees of the Company. The Committee may review and amend this policy from time to time.

In determining the remuneration & compensation, the Company shall take into consideration individual performance of the employee and company performance determined through the process of annual appraisals.

The remuneration and compensation policy of the Company aims to attract, retain and motivate employees.

The remuneration to the managing director, key managerial personnel and senior management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

This policy is intended to ensure that all necessary approvals are obtained and all reporting requirements are duly complied with in respect of remuneration of directors and key managerial personnel of the Company.

2. Effective Date

This Policy is effective from 1st April 2014.

3. Remuneration

A. Independent Directors and Non-Executive Non-Independent Directors

a) Commission

Independent directors and non-executive non-independent directors of the Company may be paid such remuneration as the Board of Directors may decide from time to time, subject to the approval of the shareholders of the Company. The independent directors and non-executive non-independent directors may be paid remuneration by way of commission subject to the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 2013 ("the Act").

The percentages aforesaid shall be exclusive of any sitting fees payable to independent directors and non-executive non-independent director for attending meetings of the Board of Directors or of any committee thereof and re-imbursement of out of pocket expenses incurred by the independent directors.

b) Re-imbursement of out of pocket expenses

The Company may reimburse out-of-pocket expenses incurred by the independent directors and non-executive non-independent directors for attending the meetings.

c) Sitting Fees

The Board of Directors of the Company may decide from time to time, sitting fees payable to independent directors and non-executive non-independent directors for attending meetings of the Board or committees thereof.

The sitting fees shall not exceed rupees one hundred thousand (₹ 100,000) per independent director and non-executive non-independent director per meeting of the Board or committee thereof.

The independent directors and non-executive non-independent directors shall not participate in the meeting on any discussion relating to the remuneration payable to them.

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

B. Remuneration to Managing Director

The Managing Director shall be paid remuneration in accordance with industry standards.

Based on the industry standards, the Managing Director of the Company may be paid such remuneration as the Board of Directors may decide, from time to time, on the recommendation of the Nomination & Compensation Committee, subject to the approval of the shareholders of the Company.

The Managing Director may be paid remuneration which shall not exceed five per cent of the net profits of the Company.

Provided that if, in any financial year, the Company has no profits or its profits are inadequate, the Company may pay to its Managing Director, by way of remuneration any sum in accordance with the provisions of Schedule V to the Act and if it is not able to comply with such provisions, it may pay remuneration to the Managing Director after obtaining previous approval of the Central Government.

C. Remuneration to Key Managerial Personnel and Senior Management

Remuneration and compensation to key managerial personnel and persons in senior management shall be competitive and in accordance with industry benchmarks.

The remuneration and compensation shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

D. Remuneration to other employees

In determining the remuneration and compensation to employees other than those mentioned above, the Company shall take into consideration individual performance of the employee and company performance determined through the process of annual appraisals.

4. Disclosures

This policy shall be disclosed in the Board's report.

In addition to the above, the following shall be disclosed in the Board's report:

i) The ratio of remuneration of each director to the median employee's remuneration.

ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year;

iii) The percentage increase in the median remuneration of employees in the financial year;

iv) The number of permanent employees on the rolls of the Company;

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company

In the event of any clause in the "Policy on Appointment of Directors, Key Managerial Personnel, Senior Management & Other Employees and Remuneration Policy" undergoes a change as a result of any statutory amendment to any law referred therein, such clause shall automatically stand amended without referring to the Board.

Annexure 'B'

Statement of Disclosure of Remuneration under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of remuneration of each director to the median employee's remuneration, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2018-19.

Sr. No.	Name of the Director / KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in remuneration
1	Neela Bhattacherjee	Managing Director	34:1	11%
2	Gurudas Shenoy	Chief Financial Officer	Not Applicable	69%*
3	Ninad Umranikar	Company Secretary	Not Applicable	17%

* Includes one time special incentive.

Note:
All Independent Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Independent Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Independent Directors is therefore not considered for the purpose above.

ii) The percentage increase in the median remuneration of employees in the financial year 2018-19 was 6.20%.

iii) The Company has 1,550 permanent employees on the rolls of the Company as on 30 June 2019.

iv) Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 6.95% whereas the increase in the managerial remuneration was 25.97%.

v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure 'C'

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19
[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

Corporate Social Responsibility is the commitment of businesses to behave ethically and to contribute to the sustainable economic development by working with all stakeholders to improve their lives in the ways that are good for business and the society at large.

We continue to collaborate with our longstanding Not-For-Profit partner, Catalysts for Social Action (CSA), an Indian NGO (non-governmental, social development organisation) with a mission to create a brighter future for children under institutional care.

CSA works in a multi-dimensional framework, with a holistic development model, that allows them to work on primary interventions as well as long term deeper engagements with each stakeholder for systemic changes.

CSA works with **3600+** children in **65+** Child Care Institutions (CCIs) across **4** states – Maharashtra, Goa, Odisha & Madhya Pradesh

I. Project SAMBHAV

The goal of this project is to provide children in CCIs with good living conditions, looking at an optimal rehabilitation outcome for every child and building the capacity of the CCI.

1550+ children across **18** CCIs were provided with support under project SAMBHAV

Many CCIs are able to raise & sustain their standards of care for children and continue to provide support to children in areas related to health, hygiene, sports, tuition teachers even though we have slowly started pulling out support for these areas in order to build their capacity & fundraising ability from other sources.

Snapshot of various interventions supported are as follows –

- Health – Health checkups were executed through tie ups with good medical practitioners. Over 94% children underwent health checks, de-worming & treatments for various ailments reported. Over 90% children's health was in the normal range.
- Hygiene – Basic hygiene kits consisting of bathing soaps, washing soaps, toothbrushes and toothpastes along with additional kits - sanitary napkins, hair oil, cream, tongue cleaner, comb, and soap case were provided to all the children. Preventive healthcare & personal hygiene training on dental, skin and general health was conducted for all children and CCI staff.
- Supplementary Nutrition – Children were supported with breakfast or evening snacks based on nutritionist's recommendations. 82% children were reported to have normal BMI levels.
- Day to Day Essentials - With the objective of improving basic living condition, all the children were provided with Day to day essentials support - a pair of foot wear, inner wear along with festival dress. Considering the cold weather, children were supported with winter jackets in some homes in Odisha.
- Education – Our Education program focuses on improving learning outcomes of children and building grade appropriate competencies, 38 tuition teachers were appointed to provide children with after school support. Education assessments conducted in-house reveal close to 41% improvement in Language & 29% in Maths competencies.

- Education – 172 children appeared for the SSC Board exams, 71% children passed their exams. 14 children appeared for the HSC exams, 93% children passed their exams.
- Education Material – education material support was provided to all children under "School Support" intervention - School Bags, School Shoes, School Uniform & Raincoats, School Fees, Text Books & Stationery.
- Life Skills – With the objective of facilitating better development opportunities, CSA is providing 50 hours Life Skill training. 196 children in 14+ age group went through the program & an improvement of 19% in life skills competencies was observed.
- Adolescent Health Program (AHP) – on creating awareness around body image & handling body changes is done with 150+ children.
- Sports - Children participated in various district & state level sports (Football, Running, High Jump, Taekwondo, Kabbadi, etc.) & cultural competition and won awards. One of the key accolades was "Sumanta" from Odisha participated in high jump competition at State level 'Hausala' competition and he won a gold medal. His accomplishment was acknowledged by State govt. & he was awarded with a prize money of ₹ 50,000 and he also got an opportunity to meet with the CM of Odisha.
- Livelihood & Aftercare – Overall, 74 youngsters have been supported for Higher Education and Skill training.
- 18 youngsters completed course and pursuing jobs with salaries ranging from ₹ 8000-22,000 per month.

II. Adoption & Capacity Building

- Awareness & Capacity Building Workshops – Workshop with Anganwadi workers/Helpers & Hospital staff on the process & benefits of adoption & and how to identify CNCP and reporting structure –
  - o 100+ participants trained in Pune at a Hospital.
  - o Workshop done in Pune with 50+ adoptive & pre-adoptive parents on making adoption a smooth journey.
  - o Program with Goa Govt. - 1 Day workshop with potential children without parental contact on smooth adoption process.
  - o In Goa – Round Table conference – 23 children would be legally free in a month.
- Goa & Odisha Trustee Meetings – CSA conducted all CSA supported CCIs Trustee meeting around –
  - o CSA work & approach and CCI expectation.
  - o Orientation on Aftercare Program.
  - o Way forward with respect to Government Interaction, Upgrading Child Care, &New Aftercare Enrolment
  - o In Goa – Trustees from 9 CCIs and in Odisha, trustees from 16 CCIs participated in the meetings
- CCI Care Givers Workshop – 1 day workshop was organized with caregivers across CCIs in Goa location.
- Project "Prayaas – an initiative for a Happy Family" - CSA proposal was approved by Goa Govt. to execute this project around promoting foster care possibilities.
- Adoption Awareness Program – CSA CEO participated on ALL India Radio and spoke about Adoption, its importance, and CSA intervention to create awareness around Adoption in Goa.

2. Composition of the CSR Committee

Please refer to the Corporate Governance Report for the composition of the CSR Committee.

(₹ in million)

3.	**Average Net Profit of the Company for the last 3 financial years (2015-16 to 2017-18)**	**1,359.92**
4.	**Prescribed CSR expenditure for 2018-19**	**27.20**
5.	**Details of CSR spent during the financial year 2018-19**	
a.	Total amount to be spent for the financial year	27.20
b.	Total amount spent during the year	27.20
c.	Amount unspent	NIL

Manner in which the amount was spent during the financial year 2018-19 is detailed below:

(₹ in million)

Sr. No.	BUDGET HEAD	Sector in which the project is covered (*)	State Covered	Amount Outlay	Amount spent on projects	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	**Project - SAMBHAV**		Maharashtra, Goa, Odisha				CSA
	Health, Hygiene, Nutrition, Sanitation & Day to Day Essentials, Recreation	(i)		5.81	5.70	5.70	
	Infrastructure	(ii)		0.26	0.08	0.08	
	Education (School fees, uniforms, bags & books, tuition, lifeskills training)	(ii)		4.12	4.76	4.76	
	Vocation (training programs, exit preparation)	(ii)		2.35	1.93	1.93	
	CCI Capacity Building (CCI staff - caretakers etc., awareness & training programs)	(ii)		1.10	0.93	0.93	
	Module Development (Education continued and Vocation & Aftercare)	(ii)		0.20	0.27	0.27	
	CSA Field staff (Implementation & Monitoring)	(i) & (ii)		1.71	1.71	1.71	
	Travelling and Miscellaneous Expenses	(i) & (ii)		0.15	0.22	0.22	
	Sub Total			**15.70**	**15.59**	**15.59**	

Sr. No.	BUDGET HEAD	Sector in which the project is covered (*)	State Covered	Amount Outlay	Amount spent on projects	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
2	Adoption Project	(iii)	Maharashtra, Goa, Odisha & Madhya Pradesh	1.00	0.34	0.34	CSA
3	Corporate Expenses	(iii)		1.00	1.00	1.00	CSA
4	Staff Learning and Training			0.50	0.55	0.55	CSA
5	**Corpus Fund**	-		**9.00**	**9.71**	**9.71**	CSA
	GRAND TOTAL			**27.20**	**27.20**	**27.20**	

Note (*):

(i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

6. CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board of Directors

Nani Javeri
Chairman of CSR Committee
DIN : 02731854

Neela Bhattacherjee
Managing Director
DIN : 01912483

Place : Thane
Date : 28th August, 2019

Annexure 'D'

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended on 30th June, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Accelya Solutions India Limited
(earlier known as Accelya Kale Solutions Limited)
Accelya Enclave, 685/2B & 2C, 1st floor,
Sharada Arcade, Satara Road, Pune 411037

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Accelya Solutions India Limited** (earlier known as Accelya Kale Solutions Limited) ('the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year 1st July, 2018 to 30th June, 2019, ("the financial year") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 30th June, 2019, according to the provisions of:
    1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified;
    2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rule made thereunder;
    3) The Depositories Act, 1996 and the Regulations & Bye-Laws framed thereunder;
    4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
    5) The following Regulations & Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
        a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
        b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
        c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
        d. The Securities and Exchange Board of India (Share based Employee Benefits Regulations), 2014
        e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
        f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
        g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,) 2009
        h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and

i. The Securities and Exchange Board of India (Listing Obligation Disclosures Requirements) Regulations, 2015

Other laws applicable specifically to the Company, namely:

1) Software Technology Parks of India – Rules & Regulations

2) Information Technology Act, 2000

We have also examined the compliance with the applicable clauses of the following:

1) Secretarial Standards issued by The Institute of Company Secretaries of India

2) The listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

3) Provisions of the Memorandum and Articles of Association of the Company

During the period under review, in our opinion, Company has complied with the Company Law Provisions, MCA Regulations, SEBI Regulations, Depositories Regulations and FEMA regulations. E- forms filed with MCA under the provisions of the Companies Act, were filed within prescribed time limit.

We further report that

Based on the information provided by the Company and records maintained by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are properly constituted. Changes in Directorship during the period under review was carried out in the compliances with the provisions of the Act.

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

All decisions at the Board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committee of the Board of Directors, as the case may be.

We further report that during the audit period there were no events, namely:

i) Public/Right/sweat equity;

ii) Redemption/ Buy-back of security;

iii) Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013;

iv) Merger/amalgamation/reconstruction, etc.; and

v) Foreign technical collaborations.

For C.S. Kelkar & Associates
Company Secretaries

C S Kelkar
Partner
C. P. No. : 1891
Membership No.: 2784

Date : 21st August, 2019
Place : Pune

Annexure 'E'

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
For financial year ended 30th June, 2019

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

I. REGISTRATION & OTHER DETAILS

1.	CIN	L74140PN1986PLC041033
2.	Registration Date	25th September, 1986
3.	Name of the Company	Accelya Solutions India Limited
4.	Category/Sub-category of the Company	Public Company / Subsidiary of Foreign Company limited by shares
5.	Address of the Registered office & contact details	Accelya Enclave, 685 / 2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune 411 037 Tel : 020-66083777 E-mail : accelyaindia.investors@accelya.com Website : w3.accelya.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Karvy Fintech Private Limited, Unit : Accelya Solutions India Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad - 500 032 Phone : +91 - 40 - 67162222 Fax : +91 - 40 - 23001153 Toll Free no.: 1800-345-4001 E-mail : einward.ris@karvy.com Website : www.karvy.com

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)

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Computer programming, consultancy and related activities	620	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Accelya Holding World S.L. Avenida Diagonal, 567, 3rd Planta, Barcelona 08029, Spain	Not Applicable	Holding	74.66	2(46)
2	Accelya Solutions Americas Inc. 2035 Lincoln Hwy, Ste 1150, Edison, NJ 08817, USA	Not Applicable	Subsidiary	100	2(87)
3	Accelya Solutions UK Limited Acre House, 11/15 William Road, London, NW13ER	Not Applicable	Subsidiary	100	2(87)

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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter and Promoter Group									
Indian									
Individual /HUF	-	-	-	-	-	-	-	-	-
Central Govt. / State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-Total A(1) :	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign									
Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
Bodies Corporate	11,143,295	-	11,143,295	74.66	11,143,295	-	11,143,295	74.66	-
Institutions	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	**11,143,295**	**-**	**11,143,295**	**74.66**	**11,143,295**	**-**	**11,143,295**	**74.66**	**-**
Total A=A(1)+A(2)	**11,143,295**	**-**	**11,143,295**	**74.66**	**11,143,295**	**-**	**11,143,295**	**74.66**	**-**
Public Shareholding									
Mutual Funds /UTI	283,146	-	283,146	1.90	515,459	-	515,459	3.45	1.55
Financial Institutions / Banks	10,645	200	10,845	0.07	12,146	200	12,346	0.08	0.01
Central Govt. / State Govt(s)	-	-	-	-	-	-	- -	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	744,959	50	745,009	4.99	332,913	-	332,913	2.23	(2.76)
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	**1,038,750**	**250**	**1,039,000**	**6.96**	**860,518**	**200**	**860,718**	**5.76**	**(1.2)**

Category of Shareholders	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non-Institutions									
Bodies Corporate	493,328	250	493,578	3.31	399,471	200	399,671	2.68	(0.63)
Individuals									
(i) Individuals holding nominal share capital upto ₹ 1 lakh	1,839,001	95,113	1,934,114	12.96	1,978,109	79,873	2,057,982	13.79	0.83
(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	40,000	-	40,000	0.27	177,282	-	177,282	1.19	0.92
Others									
IEPF	41,521	-	41521	0.28	46,831	-	46,831	0.31	(0.03)
Foreign Nationals	2,220	7,500	9,720	0.06	1,577	7,500	9,077	0.06	-
Clearing Members	1896	-	1,896	0.01	3,435	-	3,435	0.02	0.01
Non Resident Indians	216,661	5,422	222,083	1.48	222,977	4,922	227,899	1.53	0.04
Trusts	1,054	-	1,054	0.01	71	-	71	0.00	(0.01)
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2)	**2,635,681**	**108,285**	**2,743,966**	**18.38**	**2,829,753**	**92,495**	**2,922,248**	**19.58**	**1.13**
Total B=B(1)+B(2)	3,674,431	108,535	3,782,966	25.34	3,690,271	92,695	3,782,966	25.34	(0.07)
Total (A+B)	14,817,726	108,535	14,926,261	100.00	14,833,566	92,695	14,926,261	100.00	0.00
Shares held by custodians, against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C) :	**14,817,726**	**108,535**	**14,926,261**	**100.00**	**14,833,566**	**92,695**	**14,926,261**	**100.00**	**0.00**

B) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Accelya Holding World S.L.	11,143,295	74.66	-	11,143,295	74.66	-	-

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	11,143,295	74.6556	11,143,295	74.6556
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
		11,143,295	74.6556	11,143,295	74.6556

D) Shareholding Pattern of top ten Shareholders (Other than Directors and Promoters)

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Valuequest India Moat Fund Limited	470,163	3.15	30/06/2018		Opening Balance	470,163	3.15
				28/09/2018	12,971	Purchase	483,134	3.24
				05/10/2018	20,689	Purchase	503,823	3.38
				12/10/2018	5,493	Purchase	509,316	3.41
				07/12/2018	-32,619	Sale	476,697	3.19
				25/01/2019	-124,694	Sale	352,003	2.36
				08/02/2019	-11,460	Sale	340,543	2.28
				15/02/2019	-5,916	Sale	334,627	2.24
				22/02/2019	-2,404	Sale	332,223	2.23
				08/03/2019	-13,928	Sale	318,295	2.13
				15/03/2019	-7,176	Sale	311,119	2.08
				22/03/2019	-2,690	Sale	308,429	2.07
				29/03/2019	-2,639	Sale	305,790	2.05
				05/04/2019	-26,767	Sale	279,023	1.87
				12/04/2019	-6,939	Sale	272,084	1.82
				19/04/2019	-3,874	Sale	268,210	1.80
				03/05/2019	-1,940	Sale	266,270	1.78
				10/05/2019	-12,538	Sale	253,732	1.70
				17/05/2019	-5,280	Sale	248,452	1.66
				24/05/2019	-32,159	Sale	216,293	1.45
				31/05/2019	-1,139	Sale	215,154	1.44
				07/06/2019	-484	Sale	214,670	1.44
				14/06/2019	-903	Sale	213,767	1.43
				29/06/2019		Closing Balance	213,767	1.43
2	SBI Magnum Global Fund	283,146	1.90	30/06/2018		Opening Balance	283,146	1.90
				28/09/2018	26,500	Purchase	309,646	2.07
				29/06/2019		Closing Balance	309,646	2.07

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
3	VLS Finance Limited	271,403	1.82	30/06/2018		Opening Balance	271,403	1.82
				02/11/2018	-1,965	Sale	269,438	1.81
				09/11/2018	-1,250	Sale	268,188	1.80
				16/11/2018	-130	Sale	268,058	1.80
				23/11/2018	-100	Sale	267,958	1.80
				01/03/2019	-1,240	Sale	266,718	1.79
				10/05/2019	-4,000	Sale	262,718	1.76
				17/05/2019	-1,500	Sale	261,218	1.75
				29/06/2019		Closing Balance	261,218	1.75
4	Sundaram Mutual Fund A/c Sundaram Select Micro Cap	0	0.00	30/06/2018		Opening Balance	0	0.00
				14/09/2018	1,279	Purchase	1,279	0.01
				07/12/2018	699	Purchase	1,978	0.01
				18/01/2019	7,798	Purchase	9,776	0.07
				25/01/2019	115,000	Purchase	124,776	0.84
				15/02/2019	2,109	Purchase	126,885	0.85
				22/02/2019	1,306	Purchase	128,191	0.86
				01/03/2019	1,985	Purchase	130,176	0.87
				08/03/2019	862	Purchase	131,038	0.88
				15/03/2019	2,000	Purchase	133,038	0.89
				29/06/2019		Closing Balance	133,038	0.89
5	Old Well Emerging Markets Master Fund, L.P.	73,278	0.49	30/06/2018		Opening Balance	73,278	0.49
				27/07/2018	-1,651	Sale	71,627	0.48
				03/08/2018	-3,238	Sale	68,389	0.46
				10/08/2018	-5,188	Sale	63,201	0.42
				17/08/2018	-2,717	Sale	60,484	0.41
				24/08/2018	-5,210	Sale	55,274	0.37
				31/08/2018	-4,939	Sale	50,335	0.34
				07/09/2018	-7,011	Sale	43,324	0.29
				14/09/2018	-2,659	Sale	40,665	0.27
				21/09/2018	-6,453	Sale	34,212	0.23
				28/09/2018	-34,212	Sale	0	0.00
				29/06/2019		Closing Balance	0	0.00

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
6	Union Small Cap Fund	0	0.00	30/06/2018		Opening Balance	0	0.00
				07/12/2018	61,073	Purchase	61,073	0.41
				14/12/2018	58,774	Purchase	119,847	0.80
				21/12/2018	-500	Sale	119,347	0.80
				28/12/2018	-1,350	Sale	117,997	0.79
				31/12/2018	-1,351	Sale	116,646	0.78
				04/01/2019	-1,320	Sale	115,326	0.77
				11/01/2019	-6,569	Sale	108,757	0.73
				18/01/2019	-10,345	Sale	98,412	0.66
				22/03/2019	-2,370	Sale	96,042	0.64
				29/03/2019	-3,613	Sale	92,429	0.62
				05/04/2019	-26,766	Sale	65,663	0.44
				29/06/2019		Closing Balance	65,663	0.44
7	Somerset Emerging Markets Small Cap Fund LLC	60,046	0.40	30/06/2018		Opening Balance	60,046	0.40
				02/11/2018	-13,674	Sale	46,372	0.31
				09/11/2018	-4,533	Sale	41,839	0.28
				16/11/2018	-1,699	Sale	40,140	0.27
				23/11/2018	-229	Sale	39,911	0.27
				30/11/2018	-2,079	Sale	37,832	0.25
				07/12/2018	-37,832	Sale	0	0.00
				29/06/2019		Closing Balance	0	0.00

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
8	Premier Investment Fund Limited	59,428	0.40	30/06/2018		Opening Balance	59,428	0.40
				27/07/2018	-7,605	Sale	51,823	0.35
				03/08/2018	-7,780	Sale	44,043	0.30
				10/08/2018	-5,841	Sale	38,202	0.26
				17/08/2018	-169	Sale	38,033	0.25
				24/08/2018	-1,166	Sale	36,867	0.25
				31/08/2018	-2,982	Sale	33,885	0.23
				07/09/2018	-21	Sale	33,864	0.23
				21/09/2018	-6,126	Sale	27,738	0.19
				28/09/2018	-9,259	Sale	18,479	0.12
				24/05/2019	11,000	Purchase	29,479	0.20
				31/05/2019	-3,454	Sale	26,025	0.17
				07/06/2019	-1,746	Sale	24,279	0.16
				21/06/2019	-2,973	Sale	21,306	0.14
				29/06/2019		Closing Balance	12,295	0.08
9	Investor Education and Protection Fund Authority	41,521	0.28	30/06/2018		Opening Balance	41,521	0.28
				15/02/2019	5,253	Purchase	46,774	0.31
				22/02/2019	57	Purchase	46,831	0.31
				29/06/2019		Closing Balance	46,831	0.31
10	Aditya Birla Sun Life Insurance Company Limited	41,169	0.28	30/06/2018		Opening Balance	41,169	0.28
				19/10/2018	-9,986	Sale	31,183	0.21
				26/10/2018	-31,183	Sale	0	0.00
				29/06/2019		Closing Balance	0	0.00

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
11	Jatinder Agarwal	40,000	0.27	30/06/2018		Opening Balance	40,000	0.27
				28/09/2018	2,312	Purchase	42,312	0.28
				05/10/2018	188	Purchase	42500	0.28
				19/10/2018	1,000	Purchase	43500	0.29
				07/12/2018	6,500	Purchase	50000	0.33
				01/02/2019	350	Purchase	50350	0.34
				08/02/2019	19,650	Purchase	70000	0.47
				29/06/2019		Closing Balance	70000	0.47
12	Singhi Dinesh Kumar HUF	0	0.00	30/06/2018		Opening Balance	0	0.00
				10/08/2018	4,000	Purchase	4,000	0.03
				24/08/2018	1,586	Purchase	5,586	0.04
				31/08/2018	10,000	Purchase	15,586	0.10
				07/09/2018	4,971	Purchase	20,557	0.14
				14/09/2018	1,557	Purchase	22,114	0.15
				21/09/2018	1,000	Purchase	23,114	0.15
				19/10/2018	5,118	Purchase	28,232	0.19
				02/11/2018	1,000	Purchase	29,232	0.20
				09/11/2018	2,000	Purchase	31,232	0.21
				16/11/2018	600	Purchase	31,832	0.21
				21/12/2018	183	Purchase	32,015	0.21
				28/12/2018	395	Purchase	32,410	0.22
				04/01/2019	500	Purchase	32,910	0.22
				18/01/2019	1,895	Purchase	34,805	0.23
				25/01/2019	356	Purchase	35,161	0.24
				15/03/2019	127	Purchase	35,288	0.24
				26/04/2019	23	Purchase	35,311	0.24
				29/06/2019		Closing Balance	35,311	0.24

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in share-holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
13	Sextant Autour Du Monde	32,000	0.21	30/06/2018		Opening Balance	32,000	0.21
				24/08/2018	-2,143	Sale	29,857	0.20
				31/08/2018	-15,755	Sale	14,102	0.09
				07/09/2018	-14,102	Sale	0	0.00
				02/11/2018	44,603	Purchase	44,603	0.30
				16/11/2018	1,321	Purchase	45,924	0.31
				23/11/2018	1,076	Purchase	47,000	0.31
				14/06/2019	-400	Sale	46,600	0.31
				29/06/2019		Closing Balance	46,600	0.31
14	India Insight Value Fund	0	0.00	30/06/2018		Opening Balance	0	0.00
				27/07/2018	9,000	Purchase	9,000	0.06
				03/08/2018	6,002	Purchase	15,002	0.10
				28/09/2018	2,998	Purchase	18,000	0.12
				29/06/2019		Closing Balance	30,000	0.20

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director	Shareholding at the beginning of the year		Shares purchased / (sold) during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	John Johnston	-	-	-	-	-	-
2	Neela Bhattacherjee	2,089	0.01	-	-	2,089	0.01
3	K. K. Nohria	-	-	-	-	-	-
4	Sekhar Natarajan	-	-	-	-	-	-
5	Nani Javeri	-	-	-	-	-	-
6	Sangeeta Singh	-	-	-	-	-	-

Sr. No.	Name of Key Managerial Personnel	Shareholding at the beginning of the year		Shares purchased / (sold) during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gurudas Shenoy – Chief Financial Officer	2,165	0.01	-	-	2,165	0.01
2	Ninad Umranikar – Company Secretary	4,595	0.01	-	-	4,595	0.01

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:**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Neela Bhattacherjee	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,011,305	18,011,305
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify…	-	-
5	Others, please specify	-	-
	Total	**18,050,905**	**18,050,905**

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

Sr. No.	Particulars of Remuneration	Name of Directors					Total
		Sekhar Natarajan	K. K. Nohria	Nani Javeri	Sangeeta Singh	John Johnston	
		Independent Directors				Non-Executive Directors	
1	Fee for attending board & committee meetings	520,000	370,000	455,000	480,000	-	1,825,000
2	Commission	100,000	100,000	100,000	100,000	-	400,000
3	Others, please specify	-	-	-	-	-	-
	Total	**620,000**	**470,000**	**555,000**	**580,000**	**-**	**2,225,000**

C. Remuneration to Key Managerial Personnel Other Than Managing Director / Manager / Whole-time Director **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,222,747	14,371,303	18,594,050
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	39,600	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	**4,222,747**	**14,410,903**	**18,633,650**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board of Directors

Neela Bhattacherjee
Managing Director
(DIN : 01912483)

John Johnston
Chairman
(DIN : 07258586)

Place : Thane
Date : 28th August, 2019

Annexure 'F'

Conservation of Energy

The range of activities of your Company require minimal energy consumption and every endeavour has been made to ensure optimal utilization of energy and avoid wastage through automation and deployment of energy-efficient equipment.

Your Company takes adequate measures to reduce energy consumption by using efficient computer terminals and by using latest technology. The impact of these efforts has enhanced energy efficiency. As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and measured.

Technology Absorption

Your Company, in its endeavour to obtain and deliver the best, adopts the best technology in the field, upgrades itself continuously.

Research and Development (R&D)

Your Company has a well-equipped Research and Development team carrying on research and development activities.

The total expenditure incurred on Research and Development during the year 2018-19 was ₹ 107.46 million.

Foreign exchange earning and outgo

During the year 2018-19, the foreign exchange earnings stood at ₹ 3,345.69 million and foreign exchange outgo stood at ₹ 364.38 million.

For and on behalf of the Board of Directors

Neela Bhattacherjee	**John Johnston**
Managing Director	**Chairman**
(DIN : 01912483)	(DIN : 07258586)

Place : Thane
Date : 28th August, 2019

Report on Corporate Governance

The importance of maintaining high ethical standards by the corporate sector for ensuring its long term sustainable growth has been universally accepted. It is in this context that development of best practices of corporate governance and rating of companies is increasingly becoming very relevant.

Your Company believes that good corporate governance enhances accountability and increases shareholder value. Corporate Governance is a set of guidelines to fulfill its responsibilities to all its stakeholders i.e. investors, customers, vendors, government, employees. Good corporate governance has been an integral part of the Company's philosophy. The Company believes that good corporate governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory requirements. The Company is focused on good governance, which is a key driver of sustainable growth and enhanced shareholder value.

Board Composition

As on 30th June, 2019, the Company has six directors consisting of a non-Executive Chairman, one Managing Director, four independent directors.

Board Meetings

Five Board Meetings were held during the financial year 2018-19.

Name of Director	Designation	Category	Directorships / Board Committees (Number)		
			Other Directorships	Committee Membership*	Committee Chairmanship**
Ms. Neela Bhattacherjee	Managing Director	Executive	-	1	-
Dr. K. K. Nohria	Director	Independent and Non-Executive	12	7	3
Mr. Sekhar Natarajan	Director	Independent and Non-Executive	3	3	3
Mr. Nani Javeri	Director	Independent and Non-Executive	3	3	1
Ms. Sangeeta Singh	Director	Independent and Non-Executive	7	4	-
Mr. John Johnston	Chairman	Non-Executive	7	-	-

* Membership/Chairmanship in Audit and Stakeholders' Relationship Committees of all public limited companies, whether listed or not, including Accelya Solutions India Limited.

** Chairmanship in Audit and Stakeholders' Relationship Committees excluding the membership.

Directorships held in other listed entities

Mr. John Johnston

Name of the listed entity	Category
-	-

Ms. Neela Bhattacherjee

Name of the listed entity	Category
-	-

Mr. Sekhar Natarajan

Name of the listed entity	Category
Monsanto India Limited	Chairman & Non-Executive Non-Independent Director
Ingersoll-Rand (India) Limited	Independent Director

Dr. K. K. Nohria*

Name of the listed entity	Category
Pradeep Metals Limited	Non-Executive Non-Independent Director
Igarashi Motors India Limited	Chairman & Non-Executive Non-Independent Director

* Will step down as a director of the Company w.e.f. 24th September, 2019.

Mr. Nani Javeri

Name of the listed entity	Category
Voltas Limited*	Independent Director

* Mr. Nani Javeri will cease to be a director w.e.f. 31st August, 2019.

Ms. Sangeeta Singh

Name of the listed entity	Category
S. H. Kelkar & Company Limited	Independent Director
Alkem Laboratories Limited	Independent Director

Matrix setting out the skills/expertise/ competence of Board of Directors: For a person to qualify as a director he / she shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, human resource, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

Dates of Board Meetings

3rd August, 2018	• 30th October, 2018	• 31st January, 2019	• 3rd May, 2019	• 26th June, 2019

Attendance at Board Meetings and Last Annual General Meeting

Name of Director	No. of Board Meetings Attended	Attendance at AGM held on 10th October, 2018
Mr. John Johnston	2	Yes
Ms. Neela Bhattacherjee	5	Yes
Dr. K. K. Nohria	3	Yes
Mr. Sekhar Natarajan	5	Yes
Mr. Nani Javeri	4	Yes
Ms. Sangeeta Singh	5	Yes

Familiarisation Programme

The Company presents to the Independent Directors on a quarterly basis, information on business performance, operations, financials, working capital, fund flows, compliances, contribution towards CSR activities etc.

Such presentations provide an opportunity to the Independent Directors to understand the Company's strategy, business model, operations, service and product offerings, markets, organisation structure, finance, human resources etc.

The Independent Directors are given a copy of latest Annual Report, the Code of Conduct for Directors & Senior Management and Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations.

The Company issues Appointment Letters to Independent Directors containing therein, term of appointment, roles, duties & responsibilities, code of conduct, remuneration, performance evaluation process etc.

The Independent Directors are provided updates on changes/developments in the business scenario and changes in statutes/legislations. The Familiarisation programme is available on the website of the Company on the following link: https://w3.accelya.com/accelya-solutions-india-limited-policies

Board Committees

Currently Board has six committees –

i) Audit Committee

ii) Stakeholders Relationship Committee

iii) Nomination and Remuneration Committee

iv) Share Transfer Committee

v) Corporate Social Responsibility Committee

vi) Risk Management Committee

None of the Directors of the Company is a member of more than ten committees or acts as a Chairman of more than five committees across all companies in which he is a Director. In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone is considered.

Composition of Committees

i) Audit Committee

Five meetings of the Committee were held during the financial year 2018-19.

Name of Director	Category	No. of Meetings Attended
Mr. Sekhar Natarajan(*)	Independent Director	5
Dr. K. K. Nohria	Independent Director	3
Mr. Nani Javeri	Independent Director	4
Ms. Sangeeta Singh	Independent Director	4

(*) Chairman of the Committee

Terms of Reference

a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

   ii. Changes, if any, in accounting policies and practices and reasons for the same

   iii. Major accounting entries involving estimates based on the exercise of judgment by management

   iv. Significant adjustments made in the financial statements arising out of audit findings

   v. Compliance with listing and other legal requirements relating to financial statements

   vi. Disclosure of any related party transactions

   vii. Qualifications in the draft audit report

e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

h) Approval or any subsequent modification of transactions of the company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the company, wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n) Discussion with internal auditors of any significant findings and follow up there on;

o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r) To review the functioning of the Whistle Blower mechanism;

s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii) Stakeholders Relationship Committee

Four meetings of the Committee were held during the financial year 2018-19.

Name of Director	Category	No. of Meetings Attended
Mr. Sekhar Natarajan(*)	Independent Director	4
Dr. K.K Nohria	Independent Director	3
Mr. Nani Javeri	Independent Director	3
Ms. Sangeeta Singh	Independent Director	3

(*) Chairman of the Committee

Terms of Reference

To monitor redressal of investor complaints received from stock exchanges, SEBI and shareholders.

Name and Designation of Compliance Officer

Ninad G. Umranikar – Company Secretary

iii) Nomination and Remuneration Committee

Three meetings of the Committee were held during the financial year 2018- 19.

Name of Director	Category	No. of Meetings Attended
Ms. Sangeeta Singh(*)	Independent Director	2
Mr. John Johnston	Non-Executive Non-Independent Director	2
Mr. Sekhar Natarajan	Independent Director	3
Dr. K. K. Nohria	Independent Director	3
Mr. Nani Javeri	Independent Director	2

(*) Chairperson of the Committee.

Terms of Reference

i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

ii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

iii) while formulating the policy under (ii) above, ensure that—

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

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

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Remuneration Policy

Remuneration to Managing Director is paid in accordance with the provisions of the Companies Act, 2013. Commission is paid to Managing Director and to independent non-executive directors at a specified percentage of the net profits of the Company. Sitting Fees are paid to independent non-executive directors for attending every meeting of the Board of Directors or committee thereof (other than share transfer committee).

Remuneration to Managing Director

Ms. Neela Bhattacherjee was paid ₹ 18,050,905 towards remuneration for the period from 1st July, 2018 to 30th June, 2019.

The remuneration payable to Ms. Neela Bhattacherjee may be revised from time to time, during her tenure as managing director, subject to such consents, sanctions as may be necessary for such revision in remuneration.

Stock Options

Ms. Neela Bhattacherjee was not granted any stock options during the year.

Service Contract, Notice Period and Severance Fees

Ms. Neela Bhattacherjee has been re-appointed as Managing Director for a period of 3 years from 1st July, 2018. Ms. Bhattacherjee may resign by giving 3 months' notice in writing to the Company without any severance fees.

Remuneration to Non-Executive Directors

Commission - ₹ 400,000 /-

Sitting Fees - ₹ 1,825,000 /-

Commission of ₹ 100,000/- is paid to each independent director subject to a maximum of 1% of the net profit of the Company. A sum of ₹ 30,000/- (w.e.f. October, 2018 meeting) is paid to each independent director and non-executive director (other than Mr. John Johnston) for attending a meeting of the Board of Directors or Committee thereof (apart from Share Transfer Committee Meeting).

Stock Options to Non – Executive Directors

The non–executive directors were not given any stock options during the year.

No. of equity shares held by Non – Executive Directors

As on 30th June, 2019, none of the non–executive directors held any equity share in the Company.

iv) Share Transfer Committee

Name of Director	Category
Mr. John Johnston (*)	Non-Executive Non-Independent Director
Ms. Neela Bhattacherjee	Managing Director
Mr. Gurudas Shenoy	Chief Financial Officer
Mr. Ninad Umranikar	Company Secretary

(*) Chairman of the Committee

15 meetings of the Committee were held during the financial year 2018-19.

Terms of Reference

Committee approves the share transfers, transposition, etc. based on the reports obtained from the Registrar and Share Transfer Agent.

v) Corporate Social Responsibility Committee

Three meetings of the Committee were held during the financial year 2018-19.

Name of Director	Category	No. of Meetings Attended
Mr. Nani Javeri(*)	Independent Director	3
Ms. Sangeeta Singh	Independent Director	2
Mr. John Johnston	Non-executive Director	2

(*) Chairman of the Committee

Terms of reference

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;

b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and;

c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

vi) Risk Management Committee

One meeting of the Committee was held during the financial year 2018-19.

Name of Director	Category	No. of meetings attended
Mr. Sekhar Natarajan(*)	Independent Director	1
Dr. K. K. Nohria	Independent Director	1
Mr. Nani Javeri	Independent Director	-
Ms. Sangeeta Singh	Independent Director	1

(*) Chairman of the Committee

Terms of reference

a) Annually review and approve the Risk Management Policy and associated frameworks, policies and practices of the Company.

b) Evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.

c) Access to any internal information necessary to fulfill its oversight role.

d) Have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

Quorum

Quorum for Board as well as Committee Meetings is one third or two directors / members of committees, as the case may be, whichever is higher.

Disclosures

A certificate from Nilesh A. Pradhan & Co., LLP, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Companies by Securities and Exchange Board of India (SEBI) Ministry of Corporate Affairs or any such Statutory Authority is annexed as part of this report.

There are no materially significant related party transactions i.e. transaction, material in nature, with its promoters, directors, their relatives or the management, subsidiaries of the Company etc. having potential conflict with the interests of the Company at large.

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Pursuant to the requirement of Regulation 30 of SEBI Listing Regulations, the Company would like to inform that the Company has not entered into any agreement(s) with media companies and / or their associates which has resulted / will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable.

Meeting of Independent Directors

One meeting of Independent Directors was held during the year to discuss the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

One meeting of the Independent Directors was held during the financial year 2018-19.

Name of Director	Category	No. of meetings attended
Mr. Sekhar Natarajan(*)	Independent Director	1
Dr. K. K. Nohria	Independent Director	1
Mr. Nani Javeri	Independent Director	1
Ms. Sangeeta Singh	Independent Director	1

(*) Chairman

Means of communication

Half yearly report sent to each household of Shareholder:	No
Quarterly results:	
Which newspapers normally published in:	Financial Express & Loksatta
Any website where displayed:	w3.accelya.com
Whether it also displays official news releases and presentations made to institutional investors or to analysts:	Yes
Whether MD&A is a part of annual report or not:	Yes

Compliance with Governance Framework

The Board of Directors periodically reviews the compliance of applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of SEBI Listing Regulations. The Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Separate posts of Chairman and CEO:** The positions of the Chairman and the CEO are separate. The Non-Executive Chairman of the Company does not maintain office at the Company's expenses.
- **Shareholders rights:** The quarterly results alongwith the press release are uploaded on the website of the Company.
- **Audit qualifications:** Company's financial statements are unqualified.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- **Risk Management Committee:** The Board has formulated a Risk Management Committee.
- **Disclosure of commodity price risk and commodity hedging activities:** The Company is not dealing in commodities and hence disclosure relating to commodity price risk and commodity hedging activities is not required.

Shareholder Information

The additional information to shareholders, which forms part of the Corporate Governance Report, is annexed hereto.

General Body Meetings

Particulars of Annual General Meetings held during last three years:

DECLARATION

Year 2016 Annual General Meeting dated 5th October, 2016 – at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 at 12 noon.

No Special Resolution was passed at the 30th Annual General Meeting held on 5th October, 2016

Year 2017 Annual General Meeting dated 10th October, 2017 – at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 at 12 noon.

No Special Resolution was passed at 31st Annual General Meeting held on 10th October, 2017

Year 2018 Annual General Meeting dated 10th October, 2018 – at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 at 12 noon.

Special Resolutions were passed for: 1. Continuation of Dr. K. K. Nohria as an Independent Director of the Company for compliance of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018) 2. Re-appointment of Ms. Neela Bhattacherjee as Managing Director and approval of remuneration payable to her.

DECLARATION

Pursuant to Regulation 26(3) of SEBI Listing Regulations, I hereby declare that all Board members and senior management personnel have affirmed compliance with the code of conduct.

Neela Bhattacherjee
Managing Director

CERTIFICATE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
Accelya Solutions India Limited
(Formerly Known as Accelya Kale Solutions Limited)

Based on the disclosures/declarations received from Directors appointed on the Board of Accelya Solutions India Limited ("Company") as on 30th June, 2019, we hereby certify that as on 30th June, 2019, none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

For Nilesh A. Pradhan & Co., LLP
Company Secretaries

Nilesh A. Pradhan
Partner
C. P. No.: 3659
FCS No.: 5445

Date: 28th August, 2019
Place: Mumbai

Certificate of Corporate Governance

To The Members
Accelya Solutions India Limited
(Formerly Known as Accelya Kale Solutions Limited)

We have examined the compliance of conditions of Corporate Governance by Accelya Solutions India Limited ("the Company"), for the year ended on 30th June, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the said Company with stock exchange(s).

The compliance of the conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Nilesh A. Pradhan & Co., LLP
Practicing Company Secretary

Nilesh A. Pradhan
Proprietor
C. P. No.: 3659
FCS No.: 5445

Place: Mumbai
Date: 28th August, 2019

INDUSTRY OUTLOOK:

For the global airline industry, there was strong passenger demand and robust financial performance amidst rising cost and profitability pressures in the last year.

On the demand side, air travel was accessible for more people with worldwide air passenger numbers exceeding 4.3 billion and industry-wide revenue passenger kilometers (RPS) increasing by 7.4%. Air freight too grew slightly – freight tonne kilometers (FTK) grew by 3.4% but nowhere near the 9.7% growth seen in 2017. This was in line with the global trade volumes which got impacted especially during the second half of the year.

For calendar year 2018, airlines made a net profit of USD 30 billion on an operating margin of 5.8%. This meant the industry-wide return on capital for the airline industry was 8% and was still above the average cost of capital that stood at 7.3%.

The International Air Transport Association (IATA) has made the following forecast for the airline industry in 2019:

- Total passenger numbers are expected to rise to 4.6 billion up from 4.3 billion in 2018
- Cargo demand growth is anticipated to be flat with volumes of 63.1 million tonnes compared to 63.3 million tonnes in 2018
- Overall costs are expected to grow by 7.4% to USD 822 billion outpacing a 6.5% rise in revenues of USD 865 billion. As a result, net margins are expected to go to 3.2% from 3.7% in 2018
- The global air transport industry is expected to record profits of USD 28 billion that represents a decline from USD 30 billion estimated profit for 2018. Similarly, Profit per passenger is expected to decline to $6.12 from $6.85 in 2018

The airline industry will see lower margins owing to factors such as labor, fuel and infrastructure. Deteriorating business environment with trade wars will add more pressure on the margins. However, the good news is that airlines seem to have broken the boom-and-bust cycle and developed the skill where adverse trade environment no longer plunges the industry into deep crisis. Airlines will continue to be profitable.

Source: The International Air Transport Association (IATA)

https://www.iata.org/publications/Documents/iata-annual-review-2019.pdf

ACCELYA GROUP'S STRATEGY:

Accelya is a leading provider of technology products and services to the travel and transport industry.

Accelya partners with airlines right from the time a ticket or an air waybill is issued, all the way through its entire life cycle, until the data is converted into actionable decision support. Accelya's expertise spans across Financial Solutions, Commercial Solutions, Industry Solutions and Cargo Solutions that cover mission critical airline processes.

As a strategy, Accelya is constantly scanning the airline ecosystem and upgrading itself to stay relevant to its customers and be ahead of the competition. During the year, Accelya's strategic focus has especially been on:

Consolidating and Strengthening the Solution Portfolio

Accelya services over 275+ airline customers across the globe. As a result, it is able to leverage the huge amount of data to provide commercial insights to its customers.

Accelya is looking at integrating and strengthening its solutions for enhanced customer experience. It provides bundled financial solutions to airline CFOs so that they get a 360° vision of their financial processes across the book-to-cash and procure-to-pay lifecycles. It recently launched the Accelya Payment Gateway, a platform powered by Mastercard, that offers global payment acceptance for airlines.

The commercial departments of airlines need to be more innovative in managing their business functions and by looking at the two important pillars of demand and channel management. To facilitate this, Accelya provides its commercial solutions that let airlines manage effectively their distribution channels and leverage the opportunities arising from the evolving marketplace, distribution landscape and business models.

Accelya partners with IATA on industry-wide initiatives and provides strategic solutions include BSP processing, BSPlink, Neutral Fare Proration (NFP) and Simplified Interline Settlement (SIS).

During the last year, Accelya forged stronger ties with IATA to have Global Net Remit 5 (NR5), an upfront agency incentive management service by Accelya, available in all IATA BSP countries.

Accelya leverages a digital cargo platform for air cargo carriers to optimize their operations commercially and operationally. The carriers can scale at unprecedented speeds and connect every aspect of their air cargo value chain from planning to accounting.

Keeping Pace with Technology

Accelya leverages modern technology to deliver greater impact to its customers. For instance, Accelya has upgraded its solutions with Artificial Intelligence and Robotics to bring in automation and improve process efficiencies for airlines.

Being Ready for the Evolving Distribution Landscape

IATA is currently working on NDC and ONE Order initiatives which will impact the airline distribution landscape and hence, airline processes. Accelya has been actively participating in NDC and ONE Order forums and has representatives on IATA working groups to assess airline impact and identify opportunities for all its solutions. Today, Accelya's accounting solutions are NDC and One Order ready and capable of handling customer processes in the new distribution world. The Group continues to work towards having all its solutions ready for any future business impact.

Accelya's Business Model

Accelya's strength lies in its unique business model where platforms are offered on a hosted environment; along with "Service Cubes" which are optional services provided through 'Accelya Managed Services' (AMS) centers. Customers can also choose to fully outsource their business processes to Accelya.

Accelya's pay-per-use business model further helps airlines avoid upfront capital investments and releases cash flow for other priorities. It also provides Accelya with annuity revenue streams ensuring forward revenue visibility.

ACCELYA SOLUTIONS' MAJOR OFFERINGS:

The Company continues to strengthen and consolidate its key solution areas – Financial Solutions and Industry Solutions.

Financial Solutions

The airline CFO function is no longer a back-end job producing and sharing data. It has become a front-end decision-making job. CFOs are already in the cockpit of their organizations! Therefore, the need of the hour for the CFOs is to leverage data and automation, and to have the right tools to harness the power of data in their own airline.

Accelya Solutions provides bundled financial solutions to the airline CFOs so that they get a 360° vision of their financial processes across the book-to-cash and procure-to-pay lifecycles. This enables them to leverage the huge amounts of rich data in their processes and identify and stop any leakages.

The Company is able to do so by being a trusted advisor to airline CFOs and impacting the key airline finance pillars of revenue, cost and profitability.

Accelya Solutions partners with airlines to ensure accurate revenue declaration and control including plugging revenue leakages and improving the quality of revenue, better manage cost, risk, cash flow, profitability and overall business performance. The key solutions in this portfolio are Revenue Accounting, Revenue Assurance and Cost Management.

Revenue Accounting and Assurance: Revenue Accounting is a complex business process in an airline as it is responsible for accurate and timely revenue declaration, ensuring interline payments are billed correctly and all audit compliances are adhered with. In addition, crucial strategic decisions are made using revenue accounting data in an airline.

With over 25 years of experience and a leadership position in revenue accounting, the Company enables leading global airlines to streamline and simplify their revenue accounting processes.

During the year, the Company successfully migrated many of its customers to the recently launched Version 20 of its Revenue Accounting Solution. The current strategy of the solution includes focus on data analytics capability, automation through artificial intelligence, being future ready for business and industry changes, and of course, completing migration of customers to Version 20.

The Company also launched its India GST solution as a part of its tax management services. This is now used by 7 airlines.

Moving over to Accelya Solutions' Revenue Assurance Services. This portfolio covers a wide gamut of audit services spanning the entire ticket lifecycle from original booking through to the completion of the journey. This is supported by comprehensive recovery services — from raising of Agent Debit Memos (ADMs) to fund collection. The services include BIDT Audit and Sales Audit.

Cost Management: Accelya Solutions' Cost Management Solutions enable airlines to manage their costs more smartly. It automates the payables process, provides deeper insights into the costs, and facilitates wiser, more profitable decisions every day. As a result, airlines can control supplier overpayments and transform their procure-to-pay cycle. During the year, the Company integrated a robotics engine into its cost management suite to increase process automation in the accounts payable process.

Flight Profitability: The third pillar of airline finance is profitability. The Company has access to huge amounts of revenue and cost data. Coupled with the expertise in airline finance processes, it is in a unique position to provide airlines with a Flight Profitability Solution. The solution is offered as an analytical tool which accurately assigns measures and analyses costs and revenues to report flight profitability.

Industry Partnerships

Accelya Solutions partners with industry bodies to provide strategic solutions that simplify airline processes.

- The Company is providing high quality support to IATA's Simplified Invoicing Settlement (SIS) platform so as to meet quality, system and information security standards as expected by IATA.
- NFP (Neutral Fare Proration) and First & Final under ATPCO's RASS (Revenue Accounting Settlement Services) are powered by Accelya Solution's industry recognized APEX® Proration Engine

ACCELYA SOLUTIONS UPDATES:

Throughout the year, the Company has continued to invest in and has seen good traction across its solution portfolio. Some of the key updates include:

- The Company successfully rolled out the new version 20 of its revenue accounting solution to more customers.
- The Company's revenue accounting solutions are NDC and One Order ready. IATA certified the Company as:
    - o Supporting NDC, for the second year in a row.
    - o A One Order capable accounting provider.
- The Company's India GST solution continued to be a success. It is a part of the Company's tax management services. Having added more customers during the year, there are over 7 airlines using this service today.
- During the year, the Company integrated a robotics engine into its cost management suite to increase process automation in the accounts payable process. This solution has been successfully deployed at a large European airline.

Accelya Solutions to Consolidate its Offices in Mumbai, India

Currently, the Company has offices spread across 3 locations in Mumbai. The Company has been occupying these premises for over ten years and felt that an upgrade was needed. As a result, it has started the process to consolidate all offices into new office premises at 24x7 Park, Vikhroli, Mumbai, which will be operational in the seccond quarter of F20. The Company's focus is to create these premises in line with international workplace standards that is modern, encourages open culture and enhances employee experience and productivity.

ACCELYA SOLUTIONS' STRENGTHS AND OPPORTUNITIES:

Business Focus, Expertise and Continuous Investment in Products and Services

The Company commands a significant advantage in terms of business domain knowledge and emerging industry changes. Years of experience have provided the Company with a strong base of Intellectual Property and Intellectual Capital. It is seen as a trusted advisor to airlines. The Company is in a unique position to impact the complete book-to-cash and procure-to-pay cycles of airlines.

Keeping up with Technology

The Company is constantly embracing new technology developments to stay relevant for its customers. Its latest investments have been towards building artificial intelligence and machine learning capabilities in its financial solutions. The Company's cost management solution is already integrated with robotics and is impacting efficiency for its customers.

Neutral Service Provider

Accelya Solutions is a neutral service provider and is not governed by any competing airlines. The Company's platforms and processes are independent of any airline or GDS. Confidentiality and security of customer data are of utmost importance to the Company.

Data Protection

The Company takes data privacy very seriously and has relevant controls and compliances in place including PCI DSS 3.2 and ISO 27001: 2015. All of the Company's products and services meet the new privacy standards as per the EU General Data Protection Regulation (GDPR) regulations.

Single Vendor Accountability

Accelya Solutions has pioneered the concept of platform-based managed services in the airline industry. The Company takes complete accountability of the outcome as per the Service Level Agreements (SLAs). It also takes the responsibility for maintaining and upgrading the platform, processes and people skills in line with industry best practices and client requirements.

Relationship with Customers

Accelya Solutions values long-term relationship with its customers. The ability to forge effective and lasting partnerships with large, global airlines is the Company's strength. Over the years, Accelya Solutions' airline customers have extended their association with the Company.

Pay-as-you-use Model

Accelya Solutions offers its solutions on a pay-per-use model. It enables airlines to have a low capex and variable costs. At the same time, this model ensures the Company annuity revenue streams resulting in revenue visibility and foundation for growth. A win-win for customers and the Company.

Ready for the Evolving Airline Distribution Landscape

Accelya Solutions welcomes and is aligned with the upcoming industry changes with respect to IATA's NDC and One Order initiatives. The Company's accounting solution is already certified by IATA as being NDC and One Order capable, and is ready to handle the distribution landscape of the future.

Financial Analysis

Shareholders' funds

Shareholders' funds increased from ₹ 1,738.75 million to ₹ 1,904.53 million during the year 2018-19.

Equity

During the year, Share Capital and Securities Premium stand at ₹ 149.27 million and ₹ 316.98 million respectively.

Presently, Accelya Solutions has 14,926,261 shares (Previous Year 14,926,261) of ₹ 10 each fully paid up.

Profit and Loss Account

Accelya Solutions retained earnings as at June 30, 2019 amount to ₹ 1,189.59 million. The Board has recommended a final dividend of ₹ 15 per share for the financial year 2018-19 at the Board Meeting held on 28th August, 2019.

As at 30th June, 2019, Accelya Solutions book value per share increased to ₹ 127.60 per share as compared to ₹ 116.49 per share as at 30th June, 2018.

General Reserves Account

During the year, General Reserve stands at ₹ 239.15 million. There is no change to this balance in the current year.

Capital Redemption Reserve

During the year, Capital redemption Reserve stands at ₹ 9.54 million. There is no change to this balance in the current year.

Investment

Accelya Solutions Investments at cost, as at 30th June, 2019 stands at ₹ 474.15 million. There is no change to this balance in the current year.

Fixed Assets

Accelya Solutions Gross Block as at June 30, 2019 stood at ₹ 1,682.23 million as compared to ₹ 1,561.15 million as at June 30, 2018. The corresponding Net Block as at June 30, 2019 is ₹ 427.33 million as compared to ₹ 403.40 million as at June 30, 2018.

Product Development

During the year, product development cost amounting to ₹ 105.70 million has been capitalised as intangible assets.

Other Fixed Assets

Accelya Solutions added ₹ 90.23 million to the gross block comprising of ₹ 79.98 million in Plant and Machinery, ₹ 9.76 million in purchase of Software, and the balance ₹ 0.49 million in other assets.

Sale / Disposal of Assets

During the year, Accelya Solutions sold/ disposed off assets with a Gross Book value of ₹ 74.85 million and a depreciated Net Value of ₹ 69.66 million. The sold assets included old plant & machinery and vehicle.

Trades Receivables

Accelya Solutions Net Receivables as at June 30, 2019 amounted to ₹ 745.64 million as compared to ₹ 523.36 million as at June 30, 2018. These debtors are considered good and realizable.

The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates and general economic factors which could affect the customer's ability to settle and finally depending on the management's perception of the risk. The total provision for doubtful debts as at 30th June 2019 stands at ₹ 14.99 million compared to ₹ 14.43 million as at 30th June, 2018.

Trade receivables as a percentage of total revenue is 18.86% as at 30th June 2019 as against 14.52% as at 30th June, 2018.

Non-current Liabilities

As at 30th June, 2019 Accelya Solutions non-current liabilities amount to ₹ 41.62 million as compared to ₹ 68.44 million as at 30th June, 2018.

Current Liabilities

As at 30th June, 2019 Accelya Solutions current liabilities amount to ₹ 571.97 million as compared to ₹ 608.46 million as at 30th June, 2018.

Result of Operations

Sale of services

For the year ended 30th June, 2019, Accelya Solutions recorded operating income of ₹ 3,784.77 million.

Operating Profit

Accelya Solutions reported profit before exceptional items and tax of ₹ 1,560.11 million for the year ended 30th June, 2019.

Profit after Tax

Accelya Solutions recorded a PAT of ₹ 1,038.49 million for the year ended 30th June, 2019.

Dividend

Accelya Solutions recommended a final dividend of ₹ 15 per share amounting to ₹ 269.92 million (including Dividend Distribution Tax ₹ 46.02 million).

IPR Assets and Amortisation

As a value innovator, Accelya Solutions has always believed in developing its own Intellectual Property (IP) and over the years has invested significant amount of resources in this development. All these products have been viewed as the best of the breed products by the industry and highly appreciated by the customers.

Details of IPR assets and amortisation are as follows:

Product IPR	₹ Million
Opening Net Block	145.11
Additions	105.70
Amortisation	39.86
Closing Net Block	210.95

RISKS, CONCERNS AND RISK MITIGATION:

Increasing Competition

New providers and existing technology vendors are constantly foraying into the airline IT and finance domain.

Accelya Solutions is constantly investing in people, solutions and processes to ensure maximum value to its customers.

The company's in-depth knowledge of the industry and its requirements makes Accelya Solutions the partner of choice for airlines.

Uncertain Economic Environment

The airline industry is amongst the first to be impacted by any major economic or political situations. Accelya Solutions is in a good position to mitigate this risk.

The Company has a global customer base. The Company has long term contracts with its customers which generates annuity revenues and provides good visibility on business.

Regulatory Risk

Proposed legislation in certain countries in which Accelya Solutions operates, may restrict airlines in those countries from outsourcing work to the Company, or may limit its ability to send employees to certain client sites.

Accelya Solutions has employees of different nationalities which helps in mitigating this risk to a certain extent.

Cyber Security and Data Privacy Risk

Global cyber security and data privacy threats are ever increasing. Accelya Solutions has relevant controls and compliances in place to address these. The Company's Privacy Management Program covers continuous risk analysis and mitigation for all its products, services and processes.

Currency Volatility

Being a global organization dealing with global customers, volatility in currency exchange movements may affect the results of Accelya Solutions' operations.

The Company has currency hedging policies and practices in place which are regularly reviewed to mitigate this risk.

Resource Availability

Accelya Solutions is in an industry driven by domain knowledge and intellectual property and the Company's success depends in large part on its ability to attract and retain talent.

A strong HR process to identify competency and skill gaps on a continuous basis, a well-defined hiring program, and competency development of the Company's employees continue to be key areas of strategic focus for Accelya Solutions.

Human Capital

Accelya Solutions is committed to enable and encourage a forward-thinking and innovating team. The Company's human capital model is built around creating systems and processes that unlock people and organizational potential, whilst monitoring key objectives and metrics.

Some of these key metrics imperative to our business are shared below. It is our endeavor to…

Attract qualified talent…

Educational Qualifications

Post Graduates	Engineering /Other Graduates	IATA Certified / Diploma holders	Undergraduates
19%	67%	11%	3%

…With deep experience in our domain & technology…

Total Experience

Less than 2 years	2-5 years	5-10 years	More than 10 years
16%	13%	24%	47%

….and encourage practices of inclusion and diversity to bring forth the best in our people….

Gender Diversity

Men	Women
60%	40%

…while making all efforts to retain the best people and enable them grow in their roles

Attrition

Attrition for FY 18-19: 12.83%

Voluntary attrition for the year:

Financial Year	ITS	AMS	Others
2018-19	20.53%	8.83%	14.93%

For the last year, some of the key programs that we were focused on are summarized below:

Accelya Knowledge Circle (AKC): Building a Learning Organization

Creating a culture of continuous learning has been a focus for the Company. This year, the Company built on the success of Coursera for AKC. For the new contract period with Coursera, it aligned the learning content with the key division's learning needs, created custom learning programs, significantly improved the catalogue of courses, opened up access to all employees and saw a much larger adoption of the learning platform.

Strengthening the Company's Performance Culture through DRIVE

DRIVE is Accelya's global performance management process which sits at the intersection of the individual, team and organizational performance. It incorporates continuous feedback and conversations around an individual's goals during the year and then assesses performance against those goals at the end of the year. The quality and transparency of the performance dialogue and process directly impacts the performance of employees and thus the organization.

Empowering Managers to Hire the Right Talent

As part of the Company's vision of leveraging technology, this year the hiring and onboarding processes were digitized using a popular platform that is fully aligned with the current HRMS. The tool also enables future employees to stay engaged with the Company through their notice period and eases their joining processes.

Building an Engaged and Motivated Workforce

The Company introduced a newsletter 'Panorama' which brings together news and views from across global Accelya offices, enabling employees to be aligned and work together towards a collective vision and business outcomes.

The new office premises in Vikhroli, Mumbai with its modern and international design will encourage an open culture and improve employee experience.

Independent Auditor's Report

To the Members of

Accelya Solutions India Limited
(Formerly known as Accelya Kale Solutions Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Accelya Solutions India Limited ("the Company"), which comprise the standalone balance sheet as at 30 June 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 30 June 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The key audit matter	**How our audit addressed the key audit matter**
Revenue Recognition – Adoption of Ind AS 115 "Revenue from Contracts with Customers" and fixed price development contracts	
The Company has adopted Ind AS 115 - Revenue from Contracts with Customers starting 1 July 2018. The application of the new revenue accounting standard involves certain key judgements and principles for evaluating various distinctive terms/matters including new disclosure requirements.	Our audit procedures on adoption of Ind AS 115 - Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, included: ➢ Evaluating the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard.

The key audit matter	How our audit addressed the key audit matter
The Company also derives portion of its revenue from long term fixed price development contracts, where revenue is recognized using the percentage of completion method based on management's estimates of contract efforts. Estimated effort is a critical estimate to determine revenues for fixed price development contract. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations (Refer Note 2(g) to the standalone financial statements).	➢ Selecting samples of continuing and new contracts and performed the following procedures to assess management analysis and impact of Ind AS 115 adoption: • Read, analyse and identify the distinct performance obligations in these contracts. • Compare these performance obligations with that identified and recorded by the Company. • Consider the terms of the contracts and assess the transaction price including any variable consideration to test revenue. ➢ Evaluating the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures. Our audit procedures on revenue recognized from fixed price development contracts includes; ➢ Evaluating the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. ➢ Testing the access and application controls pertaining to time recording system which prevents unauthorised changes to recording of efforts incurred ➢ On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by : • Evaluating the identification of performance obligation. • Testing management's calculation of the estimation of efforts required to complete the contract and onerous obligation, if any. • Observed that the estimates of time required to complete were reviewed and approved by appropriate levels of management; • Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract; • Performed test of details including analytics to determine reasonableness of incurred and estimated efforts.

The key audit matter	How our audit addressed the key audit matter
Capitalisation of internal product development costs	
The Company capitalises costs incurred in developing/ upgrading its software products to launch new service modules and functionality to provide an enhanced suite of services to its customers. During the year, the Company capitalised product development cost of ₹ 105,702,741. The costs mainly comprised of payroll and external consultant cost. Refer Note 2 (e) to the standalone financial statements. The capitalization of internal product development costs was a key audit matter due to size of the internal costs capitalized and the judgment involved in assessing whether the costs met the criteria for capitalisation.	Our audit procedures included: ➢ Evaluating the design and operating effectiveness of the Company's key controls relating to capitalisation of internal product development cost. ➢ Examining the capitalised costs to determine the nature of cost and assess whether the costs met the capitalization criteria. ➢ Tested samples of employee and external consultants to assess the capacity in which they were employed and performed a recalculation of cost capitalized from the remuneration paid.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 30 June 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 30 June 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The Company has disclosed the impact of pending litigations as at 30 June 2019 on its financial position in its standalone financial statements - Refer Note 43 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts- Refer Note 48 to the standalone financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

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

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

Place : Thane
Date : 28 August 2019

Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 30 June 2019, we report the following:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.

(ii) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act.") Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees and security given in respect of which provisions of section 185 and 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, as per the provisions of Sections 73 to 76, any other relevant provisions of the Act and rules framed thereunder.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148 of the Act for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of Customs, Cess and any other material statutory dues have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues were in arrears as at 30 June 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Goods and Service tax, duty of Customs and Value added tax, which have not been deposited by the Company on account of any dispute, except the following:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax under Reverse Charge Mechanism	56,904,736**	Financial year 2011-12 to 2014-15	Customs Excise and Service Tax Appellate Tribunal (CESTAT), Maharashtra
**Net of amount deposited with authorities amounting to ₹ 2,217,068				

(viii) According to the information and explanations given to us, the Company did not have any outstanding loans or borrowings from any financial institution or bank or government or dues to debenture holders during the year.

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

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

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

(xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

Place : Thane
Date : 28th August 2019

Annexure B to the Independent Auditors' Report on the standalone financial statements of Accelya Solutions India Limited (formerly known as Accelya Kale Solutions Limited) for the year ended 30 June 2019

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

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Accelya Solutions India Limited ("the Company") as of 30 June 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 30 June 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

Place : Thane
Date : 28th August 2019

Balance sheet as at 30 June 2019	Note	30 June 2019 ₹	30 June 2018 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3	**195,001,022**	208,516,612
Capital work in progress	3	**7,993,988**	4,357,652
Other intangible assets	4	**232,332,622**	194,883,001
Intangible assets under development	4	**1,760,000**	-
Financial assets			
Investments	5	**474,154,544**	474,154,544
Loans	6	**38,554,998**	31,746,264
Other financial assets	7	**26,986,136**	13,071,339
Income tax assets (net)	8	**10,505,612**	9,412,582
Deferred tax assets (net)	9	**51,587,436**	50,463,421
Other assets	10	**65,615,982**	65,660,931
Total non-current assets		**1,104,492,340**	1,052,266,346
Current assets			
Financial assets			
Investments	11	**123,633,803**	327,423,513
Trade receivables	12	**745,643,523**	523,358,483
Unbilled receivables	13	**83,395,296**	306,896,855
Cash and cash equivalents	14	**25,696,985**	23,485,995
Other bank balances	15	**41,267,467**	37,602,738
Loans	16	**20,801,920**	11,180,309
Other financial assets	17	**17,262,813**	8,754,427
Other assets	18	**355,923,167**	124,681,354
Total current assets		**1,413,624,974**	1,363,383,674
TOTAL ASSETS		**2,518,117,314**	2,415,650,020
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	**149,268,660**	149,268,660
Other equity	20	**1,755,262,691**	1,589,481,750
Total equity		**1,904,531,351**	1,738,750,410
Non-current liabilities			
Financial liabilities			
Other financial liabilities	21	**880,797**	27,151,082
Provisions	22	**40,738,311**	37,609,292
Other liabilities	23	**-**	3,683,510
Total non-current liabilities		**41,619,108**	68,443,884
Current liabilities			
Financial liabilities			
Trade payables	24		
a. Total outstanding dues of micro enterprises and small enterprises		**4,009,587**	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		**167,185,824**	173,210,283
Other financial liabilities	25	**200,593,888**	248,981,615
Deferred revenue	26	**34,434,272**	56,975,852
Provisions	27	**31,800,041**	23,043,181
Income tax liabilities (net)	28	**49,151,446**	75,194,091
Other liabilities	29	**84,791,797**	31,050,704
Total current liabilities		**571,966,855**	608,455,726
TOTAL EQUITY & LIABILITIES		**2,518,117,314**	2,415,650,020
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878

ICAI UDIN: 19112878AAAAAU2829

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Statement of Profit and Loss for the year ended 30 June 2019	Note	30 June 2019 ₹	30 June 2018 ₹
Revenue			
Revenue from operations	*30*	**3,784,767,732**	3,450,411,857
Other income	*31*	**167,968,380**	152,942,936
Total income		**3,952,736,112**	3,603,354,793
Expenses			
Employee benefit expenses	*32*	**1,319,176,223**	1,287,416,746
Operating and other expense	*33*	**906,648,948**	764,465,436
Depreciation and amortisation expense	*34*	**166,804,177**	143,302,872
Total expenses		**2,392,629,348**	2,195,185,054
Profit before tax		**1,560,106,764**	1,408,169,739
Tax expenses:			
Current tax	*36*	**522,739,398**	512,078,059
Deferred tax	*36*	**(1,124,015)**	(51,071,669)
Profit for the year		**1,038,491,381**	947,163,349
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligation		**(9,076,805)**	4,723,409
Income tax related to items that will not be reclassified to profit or loss		**-**	-
Items that will be reclassified to profit or loss		**-**	-
Total comprehensive income for the year		**1,029,414,576**	951,886,758
Earnings per equity share (face value of ₹ 10 each)			
Basic and diluted	*35*	69.57	63.46
Significant accounting policies	*2*		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Statement of Changes in Equity for the year ended 30 June 2019

A Equity share capital

(Amount in ₹)

	Number of shares	Amount
Balance as at 1 July 2017	14,926,866	149,268,660
Changes in equity share capital during 2017-18	-	-
Balance as at 30 June 2018	**14,926,866**	**149,268,660**
Changes in equity share capital during 2018-19	-	-
Balance as at 30 June 2019	**14,926,866**	**149,268,660**

B Other equity

Particulars	Attributable to the owners of the Company					
	Reserves & Surplus				Items of OCI	Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Remeasurement of defined benefit plan (net of tax)	
Balance at 1 July, 2017	**9,538,260**	**316,984,098**	**239,151,558**	**1,019,703,346**	**(3,699,245)**	**1,581,678,017**
Profit for the year	-	-	-	947,163,349	-	947,163,349
Other comprehensive income (OCI) for the year	-	-	-	-	4,723,409	4,723,409
Total comprehensive income for the year	**-**	**-**	**-**	**947,163,349**	**4,723,409**	**951,886,758**
Other changes						
Interim dividend	-	-	-	(208,967,654)	-	(208,967,654)
Dividend distribution tax on interim dividend	-	-	-	(42,540,897)	-	(42,540,897)
Dividend distribution tax credit	-	-	-	26,021,387	-	26,021,387
Final equity dividend	-	-	-	(597,050,440)	-	(597,050,440)
Dividend distribution tax on final dividend	-	-	-	(121,545,421)	-	(121,545,421)
Balance at 30 June, 2018	**9,538,260**	**316,984,098**	**239,151,558**	**1,022,783,670**	**1,024,164**	**1,589,481,750**
Balance at 1 July, 2018	**9,538,260**	**316,984,098**	**239,151,558**	**1,022,783,670**	**1,024,164**	**1,589,481,750**
Profit for the year	-	-	-	1,038,491,381	-	1,038,491,381
Other comprehensive income/(loss) for the year	-	-	-	-	(9,076,805)	(9,076,805)
Total comprehensive income for the year	**-**	**-**	**-**	**1,038,491,381**	**(9,076,805)**	**1,029,414,576**

Particulars	Attributable to the owners of the Company					
	Reserves & Surplus				Items of OCI	Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Remeasurement of defined benefit plan (net of tax)	
Other changes						
Interim dividend	-	-	-	(253,746,437)	-	(253,746,437)
Dividend distribution tax on interim dividend	-	-	-	(52,158,326)	-	(52,158,326)
Dividend distribution tax credit	-	-	-	18,091,860	-	18,091,860
Final equity dividend	-	-	-	(477,640,352)	-	(477,640,352)
Dividend distribution tax on final dividend	-	-	-	(98,180,380)	-	(98,180,380)
Balance at 30 June, 2019	**9,538,260**	**316,984,098**	**239,151,558**	**1,197,641,416**	**(8,052,641)**	**1,755,262,691**

Pursuant to the requirements of Division II to Schedule III of Companies Act, 2013, below is the nature and purpose of the above:

(i) Capital redemption reserve
Capital redemption reserve was created on account of buy-back of equity share capital.

(ii) Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve
Amount in general reserve is transferred from profit and loss upon distribution of Dividend and is used from time to time to transfer profit from retained earnings for appropriate purposes.

(iv) Retained earnings
Retained earnings comprises of prior & current years undistributed earnings after tax.

Significant accounting policies - Refer note no. 2

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Cash flow statement for the year ended 30 June 2019	30 June 2019 ₹	30 June 2018 ₹
Cash flows from operating activities		
Net profit before tax	**1,560,106,764**	1,408,169,739
Adjustments for:		
Depreciation and amortization	**166,804,177**	143,302,872
Loss/ (Profit) on property, plant and equipment	**4,596,618**	(531,728)
Provision for doubtful debts charge	**557,882**	5,514,580
Credit balances written back	**(16,368,333)**	(7,466,244)
Unrealised exchange loss/ (gain)	**26,177,392**	(12,921,468)
Interest on bank deposits	**(1,286,271)**	(497,534)
Mark to market (gain)/ loss on forward contract	**(61,695,318)**	161,766,914
Dividend income from mutual fund	**(10,710,285)**	(12,182,510)
Dividend income from subsidiary	**(88,015,594)**	(127,821,200)
Operating cash flow before working capital changes	**1,580,167,032**	1,557,333,421
Working capital changes:		
(Increase)/ Decrease in trade receivables	**(228,274,058)**	41,360,731
(Increase) in financial assets	**(16,994,553)**	(7,149,652)
(Increase) in other assets	**(250,705,623)**	(33,347,888)
Decrease/ (Increase) in unbilled receivables	**223,501,559**	(139,239,871)
Increase in trade payables	**13,784,346**	48,945,872
Increase in financial liabilities	**10,840,697**	31,965,618
Increase/ (Decrease) in other liabilities	**29,647,520**	(28,763,691)
Cash generated from operations	**1,361,966,920**	1,471,104,540
Taxes paid, net	**(549,875,073)**	(511,320,494)
Net cash flow generated from operating activities (A)	**812,091,847**	959,784,046
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	**(250,354,340)**	(203,701,256)
Proceeds from sale of property, plant and equipment	**593,118**	614,155
Interest received on bank deposits	**1,344,572**	258,109
Dividend received from subsidiaries	**88,015,594**	127,821,200
Dividend received on mutual fund investments	**10,710,285**	12,182,510
Purchase of investments in a mutual fund units	**(2,676,710,295)**	(2,551,179,607)
Sale of investments in a mutual fund units	**2,880,500,005**	2,604,000,000
Investment in bank deposits having maturity more than 3 months	**(4,476,054)**	(18,859,927)
Margin money deposits matured	**4,120,718**	18,633,700
Net cash flow generated from/ (used in) investing activities (B)	**53,743,603**	(10,231,116)

Cash flow statement (Continued) for the year ended 30 June 2019	30 June 2019 ₹	30 June 2018 ₹
Cash flow from financing activities		
Dividend paid (including dividend distribution tax thereon)	**(863,633,635)**	(944,083,025)
Net cash flow used in financing activities (C)	**(863,633,635)**	(944,083,025)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**2,201,815**	5,469,905
Effect of exchange differences on cash and cash equivalents held in foreign currency	**9,175**	727,055
Cash and cash equivalents at the beginning of the year	**23,485,995**	17,289,035
Cash and cash equivalents at the end of the year (refer note no. 14)	**25,696,985**	23,485,995
Note to Cash flow statement:		
(a) Components of cash and cash equivalents		
Balance with banks		
in current accounts	**8,610,372**	5,946,609
in EEFC accounts	**1,213,180**	2,539,386
Bank deposit with maturity less than 3 months	**15,873,433**	15,000,000
Total cash and cash equivalents	**25,696,985**	23,485,995

Significant accounting policies - Refer note no. 2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

Place : Thane
Date : 28th August 2019

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Notes to the financial statements

1. Corporate information

Accelya Solutions India Limited ("Accelya" or "the Company") is a software solutions provider to the global Airline and Travel industry.

Accelya delivers world class software products, managed processes, technology and hosting services. Accelya's industry solutions are driven by active partnerships with industry bodies and customers, and significant domain knowledge. Its customised approach in deploying these solutions supports clients with best fit solutions to match their requirements. The company is a public limited company and domiciled in India. The address of the corporate office is Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune, Maharashtra, India, 411037 The board of directors approved the financial statements for the year ended 30 June 2019 and authorized for issue on 28 August 2019.

2. Significant accounting policies

a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation

The financial statements are presented in Indian Rupees (₹) which is also the functional currency of the company. All amounts are rounded off to the nearest rupee, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities including defined benefit plans - plan assets measured at fair value.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. 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. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for 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 net realisable value in value in use in Ind AS 36.

c) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised prospectively.

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 are included in the following note:

Notes to the financial statements *(Continued)*

(i) Estimation of useful life of property, plant and equipment (refer note 2(d))

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

(ii) Estimation of defined benefit obligation (refer note 2(l)(b))

Cost of defined benefit plan and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes determination of discount rates, future salary increase and mortality rates. Due to the complexities involved in the valuation and its nature, a defined benefit is highly sensitive to change in these assumptions. All assumptions are reviewed at each Balance Sheet date.

(iii) Impairment of trade receivables (refer note 2(j)(I))

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

(iv) Provisions and contingent liabilities (refer note 2(o))

A provision is recognized when the Company has a present value obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d) Property, plant and equipment (PPE)

Property, plant and equipments are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/ amortisation and impairment loss.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

For each class of assets, based on internal assessment and independent technical evaluation carried out by external valuer, the management believes that the useful lives as given below best represent the period over which management expects to use these assets.

Depreciation on PPE has been provided on the straight-line method over the estimated useful life of all its asset. These lives are in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of for Furniture and Fixtures and Vehicles in whose case the life of the assets has been assessed and is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Depreciation/ amortization for the year is recognised in the Statement of Profit and Loss.

Notes to the financial statements *(Continued)*

The useful life of the assets considered for depreciation is summarized below:

Building	30 years
Plant and machinery and computer equipment	3 to 6 years
Furniture and fixtures, Equipment and other assets	4 to 6 years
Software acquired/ developed	3 to 5 years
Vehicles	5 years
Leasehold improvements	To be amortized over the lesser of the period of lease and the useful life of the asset

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is changed over the revised remaining useful life.

Subsequent expenditure

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

e) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

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. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Product Development cost

Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sell the asset;
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment

Notes to the financial statements *(Continued)*

losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit i.e., the estimated useful life. Amortization is recognized in the statement of profit and loss.

f) Impairment of non-financial asset

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually or at period end for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or "CGU") that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognised for goodwill is not subsequently reversed.

g) Revenue recognition

Revenue is derived primarily from transaction processing, managed processes, technology and hosting services, licensing of software products, related implementation and maintenance services.

Effective 1 July 2018, the Company has applied Ind AS 115, *Revenue from Contracts with Customers*, using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. 1 July 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 3(d) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 30 June 2018, for revenue recognition policy as per Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenues from transaction processing service i.e. airline ticket and coupon processing charges is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue.

Notes to the financial statements *(Continued)*

- Revenue from sale of user licenses where the customer obtains a 'right to use' the licenses is recognized at the time the license is made available to the customer, except in case of multiple element contracts which require significant implementation services and customization, the entire arrangement is considered to be a significant performance obligation and revenue is recognised using the percentage of completion method as the implementation and customization is performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised based on percentage of completion method considering the actual time spent on the contract to the total estimate time to complete the contract.

  When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

- Revenue related to fixed price maintenance and support services contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- Revenue related to client training and other services are recognized as the related services are performed.

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

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

Deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

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

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers primary by geographical market and service lines.

Use of significant judgements in revenue recognition

The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

The Company's contracts with customers could include promises to transfer multiple products and services, to a customer. The Company assesses the products / services promised in a contract and identifies distinct or multiple performance obligations in the contract. Identification of these performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Notes to the financial statements *(Continued)*

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

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

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

h) Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Rental expenses from operating lease in the books of lessee are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation. Contingent rentals arising under operating leases are recognised as an expense in the period in which they incurred.

Finance Lease

Leases under which the Company being lessee assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term on a straight-line basis.

i) Foreign currency transactions and balances

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

Notes to the financial statements *(Continued)*

j) Financial Instruments:

I. Financial Assets:

Classification

On initial recognition the Company classifies financial assets as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Cash and cash equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to the financial statements *(Continued)*

The Company has elected to continue with the carrying value of all its equity investments as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Derecognition

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, and payables).

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

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

Notes to the financial statements *(Continued)*

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

k) Fair value measurement

'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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence

Notes to the financial statements *(Continued)*

of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

l) Employee benefits

a. Short-term employee benefits

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

b. Post-employment benefits

Defined Contribution Plan

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined Benefit Plan

The Company's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to 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. Actuarial gains and losses are recognized in other comprehensive income.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

c. Compensated absences

Provision for compensated absences cost has been made based on actuarial valuation by an independent actuary at balance sheet date.

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Notes to the financial statements *(Continued)*

m) Income taxes

Income-tax expense comprises current tax and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

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

Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to deferred tax assets when they are realised or deferred tax liabilities when they are settled, using tax rates enacted or substantively enacted at the reporting date.

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

n) Earnings per share ('EPS')

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises of weighted average number of shares considered for deriving basic earning per share, and also the weighted average number of equity shares which may be issued on conversion of all dilutive potential shares, unless the results would be anti – dilutive.

o) Provisions and contingent liabilities

Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes to the financial statements *(Continued)*

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company and makes strategic decisions. The company operates in one reportable business segment i.e. software solutions.

q) Investments

Investments in subsidiaries is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

r) Government grants

Government grants are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant will be received.

s) Recent accounting developments

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

Ind AS 116, Leases

On 30 March 2019, Ministry of Corporate Affairs (MCA) has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after 1 April 2019 (1 July 2019 for the company). The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Notes to the financial statements *(Continued)*

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application (1 July 2019). Accordingly, comparatives for the year ended 30 June 2019 will not be retrospectively adjusted.

On transition, for leases other than short-term leases, the Company will recognise a right of-use asset of approx.. ₹ 851,691,780 and a corresponding lease liability of approx.. ₹ 886,419,525.

Amendment to Ind AS 12 – Income Taxes

On 30 March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognise the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the entity originally recognised those past transactions or events that generated distributable profits were recognised. The effective date of these amendments is annual periods beginning on or after 1 April 2019 (1 July 2019 for the Company). The Company is currently assessing the impact of this amendment on the Company's financial statements.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

On 30 March 2019, Ministry of Corporate Affairs issued Appendix C to Ind AS 12, which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The effective date for adoption of Appendix C to Ind AS 12 is 1 April 2019 (1 July 2019 for the Company). The Company will apply Appendix C to Ind AS 12 prospectively from the effective date and the Company is currently assessing the impact of this amendment on the Company's financial statements.

Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

On 30 March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. These amendments are effective for annual reporting periods beginning on or after 1 April 2019 (1 July 2019 for the Company). The Company will apply the amendment from the effective date and the Company is currently assessing the impact of this amendment on the Company's financial statements.

Notes to the financial statements *(Continued)*

3 Property, plant and equipment

	Building	Plant and machinery and computer equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
	₹	₹	₹	₹	₹	₹
Gross carrying amount						
As at 1 July 2017	63,259,128	556,866,003	63,908,758	9,509,521	24,423,767	717,967,177
Additions during the year	-	51,854,130	2,654,488	-	107,601	54,616,219
Deletions/ disposals	-	61,882,928	-	2,310,436	-	64,193,364
As at 30 June 2018	63,259,128	546,837,205	66,563,246	7,199,085	24,531,368	708,390,032
Additions during the year	-	79,979,323	485,821	-	-	80,465,144
Deletions/ disposals	-	73,517,196	-	1,333,344	-	74,850,540
As at 30 June 2019	**63,259,128**	**553,299,332**	**67,049,067**	**5,865,741**	**24,531,368**	**714,004,636**
Accumulated depreciation						
As at 1 July 2017	38,831,098	361,977,734	49,897,345	7,697,682	21,927,898	480,331,757
Charge for the year	2,108,638	74,825,187	5,601,109	529,236	588,430	83,652,600
Deletions/ disposals	-	61,800,501	-	2,310,436	-	64,110,937
As at 30 June 2018	40,939,736	375,002,420	55,498,454	5,916,482	22,516,328	499,873,420
Charge for the year	2,108,638	81,526,060	4,052,781	529,236	574,283	88,790,998
Deletions/ disposals	-	68,327,460	-	1,333,344	-	69,660,804
As at 30 June 2019	**43,048,374**	**388,201,020**	**59,551,235**	**5,112,374**	**23,090,611**	**519,003,614**
Net carrying amount						
As at 30 June 2018	22,319,392	171,834,785	11,064,792	1,282,603	2,015,040	208,516,612
As at 30 June 2019	**20,210,754**	**165,098,312**	**7,497,832**	**753,367**	**1,440,757**	**195,001,022**

	Capital work in progress
As at 1 July 2017	6,425,100
Additions	4,357,652
Assets capitalisation during the year	(6,425,100)
As at 30 June 2018	4,357,652
Additions	7,993,988
Assets capitalisation during the year	(4,357,652)
As at 30 June 2019	**7,993,988**

Notes to the financial statements *(Continued)*

4 Other intangible assets

	Internally developed software	Acquired software	Total
	₹	₹	₹
Gross carrying amount			
As at 1 July 2017	384,436,495	331,655,643	716,092,138
Purchase/ internal development	108,996,060	27,674,514	136,670,574
Deletions/ disposals	-	-	-
As at 30 June 2018	493,432,555	359,330,157	852,762,712
Purchase/ internal development	105,702,741	9,760,059	115,462,800
Deletions/ disposals	-	-	-
As at 30 June 2019	**599,135,296**	**369,090,216**	**968,225,512**
Accumulated amortisation			
As at 1 July 2017	326,452,217	271,777,222	598,229,439
Charge for the year	21,869,530	37,780,742	59,650,272
Deletions/ disposals	-	-	-
As at 30 June 2018	348,321,747	309,557,964	657,879,711
Charge for the year	39,866,039	38,147,140	78,013,179
Deletions/ disposals	-	-	-
As at 30 June 2019	**388,187,786**	**347,705,104**	**735,892,890**
Net carrying amount			
As at 30 June 2018	145,110,808	49,772,193	194,883,001
As at 30 June 2019	**210,947,510**	**21,385,112**	**232,332,622**

	Intangible assets under development
As at 1 July 2017	-
Additions	108,996,060
Capitalisation during the year	(108,996,060)
As at 30 June 2018	-
Additions	107,462,741
Capitalisation during the year	(105,702,741)
As at 30 June 2019	**1,760,000**

Notes to the financial statements *(Continued)*

The estimated amortisation for the year subsequent to 30 June 2019 is as follows:

	Amortisation expenses ₹
Year ending 30th June	
2020	67,277,367
2021	55,884,616
2022	47,934,131
2023	43,233,264
2024	21,378,256
Total	**235,707,634**

5 Non-current investments

Unquoted investments

	30 June 2019 ₹	30 June 2018 ₹
Investment in equity instruments of subsidiaries		
1,300,000 (30 June 2018: 1,300,000) Class A voting common stock of Accelya Solutions Americas Inc. *(formerly known as Kale Softech Inc.)* of USD 0.01 each fully paid up	**57,979,585**	57,979,585
111,000 (30 June 2018: 111,000) ordinary shares of Accelya Solutions UK Limited *(formerly known as Zero Octa UK Ltd)* of GBP 0.01 each fully paid up	**416,114,959**	416,114,959
Investments in Shares of Co-operative Banks carried at fair value through profit or loss		
Rupee Co-operative Bank Limited (unquoted)		
5,000 (30 June 2018: 5,000) equity shares of ₹ 10 each fully paid up	**50,000**	50,000
Saraswat Co-operative Bank Limited (unquoted)		
1,000 (30 June 2018: 1,000) equity shares of ₹ 10 each fully paid up	**10,000**	10,000
	474,154,544	474,154,544
All units are in absolute numbers		
Aggregate value of unquoted investments	**474,154,544**	474,154,544

6 Loans - non current

	30 June 2019 ₹	30 June 2018 ₹
Lease deposits	**38,554,998**	31,746,264
	38,554,998	31,746,264

Notes to the financial statements *(Continued)*

7 Other non-current financial assets

	30 June 2019	30 June 2018
	₹	₹
Other deposits	**12,455,943**	11,891,735
Margin money deposit	**391,800**	370,075
Interest accrued on bank deposits	**20,243**	104,254
Derivative asset - forward contracts	**14,118,150**	705,275
	26,986,136	13,071,339

Margin money deposit
Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 391,800 (30 June 2018: ₹ 370,075) which are due to mature after twelve months of the reporting date.

8 Income tax assets (net)

	30 June 2019	30 June 2018
	₹	₹
Advance income-tax (net of provision for tax of ₹ 991,458,306, 30 June 2018: ₹ 882,936,397)	**10,505,612**	9,412,582
	10,505,612	9,412,582

9 Deferred tax assets

	30 June 2019	30 June 2018
	₹	₹
Deferred tax assets		
Provision for compensated absences	**15,374,149**	17,255,560
Provision for doubtful debts	**4,365,103**	5,043,748
Difference between tax and book value of fixed assets	**8,445,976**	770,487
Mark to market loss on derivative instruments	**-**	12,694,030
Deferred Rent	**17,526,676**	3,885,744
Provision on service tax/ Goods and service tax refund	**5,712,196**	3,750,261
Others	**11,485,669**	10,782,938
	62,909,769	54,182,768
Deferred tax liabilities		
Mark to market gain on derivative instruments	**(7,387,319)**	-
Others	**(3,935,014)**	(3,719,347)
	(11,322,333)	(3,719,347)
Total	**51,587,436**	50,463,421

Note: For movement of deferred tax assets/ (liabilities), please refer to note no. 36

Notes to the financial statements *(Continued)*

10 Other non-current assets

	30 June 2019	30 June 2018
	₹	₹
Indirect taxes recoverable	-	33,411,283
Service tax refund receivable	**32,024,985**	18,180,586
Goods and Service tax refund receivable	**21,985,028**	-
Discount in advance	-	9,397,619
Prepaid expenses	**11,605,969**	4,671,443
	65,615,982	65,660,931

Discount in advance
Discount in advance represent discount given to customer to be amortised over the period of contract.

11 Current investments
Non-trade, unquoted investments

	30 June 2019	30 June 2018
	₹	₹
Investments in Mutual Fund carried at fair value through profit or loss		
HDFC		
6,564.958 Liquid Fund Div Reinvest of ₹ 1019.82 (30 June 2018: 89,946.983 Liquid Fund Div Reinvest of ₹ 1019.82) (net asset value of unquoted investment)	**6,695,075**	91,729,732
ICICI Prudential		
661,765.889 Liquid Fund Div Reinvest of ₹ 100.1482 (30 June 2018: 607,591.507 Liquid Fund Div Reinvest of ₹ 100.1482) (net asset value of unquoted investment)	**66,274,663**	60,849,196
Birla Sun Life		
262,956.149 Liquid fund Div reinvest of ₹ 100.1950 (30 June 2018: 753,085.860 Liquid fund Div reinvest of ₹ 100.2169) (net asset value of unquoted investment)	**26,346,891**	75,471,930
SBI Premier		
24,238.399 Liquid fund Div reinvest of ₹ 1003.25 (30 June 2018: 99,050.740 Liquid fund Div reinvest of ₹ 1003.25) (net asset value of unquoted investment)	**24,317,174**	99,372,655
Total	**123,633,803**	327,423,513
All units are in absolute numbers		
Aggregate value of unquoted investments	**123,633,803**	327,423,513

Notes to the financial statements *(Continued)*

12 Trade receivables (unsecured)

	30 June 2019	30 June 2018
	₹	₹
Trade receivables		
a. Considered good	**745,643,523**	523,358,483
b. Credit impaired	**14,990,052**	14,433,803
Less: Allowance for bad and doubtful trade receivables (refer note no. 39)	**(14,990,052)**	(14,433,803)
Net trade receivables	**745,643,523**	523,358,483
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note no. 41)	**314,874,489**	120,271,175
Allowance for bad and doubtful trade receivables	**-**	-
Net trade receivables	**314,874,489**	120,271,175

13 Unbilled receivables

	30 June 2019	30 June 2018
	₹	₹
Unbilled receivables	**83,395,296**	306,896,855
	83,395,296	306,896,855
Total unbilled receivables from related parties (refer note no. 41)	**56,459,154**	138,889,482

14 Cash and cash equivalents

	30 June 2019	30 June 2018
	₹	₹
Cash and cash equivalents		
Balances with bank		
On current accounts	**8,610,372**	5,946,609
In EEFC accounts	**1,213,180**	2,539,386
Bank deposit with maturity less than 3 months	**15,873,433**	15,000,000
	25,696,985	23,485,995

Notes to the financial statements *(Continued)*

15 Other bank balances

	30 June 2019	30 June 2018
	₹	₹
Margin money deposits	**4,454,329**	4,120,718
Unclaimed dividend *	**36,813,138**	33,482,020
	41,267,467	37,602,738

*The Company can utilize this balance only towards settlement of unclaimed dividend.

Margin money deposit
Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 4,454,329 (30 June 2018: ₹ 4,120,718) which are due to mature within twelve months of the reporting date.

Due after 12 months (refer note 7)	**391,800**	370,075

16 Loans

	30 June 2019	30 June 2018
	₹	₹
Lease deposits	**20,801,920**	11,180,309
	20,801,920	11,180,309

17 Other current financial assets

	30 June 2019	30 June 2018
	₹	₹
Interest accrued on bank deposits	**520,773**	495,063
Derivative asset - forward contracts	**16,742,040**	8,259,364
	17,262,813	8,754,427

Notes to the financial statements *(Continued)*

18 Other current assets

	30 June 2019 ₹	30 June 2018 ₹
Indirect taxes recoverable	**23,156,395**	37,905,621
Contract asset	**161,646,093**	-
Goods and Service tax refund receivable	**68,492,707**	-
Service tax refund receivable	**796,402**	26,740,516
VAT Refund receivable	**111,782**	-
Prepaid expenses	**89,594,880**	47,382,343
Discount in advance	**-**	2,891,775
Other advances recoverable	**12,124,908**	9,761,099
	355,923,167	124,681,354

Discount in advance
Discount in advance represent discount given to customer to be amortised over the period of contract.

19 Equity share capital

	30 June 2019 ₹	30 June 2018 ₹
Authorised share capital		
20,200,000 (30 June 2018: 20,200,000) equity shares of ₹ 10 each	**202,000,000**	202,000,000
Issued, subscribed and paid-up share capital		
14,926,261 (30 June 2018: 14,926,261) equity shares of ₹ 10 each fully paid up	**149,262,610**	149,262,610
Forfeited shares *	**6,050**	6,050
Total issued, subscribed and paid-up share capital	**149,268,660**	149,268,660

* Shares forfeited on 23 October 2003

Notes to the financial statements *(Continued)*

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

Equity shares

	30 June 2019		30 June 2018	
	Number of shares	**₹**	Number of shares	₹
At the beginning and end of the year	**14,926,261**	**149,262,610**	14,926,261	149,262,610

b. Rights, preference and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as follows

	30 June 2019	30 June 2018
	₹	₹
Accelya Holding World S.L.U		
11,143,295 (30 June 2018: 11,143,295) equity shares of ₹ 10 each fully paid	**111,432,950**	111,432,950

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

	30 June 2019		30 June 2018	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of ₹ 10 each fully paid				
Accelya Holding World S.L.U	**11,143,295**	**74.66**	11,143,295	74.66

Notes to the financial statements *(Continued)*

20 Other equity

	30 June 2019	30 June 2018
	₹	₹
Reserves and surplus		
Capital redemption reserve	**9,538,260**	9,538,260
Securities premium	**316,984,098**	316,984,098
General reserve	**239,151,558**	239,151,558
Retained earnings	**1,189,588,775**	1,023,807,834
	1,755,262,691	1,589,481,750
(i) Capital redemption reserve		
At the commencement and end of the year	**9,538,260**	9,538,260
(ii) Securities premium		
At the commencement and end of the year	**316,984,098**	316,984,098
(iii) General reserve		
At the commencement and end of the year	**239,151,558**	239,151,558
(iv) Retained earnings		
At the commencement of the year	**1,023,807,834**	1,016,004,101
Add: Net profit for the year	**1,038,491,381**	947,163,349
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of defined benefit obligation	**(9,076,805)**	4,723,409
Less: Appropriations		
Interim dividend (current year amount per share ₹ 17, previous year amount per share ₹ 14)	**253,746,437**	208,967,654
Dividend distribution tax on interim dividend	**52,158,326**	42,540,897
Dividend distribution tax credit	**(18,091,860)**	(26,021,387)
Final equity dividend (current year amount per share ₹ 32, previous year amount per share ₹ 40)	**477,640,352**	597,050,440
Dividend distribution tax on final dividend	**98,180,380**	121,545,421
Total appropriations	**863,633,635**	944,083,025
Balance at the end of the year	**1,189,588,775**	1,023,807,834
Total reserve and surplus	**1,755,262,691**	1,589,481,750

Notes to the financial statements *(Continued)*

21 Other non-current financial liabilities

	30 June 2019	30 June 2018
	₹	₹
Derivative liability - forward contracts	-	26,170,285
Deposit received	**880,797**	980,797
	880,797	27,151,082

22 Provisions

	30 June 2019	30 June 2018
	₹	₹
Provision for employee benefits		
- Compensated absences (refer to note 37)	**40,738,311**	37,609,292
	40,738,311	37,609,292

23 Other non-current liabilities

	30 June 2019	30 June 2018
	₹	₹
Deferred rent liability	-	3,683,510
	-	3,683,510

24 Trade payables

	30 June 2019	30 June 2018
	₹	₹
- Total outstanding dues of micro and small enterprises (refer to note 45)	**4,009,587**	-
- Total outstanding dues of creditors other than micro and small enterprises	**167,185,824**	173,210,283
	171,195,411	173,210,283
Total trade payables from related parties (refer note no. 41)	**74,471,831**	41,441,431

Notes to the financial statements *(Continued)*

25 Other current financial liabilities

	30 June 2019	30 June 2018
	₹	₹
Creditors for capital goods	**4,290,820**	53,320,880
Unclaimed dividends	**36,813,138**	33,482,020
Provision for salaries and incentives	**153,998,280**	143,057,583
Derivative liability - forward contracts	**5,491,650**	19,121,132
	200,593,888	248,981,615

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund

26 Deferred revenue

	30 June 2019	30 June 2018
	₹	₹
Deferred revenue (refer note no. 30)	**34,434,272**	56,975,852
	34,434,272	56,975,852

27 Provisions

	30 June 2019	30 June 2018
	₹	₹
Provision for employee benefit		
- Compensated absences (refer to note 22 and 37)	**12,057,542**	11,771,317
- Gratuity (refer to note 37)	**19,742,499**	11,271,864
	31,800,041	23,043,181

28 Income tax liabilities (net)

	30 June 2019	30 June 2018
	₹	₹
Provision for income tax (net of advance tax ₹ 590,319,321, 30 June 2018: ₹ 569,788,267)	**49,151,446**	75,194,091
	49,151,446	75,194,091

Notes to the financial statements *(Continued)*

29 Other current liabilities

	30 June 2019 ₹	30 June 2018 ₹
Provident fund contribution payable	**6,617,443**	5,990,919
Profession tax payable	**242,750**	241,175
Tax deducted at source payable	**14,612,730**	11,839,164
Value added tax payable	**-**	10,071
Payable to employee state insurance corporation	**282,514**	268,111
Goods and Service Tax payable	**2,848,599**	5,264,855
Deferred rent liability	**60,187,761**	7,436,409
	84,791,797	31,050,704

30 Revenue from operations

	30 June 2019 ₹	30 June 2018 ₹
Sale of services	**3,758,032,897**	3,439,247,397
Other operating revenue	**26,734,835**	11,164,460
	3,784,767,732	3,450,411,857

Disaggregate revenue information

Disaggregation of revenue by geography

Continent	30 June 2019 ₹
Asia Pacific	1,310,488,421
Middle East and Africa	593,935,408
Americas	1,120,638,716
Europe	732,970,352
Total	**3,758,032,897**

Disaggregation of revenue by service lines

Service lines	30 June 2019 ₹
Finance Solutions	3,162,564,140
Industry & Audit Solutions	484,272,711
Commercial Solutions	102,527,209
Cargo & Logistics	8,668,837
Total	**3,758,032,897**

Notes to the financial statements *(Continued)*

Remaining performance obligations

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 556,150,976 out of which approx. 43.30% is expected to be recognised as revenue in next year and the balance thereafter. No consideration from contracts with customers is excluded from the amounts mentioned above.

Contract asset and liabilities

During the year ended 30 June 2019, the Company recognized revenue of ₹ 57,382,848 out of opening gross deferred revenue of ₹ 67,964,338 (deferred revenue as of 1 July 2018, net of debtor balance is ₹ 56,975,852)

During the year ended 30 June 2019, ₹ 162,179,544 million of unbilled revenue pertaining to fixed-price development contracts (contract assets) which had an amount of ₹ 175,452,629 million as at 1 July 2018, has been reclassified to trade receivables on completion of milestones.

Reconciliation of revenue recognised with the contracted price is as follows:

	30 June 2019 ₹
Contracted price	3,765,340,362
Reductions towards variable consideration components	7,307,465
Revenue recognised	**3,758,032,897**

The reduction towards variable consideration comprises of volume discounts.

Notes to the financial statements *(Continued)*

31 Other income

	30 June 2019	30 June 2018
	₹	₹
Interest on bank deposits	**1,286,271**	497,534
Foreign exchange gain (net)	**45,938,143**	-
Credit balances written back	**16,368,333**	7,466,244
Dividend from subsidiaries	**88,015,594**	127,821,200
Dividend from mutual funds	**10,710,285**	12,182,510
Profit on sale of asset, net	**-**	531,728
Interest income - others	**2,869,360**	2,903,551
Miscellaneous income	**2,780,394**	1,540,169
	167,968,380	152,942,936

32 Employee benefits expenses

	30 June 2019	30 June 2018
	₹	₹
Salaries, wages and bonus	**1,315,877,048**	1,269,148,839
Contribution to Provident and other fund	**42,597,108**	42,290,313
Staff welfare expenses	**49,535,212**	40,379,742
Gratuity (refer to note 37)	**11,801,661**	15,497,488
Less: Product development cost capitalized	**(100,634,806)**	(79,899,636)
	1,319,176,223	1,287,416,746

33 Operating and other expenses

	30 June 2019	30 June 2018
	₹	₹
Advertisement and sales promotion	**62,845,852**	39,688,142
Auditor's remuneration (refer below)	**7,590,094**	6,932,505
Bank charges	**3,511,795**	3,503,116
Commission and brokerage	**-**	8,833,258
Communication charges	**26,594,712**	26,307,524
Connectivity charges	**20,858,613**	26,375,952
Data processing charges	**14,436,991**	17,555,610
Director's commission	**400,000**	400,000
Director's sitting and committee fees	**1,825,000**	1,775,000
Contribution to corporate social responsibility (refer to note 46)	**27,200,000**	25,530,230
Insurance	**2,886,637**	5,049,653

Notes to the financial statements *(Continued)*

	30 June 2019	30 June 2018
	₹	₹
Legal and professional fees	**27,935,735**	19,088,160
Management fees	**65,113,987**	41,629,136
Foreign exchange loss (net)	**-**	21,284,917
Membership and subscription	**12,329,653**	11,000,530
Power, fuel and water charges	**32,930,512**	30,046,130
Printing and stationery	**1,745,355**	2,018,087
Provision for doubtful debts	**557,882**	5,514,580
Rates and taxes	**21,589,032**	2,696,337
Loss on sale of fixed assets, net	**4,596,618**	-
Recruitment expenses	**3,224,682**	6,502,374
Rent (refer to note 38)	**128,516,290**	76,547,785
Repair and maintenance :		
- Machinery	**5,283,515**	5,361,315
- Others	**24,908,907**	20,178,448
Software and maintenance	**110,362,901**	83,103,815
Technical consultants charges	**191,985,840**	206,409,918
Travelling and conveyance	**80,835,593**	64,290,423
Miscellaneous expenses	**33,410,688**	35,938,915
Less: Product development cost capitalized	**(6,827,936)**	(29,096,424)
	906,648,948	764,465,436
Auditor's remuneration		
For services as auditor	**6,600,000**	6,300,000
For other services (including certification)	**600,000**	425,000
Reimbursement of expenses	**390,094**	207,505
	7,590,094	6,932,505

34 Depreciation and amortisation expense

	30 June 2019	30 June 2018
	₹	₹
Depreciation on tangible fixed assets	**88,790,998**	83,652,600
Amortization on intangible fixed assets	**78,013,179**	59,650,272
	166,804,177	143,302,872

Notes to the financial statements *(Continued)*

35 Earning per equity share (EPS)

	30 June 2019 ₹	30 June 2018 ₹
Profit after tax attributable to equity shareholders (A)	**1,038,491,381**	947,163,349
Number of equity shares at the beginning of the year	**14,926,261**	14,926,261
Number of equity shares outstanding at the end of the year	**14,926,261**	14,926,261
Weighted average number of equity shares outstanding during the year (B)	**14,926,261**	14,926,261
Basic and diluted EPS:		
Basic earnings per share (A / B)	**69.57**	63.46
Diluted earnings per share (A / B)	**69.57**	63.46
Face value per share (₹)	**10.00**	10.00

36 Income taxes

	30 June 2019 ₹	30 June 2018 ₹
A. Amounts recognised in statement of profit or loss		
Current tax		
a) Current tax	**517,694,523**	516,973,963
b) Changes in estimates related to prior years #	**5,044,875**	(4,895,904)
c) Deferred tax:		
Attributable to:		
Origination and reversal of temporary difference	**(1,124,015)**	(51,071,669)
Income tax expense reported in the statement of profit or loss (a+b+c)	**521,615,383**	461,006,390

Changes in estimates related to prior years in current year is on account of additional tax provision made for FY 2017-18. Changes in estimates related to prior years in previous year is on account of excess tax provision for FY 2014-15 offset by additional tax provision for FY 2016-17.

B. Income tax recognised in other comprehensive income	**Nil**	Nil

Notes to the financial statements *(Continued)*

36 Income taxes (Continued)

C. Reconciliation of effective tax rate

	30 June 2019	30 June 2018
	₹	₹
Profit before tax	**1,560,106,764**	1,408,169,739
Tax Rate	**33.492%**	34.692%
Tax using the Company's domestic tax rate	**524,321,715**	488,299,612
Changes in estimates related to prior years	**5,044,875**	(4,895,904)
Tax exempt income	**(3,630,645)**	(4,224,203)
Non-deductible expenses	**3,156,028**	6,081,086
Income chargeable at lower rate of tax	**(15,378,085)**	(22,118,180)
Others	**8,101,495**	(2,136,021)
Effective tax	**521,615,383**	461,006,390
Current tax	**517,694,523**	516,973,963
Current tax relating to previous years	**5,044,875**	(4,895,904)
Deferred tax	**(1,124,015)**	(51,071,669)
Tax expense reported in the statement of comprehensive income	**521,615,383**	461,006,390

D. Recognised deferred tax assets and liabilities

Movement in temporary differences: **(Amount in ₹)**

	Balance as at 1 July 2017	Recognised in OCI during 2017-18	Recognised in profit or loss during 2017-18	Balance as at 30 June 2018	Recognised in OCI during 2018-19	Recognised in profit or loss during 2018-19	Balance as at 30 June 2019
Deferred tax assets arising on account of:							
Provision for compensated absences	22,353,608	-	(5,098,048)	17,255,560	-	**(1,881,411)**	**15,374,149**
Allowance for doubtful debts	3,086,765	-	1,956,983	5,043,748	-	**(678,645)**	**4,365,103**
Difference between tax and book value of fixed assets	-	-	770,487	770,487	-	**7,675,489**	**8,445,976**
Mark to market loss on derivative instruments	-	-	12,694,030	12,694,030	-	**(12,694,030)**	-
Deferred Rent	4,963,989	-	(1,078,245)	3,885,744	-	**13,640,932**	**17,526,676**
Provision on service tax / Goods and Service tax refund	-	-	3,750,261	3,750,261	-	**1,961,935**	**5,712,196**
Others	25,456,402	-	(14,673,464)	10,782,938	-	**702,731**	**11,485,669**
Less: Deferred tax liability arising on account of:							
Difference between tax and book value of fixed assets	(10,377,966)	-	10,377,966	-	-	-	-
Mark to market gain on derivative instruments	(43,412,322)	-	43,412,322	-	-	**(7,387,319)**	**(7,387,319)**
Others	(2,678,724)	-	(1,040,623)	(3,719,347)	-	**(215,667)**	**(3,935,014)**
Total	(608,248)	-	51,071,669	50,463,421	-	**1,124,015**	**51,587,436**

Notes to the financial statements *(Continued)*

36 Income taxes (Continued)

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. This is long term capital loss which can only be set-off against future long term capital gain, which cannot be predicted.

(Amount in ₹)

	30 June 2019		30 June 2018	
	Gross amount	**Unrecognised tax effect**	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	**192,559,395**	**38,511,879**	236,997,213	47,399,443
Total	**192,559,395**	**38,511,879**	236,997,213	47,399,443

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

(Amount in ₹)

	30 June 2019	Expiry date	30 June 2018	Expiry date
Long term capital loss - FY 2010-11	**-**	-	44,437,818	2018-19
Long term capital loss - FY 2012-13	**3,920,131**	2020-21	3,920,131	2020-21
Long term capital loss - FY 2015-16	**188,639,264**	2023-24	188,639,264	2023-24

37 Employee benefits

Gratuity

The Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The liability towards gratuity is carried out using projected unit benefit method. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company.

	30 June 2019	30 June 2018
	₹	₹
Changes in present value of obligations		
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	**85,880,290**	79,135,718
Current service cost	**10,878,026**	10,967,588
Interest cost	**7,037,171**	5,416,962
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	**(17,174)**	-
- change in financial assumptions	**7,223,827**	(6,850,961)
- experience variance (i.e. Actual experiences assumptions)	**2,072,092**	2,604,246
Past service cost	**-**	3,445,707
Benefits paid	**(5,602,244)**	(8,838,970)
Closing balance (i)	**107,471,988**	85,880,290

Notes to the financial statements *(Continued)*

37 Employee benefits (Continued)

Gratuity (Continued)	**30 June 2019**	30 June 2018
	₹	₹
ii) Fair value of plan assets		
Opening balance	**74,608,426**	63,296,883
Investment Income	**6,113,536**	4,332,769
Employer's contributions	**12,407,832**	15,341,050
Return on plan assets	**201,940**	476,694
Benefits paid	**(5,602,245)**	(8,838,970)
Closing balance (ii)	**87,729,489**	74,608,426
Net liability recognised in the balance sheet (i-ii)	**19,742,499**	11,271,864
b) Expenses recognised in statement of profit and loss		
Current service cost	**10,878,026**	10,967,588
Past Service Cost	**-**	3,445,707
Net interest cost/ (income) on the net defined benefit liability/ (asset)	**923,635**	1,084,193
Expenses recognised in statement of profit and loss	**11,801,661**	15,497,488
c) Expenses recognised in other comprehensive income		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	**(17,174)**	-
- change in financial assumptions	**7,223,827**	(6,850,961)
- experience variance (i.e. Actual experience vs assumptions)	**2,072,092**	2,604,246
Return on plan assets	**(201,940)**	(476,694)
Total	**9,076,805**	(4,723,409)
d) Break up of Plan assets		
LIC of India - Insurer Managed Fund	**100.00%**	100.00%
e) Maturity Profile of Defined Benefit Obligation		
Expected cash flows over the next 5 years:		
Year 1	**18,206,356**	15,146,624
Year 2	**15,287,197**	12,800,110
Year 3	**13,704,350**	12,254,170
Year 4	**12,598,081**	10,910,517
Year 5	**12,418,715**	10,016,499

Notes to the financial statements *(Continued)*

37 Employee benefits (Continued)

Gratuity (Continued)	**30 June 2019** ₹	30 June 2018 ₹
f) Principal actuarial assumptions		
Rate of discounting	**6.95%**	8.20%
Expected return on plan assets	**6.95%**	8.20%
Rate of increase in basic salary	**5.00%**	5.00%
Attrition rate	**13.00%**	13.00%
Weighted average duration (based on discounted cashflows)	**6 years**	5 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2006-08) ultimate
Normal retirement age	**58 years**	58 years

The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2019-20 will be ₹ 31,400,226.

Sensitivity analysis

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

(Amount in ₹)

Particulars	**30 June 2019**		30 June 2018	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (- / + 1%)	**113,977,342**	**101,617,092**	90,857,704	81,386,205
Salary Growth Rate (- / + 1%)	**101,641,466**	**113,819,367**	81,344,234	90,815,670
Attrition Rate (- / + 50%)	**101,679,471**	**110,348,146**	78,410,640	89,614,863
Mortality Rate (- / + 10%)	**107,452,818**	**107,491,106**	85,855,674	85,904,836

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Compensated absences

Compensated absences as at balance sheet date, determined on the basis of actuarial valuation based on the 'Projected unit credit method' is as below:

	30 June 2019 ₹	30 June 2018 ₹
Current provisions (refer note 27)	**12,057,542**	11,771,317
Non-current provisions (refer note 22)	**40,738,311**	37,609,292
	52,795,853	49,380,609

Notes to the financial statements *(Continued)*

37 Employee benefits (Continued)

Compensated absences (Continued)	Year ended 30 June 2019	Year ended 30 June 2018
Principal actuarial assumptions		
Rate of discounting	**6.95%**	8.20%
Rate of increase in salary cost to company	**10.00%**	10.00%
Attrition rate	**13.00%**	13.00%
Weighted average duration (based on discounted cashflows)	**4 years**	4 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2006-08) ultimate
Normal retirement age	**58 years**	58 years

Provident Fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to ₹ 36,853,850 (30 June 2018: ₹ 35,450,036).

38 Leases

Operating lease

TThe company has entered into non cancellable operating leases for office premises. The lease rent for the current year charged to statement of profit and loss aggregates to ₹ 128,516,290 (30 June 2018: ₹ 76,547,785)

Future minimum lease commitments in respect of non cancellable operating leases:

Due	As at 30 June 2019	As at 30 June 2018
	₹	₹
Not later than one year	**130,537,907**	69,851,215
Later than one year and not later than five years	**536,621,699**	34,615,359
Later than five years	**-**	-

Notes to the financial statements *(Continued)*

39 Financial instruments

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(Amount in ₹)

30 June 2019	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investments in Shares of Co-operative Banks	5	60,000	-	-	60,000	-	-	60,000	60,000
Non current lease deposits	6	-	-	38,554,998	38,554,998	-	-	-	-
Derivative financial assets - non current	7	14,118,150	-	-	14,118,150	-	14,118,150	-	14,118,150
Other non-current financial assets	7	-	-	412,043	412,043	-	-	-	-
Other deposits	7	-	-	12,455,943	12,455,943	-	-	-	-
Current investments	11	123,633,803	-	-	123,633,803	123,633,803	-	-	123,633,803
Trade receivables	12	-	-	745,643,523	745,643,523	-	-	-	-
Unbilled receivables	13	-	-	83,395,296	83,395,296				-
Current lease deposits	16	-	-	20,801,920	20,801,920	-	-	-	-
Cash and cash equivalents	14	-	-	25,696,985	25,696,985	-	-	-	-
Other bank balances	15	-	-	41,267,467	41,267,467	-	-	-	-
Derivative financial assets - current	17	16,742,040	-	-	16,742,040	-	16,742,040	-	16,742,040
Other current financial assets	17	-	-	520,773	520,773	-	-	-	-
		154,553,993	-	968,748,948	1,123,302,941	123,633,803	30,860,190	60,000	154,553,993
Financial liabilities									
Other non-current financial liabilities	21	-	-	880,797	880,797	-	-	-	-
Trade payables	24	-	-	171,195,411	171,195,411	-	-	-	-
Derivative financial liabilities - current	25	5,491,650	-	-	5,491,650	-	5,491,650	-	5,491,650
Other current financial liabilities	25	-	-	195,102,238	195,102,238	-	-	-	-
		5,491,650	-	367,178,446	372,670,096	-	5,491,650	-	5,491,650

Notes to the financial statements *(Continued)*

Financial Instruments - Fair values and risk management (Continued)

A. Accounting classification and fair values (Continued)

(Amount in ₹)

30 June 2018	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investments in Shares of Co-operative Banks	5	60,000	-	-	60,000	-	-	60,000	60,000
Non current lease deposit	6	-	-	31,746,264	31,746,264	-	-	-	-
Derivative financial assets - non current	7	705,275	-	-	705,275	-	705,275	-	705,275
Other non-current financial assets	7	-	-	474,329	474,329	-	-	-	-
Other deposits	7	-	-	11,891,735	11,891,735	-	-	-	-
Current investments	11	327,423,513	-	-	327,423,513	327,423,513	-	-	327,423,513
Trade receivables	12	-	-	523,358,483	523,358,483	-	-	-	-
Unbilled receivables	13	-	-	306,896,855	306,896,855	-	-	-	-
Current lease deposits	16		-	11,180,309	11,180,309	-	-	-	-
Cash and cash equivalents	14	-		23,485,995	23,485,995	-	-	-	-
Other bank balances	15	-		37,602,738	37,602,738	-	-	-	-
Derivative financial assets - current	17	8,259,364	-	-	8,259,364	-	8,259,364	-	8,259,364
Other current financial assets	17	-	-	495,063	495,063	-	-	-	-
		336,448,152	-	947,131,771	1,283,579,923	327,423,513	8,964,639	60,000	336,448,152
Financial liabilities									
Derivative financial liabilities - non current	21	26,170,285	-	-	26,170,285	-	26,170,285	-	26,170,285
Other non-current financial liabilities	21	-	-	980,797	980,797	-	-	-	-
Trade payables	24	-		173,210,283	173,210,283	-	-	-	-
Derivative financial liabilities - current	25	19,121,132	-	-	19,121,132	-	19,121,132	-	19,121,132
Other current financial liabilities	25	_	-	229,860,483	229,860,483	-	-	-	-
		45,291,417	-	404,051,563	449,342,980	-	45,291,417	-	45,291,417

B. Measurement of fair values

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

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

Notes to the financial statements *(Continued)*

Financial Instruments - Fair values and risk management (Continued)

C. Financial risk management

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

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

i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Financial Assets are written off when there is no reasonable expectation of recovery from the customer.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Amount in ₹)

	As at 30 June 2019	As at 30 June 2018
Neither past due nor impaired	**-**	-
Past due but not impaired	**395,884,876**	295,450,763
Past due 1–90 days	**226,557,021**	195,729,534
Past due 91–180 days	**110,914,464**	28,587,831
Past due 181–270 days	**4,596,688**	1,119,341
Past due 271–365 days	**2,715,381**	1,830,344
Past due more than 365 days	**4,975,093**	640,670
	745,643,523	523,358,483

Notes to the financial statements *(Continued)*

Financial Instruments - Fair values and risk management (Continued)

Expected credit loss assessment:

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss as at 30 June, 2019 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(Amount in ₹)

	As at 30 June 2019
Balance as at 1 July 2017	**8,919,331**
Impairment loss recognised during the year	**6,814,467**
Amounts written off during year	**(1,299,995)**
Balance as at 30 June 2018	**14,433,803**
Impairment loss recognised during the year	**3,609,018**
Amounts written off during year	**(3,052,769)**
Balance as at 30 June 2019	**14,990,052**

Two customers accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2019 (30 June 2018: one customer accounted for more than 10% of accounts receivable). Four customers accounted individually for more than 10% of the unbilled receivable and contract asset for the year ended 30 June 2019 (30 June 2018: one customer accounted for more than 10% of unbilled receivable and contract asset)

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of ₹ 9,823,552 as at 30 June 2019. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

* all non derivative financial liabilities
* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

Notes to the financial statements *(Continued)*

Financial Instruments - Fair values and risk management (Continued)

Liquidity risk (Continued)

(Amount in ₹)

	Carrying amount	Contractual cash flows				
		1 year or less	1-2 years	2-5 years	More than 5 years	Total
As at 30 June 2019						
Non-derivative financial liabilities						
Trade and other payables	171,195,411	171,195,411	-	-	-	171,195,411
Other current financial liabilities	195,102,238	195,102,238	-	-	-	195,102,238
Other non-current financial liabilities	880,797	-	-	-	880,797	880,797
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	5,491,650	(350,033,400)	-	-	-	(350,033,400)
- Inflow		344,541,750	-	-	-	344,541,750
As at 30 June 2018						
Non-derivative financial liabilities						
Trade and other payables	173,210,283	173,210,283	-	-	-	173,210,283
Other current financial liabilities	229,860,483	229,860,483	-	-	-	229,860,483
Other non-current financial liabilities	980,797	-	-	-	980,797	980,797
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	45,291,417	(689,746,063)	(656,889,044)	-	-	(1,346,635,107)
- Inflow		670,624,930	630,718,760	-	-	1,301,343,690

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP and Euro, against the respective functional currencies of the Company and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Notes to the financial statements *(Continued)*

Financial Instruments - Fair values and risk management (Continued)

Exposure to currency risk

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

(Amount in ₹)

	EURO	AUD	GBP	USD	SGD	NZD	AED
As at 30 June 2019							
Trade receivables	**110,163,149**	**-**	**50,991,489**	**288,348,286**	**9,654,433**	**-**	**-**
EEFC accounts	**-**	**-**	**316,836**	**896,344**	**-**	**-**	**-**
Trade payables	**(45,365,206)**	**(18,186)**	**(3,898,843)**	**(30,818,400)**	**(2,194,295)**	**(306,559)**	**-**
Net statement of financial position exposure	**64,797,943**	**(18,186)**	**47,409,482**	**258,426,230**	**7,460,138**	**(306,559)**	**-**
Forward exchange contracts	**61,223,770**	**-**	**57,747,475**	**302,104,364**	**-**	**-**	**-**
Net exposure	**3,574,173**	**(18,186)**	**(10,337,993)**	**(43,678,134)**	**7,460,138**	**(306,559)**	**-**
As at 30 June 2018							
Trade receivables	43,501,051	19,675,777	19,434,420	190,771,634	26,299,627	-	-
EEFC accounts	1,363,578	-	693,965	481,843	-	-	-
Trade payables	(5,033,404)	(222,606)	(2,617,738)	(49,091,793)	(5,352,663)	(749,920)	(6,558,866)
Net statement of financial position exposure	39,831,225	19,453,171	17,510,647	142,161,684	20,946,964	(749,920)	(6,558,866)
Forward exchange contracts	44,195,775	-	20,011,891	194,092,298	-	-	-
Net exposure	(4,364,550)	19,453,171	(2,501,244)	(51,930,614)	20,946,964	(749,920)	(6,558,866)

Sensitivity analysis

A 10% strengthening/ weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

(Amount in ₹)

Currency	30 June 2019				30 June 2018			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
EUR	**357,417**	**(357,417)**	-	-	(436,455)	436,455	-	-
AUD	**(1,819)**	**1,819**	-	-	1,945,317	(1,945,317)	-	-
GBP	**(1,033,799)**	**1,033,799**	-	-	(250,124)	250,124	-	-
USD	**(4,367,813)**	**4,367,813**	-	-	(5,193,061)	5,193,061	-	-
SGD	**746,014**	**(746,014)**	-	-	2,094,696	(2,094,696)	-	-
NZD	**(30,656)**	**30,656**	-	-	(74,992)	74,992	-	-
AED	**-**	**-**	-	-	(655,887)	655,887	-	-

(Note: The impact is indicated on the profit/ loss and equity before tax basis)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Notes to the financial statements *(Continued)*

The company has no borrowings from banks and financial institutions. The company has margin money deposit with bank at fixed interest rate. Any movement in the market interest rate is not expected to significantly impact the fair value of deposits.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and bank balances and has very low amount of debt. The company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

40 Segmental reporting

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance as a single business segment namely travel and transportation vertical. The Company's CODM is Managing Director.

In accordance with paragraph 4 of Ind AS 108 "Operating Segments", issued by the Central Government, the Company has presented segmental information only on the basis of the consolidated financial statements (refer note 41 of consolidated financial statements).

41 Related party transactions

(A) Related parties disclosures

Related parties where control exists	Name	Holdings in %
Ultimate holding company	Accelya Topco Limited *(formerly known as Canary Topco Ltd)*	
Intermediate holding company	Sky Bidco S.L.U. *	
Holding company	Accelya Holding World S.L.U. *	
Fellow subsidiaries	Accelya World S.L.U.	
	Accelya UK Limited	
	Accelya France SAS	
	Accelya America, S.A. de C.V.	
	Accelya Portugal Unipessoal Ltda.	
	Mercator Solutions FZE	
	Accelya Services India Private Limited *(formerly known as Canary Travel and Logistics Solutions Pvt. Ltd.)*	
Subsidiaries	Accelya Solutions Americas Inc. *(formerly known as Kale Softech Inc)*	100%
	Accelya Solutions UK Limited *(formerly known as Zero Octa UK Limited)*	100%
Key management personnel	John Johnston - Chairman	
	Neela Bhattacherjee - Managing Director	
	Gurudas Shenoy - Chief Financial Officer	
	Ninad Umranikar - Company Secretary	
Other related parties	K.K. Nohria - Director	
	Sekhar Natarajan - Director	
	Nani Javeri - Director	
	Sangeeta Singh - Director	
	Vipul Jain ** - Director	
	Catalysts for Social Action #	

* With effect from 28 June 2019, Sky Bidco S.L.U. has been dissolved and has been merged with Accelya Holding World, S.L.U.

** Mr. Vipul Jain resigned as Director with effect from 9th August, 2017

Ceased to be a related party with effect from 9th August, 2017

Notes to the financial statements *(Continued)*

41 Related party transactions (Continued)

(B) Transactions with related parties

(Amount in ₹)

Nature of transactions	Year ended	Ultimate holding	Intermediate holding	Holding	Fellow subsidiaries	Subsidiaries	Other related party	Key management personnel	Total
Services rendered by the Company	30 June 2019	**-**	**44,652,496**	**(315,042)**	**597,251,986**	**1,040,045,366**	**-**	**-**	**1,681,634,806**
	30 June 2018	-	-	16,581,838	460,084,326	936,307,242	-	-	1,412,973,406
Services received by the Company	30 June 2019	**-**	**119,866,172**	**-**	**118,198,526**	**-**	**-**	**-**	**238,064,698**
	30 June 2018	-	-	41,629,136	71,651,246	8,833,258	-	-	122,113,640
Claims raised for expenses	30 June 2019	**-**	**14,290,984**	**(306,393)**	**41,343,000**	**8,649,569**	**-**	**-**	**63,977,160**
	30 June 2018	-	-	7,425,132	38,105,998	5,621,468	-	-	51,152,598
Claims received for expenses	30 June 2019	**-**	**15,662,701**	**(1,232,301)**	**22,612,788**	**51,835,963**	**-**	**-**	**88,879,151**
	30 June 2018	-	-	27,806,797	10,997,757	40,980,716	-	-	79,785,270
Remuneration	30 June 2019	**-**	**-**	**-**	**-**	**-**	**-**	**36,684,555**	**36,684,555**
	30 June 2018	-	-	-	-	-	-	29,122,105	29,122,105
Sitting fees	30 June 2019	**-**	**-**	**-**	**-**	**-**	**1,825,000**	**-**	**1,825,000**
	30 June 2018	-	-	-	-	-	1,775,000	-	1,775,000
Commission	30 June 2019	**-**	**-**	**-**	**-**	**-**	**400,000**	**-**	**400,000**
	30 June 2018	-	-	-	-	-	400,000	-	400,000
Dividend received	30 June 2019	**-**	**-**	**-**	**-**	**88,015,594**	**-**	**-**	**88,015,594**
	30 June 2018	-	-	-	-	127,821,200	-	-	127,821,200
Dividend paid	30 June 2019	**-**	**-**	**546,021,455**	**-**	**-**	**-**	**433,601**	**546,455,056**
	30 June 2018	9,234	-	601,737,930	-	-	-	477,846	602,225,010
Balances outstanding	**As at:**								
Payable	30 June 2019	**-**	**29,345,613**	**(157,937)**	**37,346,413**	**7,937,742**	**-**	**-**	**74,471,831**
	30 June 2018	-	-	13,945,403	18,629,809	8,866,219	-	-	41,441,431
Trade receivables	30 June 2019	**-**	**55,788,524**	**901,323**	**116,911,246**	**141,273,396**	**-**	**-**	**314,874,489**
	30 June 2018	-	-	4,891,847	59,533,841	55,845,487	-	-	120,271,175
Unbilled receivables	30 June 2019	**-**	**1,873,654**	**-**	**54,412,823**	**172,677**	**-**	**-**	**56,459,154**
	30 June 2018	-	-	3,666,431	68,864,818	66,358,233	-	-	138,889,482
Investment in subsidiary	30 June 2019	**-**	**-**	**-**	**-**	**474,094,544**	**-**	**-**	**474,094,544**
	30 June 2018	-	-	-	-	474,094,544	-	-	474,094,544

Notes to the financial statements *(Continued)*

41 Related party transactions (Continued)

(C) Of the above items, transactions in excess 10% of the total related party transactions are as under

Nature of transaction	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Services rendered by the Company		
Accelya Solutions Americas Inc.	**893,025,752**	784,076,288
Accelya Solutions UK Limited	**147,019,614**	152,230,954
Sky Bidco S.L.U.	**44,652,496**	-
Accelya Holding World S.L.U.	**(315,042)**	16,581,838
Accelya World S.L.U.	**271,976,700**	224,283,363
Accelya France SAS	**34,415,662**	46,762,445
Accelya UK Ltd	**111,836,897**	126,703,297
Accelya America, S.A. de C.V.	**8,619,688**	4,087,381
Accelya Portugal Unipessoal Ltda.	**13,579,387**	14,090,886
Mercator Solutions FZE	**156,823,652**	44,156,954
Services received by the Company		
Accelya Solutions Americas Inc.	**-**	8,833,258
Accelya Holding World S.L.U.	**-**	41,629,136
Sky Bidco S.L.U.	**119,866,172**	-
Accelya World S.L.U.	**37,917,306**	22,624,765
Accelya UK Ltd	**22,856,172**	24,310,159
Mercator Solutions FZE	**57,425,048**	24,716,322
Claims raised for expenses		
Accelya Solutions Americas Inc.	**6,289,939**	3,044,294
Accelya Solutions UK Limited	**2,359,630**	2,577,174
Accelya Holding World S.L.U.	**(306,393)**	7,425,132
Sky Bidco S.L.U.	**14,290,984**	-
Accelya World S.L.U.	**12,759,485**	6,200,396
Accelya France SAS	**2,299,775**	5,431,099
Accelya UK Ltd	**4,853,677**	17,020,647
Accelya Portugal Unipessoal Ltda.	**86,048**	100,040
Mercator Solutions FZE	**20,547,290**	7,973,570
Accelya Services India Private Limited	**796,725**	1,380,246

Notes to the financial statements *(Continued)*

41 Related party transactions (Continued)

(C) Of the above items, transactions in excess 10% of the total related party transactions are as under (Continued)

(Amount in ₹)

Nature of transaction	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Claims received for expenses		
Accelya Solutions Americas Inc.	**51,835,963**	40,980,716
Accelya Holding World S.L.U.	**(1,232,301)**	27,806,797
Sky Bidco S.L.U.	**15,662,701**	-
Accelya World S.L.U.	**7,496,935**	(773,199)
Accelya UK Ltd	**7,237,587**	6,259,593
Mercator Solutions FZE	**7,878,266**	5,511,363
Dividend received		
Accelya Solutions Americas Inc.	**43,110,000**	32,520,000
Accelya Solutions UK Limited	**44,905,594**	95,301,200
Dividend paid		
Accelya Topco Limited	**-**	9,234
Accelya Holding World S.L.U.	**546,021,455**	601,737,930
Gurudas Shenoy	**106,085**	116,910
Neela Bhattacherjee	**102,361**	112,806
Ninad Umranikar	**225,155**	248,130
Remuneration		
Neela Bhattacherjee	**18,050,905**	16,185,434
Gurudas Shenoy	**14,410,903**	8,491,395
Ninad Umranikar	**4,222,747**	4,445,276
Sitting fees		
K.K. Nohria	**370,000**	350,000
Sekhar Natarajan	**520,000**	350,000
Nani Javeri	**455,000**	525,000
Sangeeta Singh	**480,000**	525,000
Vipul Jain	**-**	25,000

Notes to the financial statements *(Continued)*

41 Related party transactions (Continued)

(C) Of the above items, transactions in excess 10% of the total related party transactions are as under (Continued)

(Amount in ₹)

Nature of transaction	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Commission		
K.K. Nohria	**100,000**	100,000
Sekhar Natarajan	**100,000**	100,000
Nani Javeri	**100,000**	100,000
Sangeeta Singh	**100,000**	100,000

Balances outstanding	As at 30 June 2019	As at 30 June 2018
Payable		
Accelya Solutions Americas Inc.	**3,544,985**	4,473,462
Accelya Solutions UK Limited	**4,392,757**	4,392,757
Accelya Holding World S.L.U.	**(157,937)**	13,945,403
Sky Bidco S.L.U.	**29,345,613**	-
Accelya World S.L.U.	**17,884,768**	10,163,701
Accelya UK Ltd	**3,898,843**	2,617,738
Mercator Solutions FZE	**15,562,802**	5,848,370
Trade receivables		
Accelya Solutions Americas Inc.	**109,926,714**	43,011,695
Accelya Solutions UK Limited	**31,346,682**	12,833,792
Accelya Holding World S.L.U.	**901,323**	4,891,847
Sky Bidco S.L.U.	**55,788,524**	-
Accelya World S.L.U.	**43,133,833**	30,355,373
Accelya UK Ltd	**21,340,701**	12,226,721
Accelya France SAS	**8,511,867**	4,651,704
Accelya America, S.A. de C.V.	**2,935,572**	395,084
Accelya Portugal Unipessoal Ltda.	**3,135,542**	1,109,086
Mercator Solutions FZE	**37,708,122**	10,725,622
Accelya Services India Private Limited	**145,609**	70,251

Notes to the financial statements *(Continued)*

41 Related party transactions (Continued)

(C) Of the above items, transactions in excess 10% of the total related party transactions are as under (Continued)

Balances outstanding	As at 30 June 2019	As at 30 June 2018
Unbilled receivables		
Accelya Solutions Americas Inc.	**126,944**	52,601,316
Accelya Solutions UK Limited	**45,733**	13,756,917
Accelya Holding World S.L.U.	**-**	3,666,431
Sky Bidco S.L.U.	**1,873,654**	-
Accelya World S.L.U.	**26,990,233**	23,801,258
Accelya UK Ltd	**26,461,709**	19,632,535
Accelya France SAS	**-**	9,522,369
Accelya America, S.A. de C.V.	**-**	395,084
Accelya Portugal Unipessoal Ltda.	**86,048**	1,109,086
Mercator Solutions FZE	**874,833**	14,404,486
Investment in subsidiary		
Accelya Solutions Americas Inc.	**57,979,585**	57,979,585
Accelya Solutions UK Limited	**416,114,959**	416,114,959

Key management personnel

	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Managerial remuneration		
Short-term employment benefits	**35,754,487**	28,246,836
Post-employment benefits	**930,068**	875,269
Total compensation	**36,684,555**	29,122,105

The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation. Based on the above, the Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for tax.

Notes to the financial statements *(Continued)*

42 Capital and other commitments

	30 June 2019 ₹	30 June 2018 ₹
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	**26,072,234**	33,685,143

43 Contingent liabilities

	30 June 2019 ₹	30 June 2018 ₹
Claims against the Company pertaining to Sales Tax with Maharashtra Sales Tax Tribunal - For F.Y. 2001-02 (disallowance of Software services and maintenance of software) *	-	7,870,739
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed to the extent of ₹ 26,953,406 (net of provision)	**27,749,808**	18,180,586
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards certain transactions were chargeable to tax under Reverse Charge Mechanism pertaining to financial year 2011-12 to 2014-15. The Company has filed an appeal against the same with CESTAT.	**59,121,804**	59,121,804

* The Company availed the Amnesty Scheme announced by the Government of Maharashtra and accordingly made the payment of ₹ 2,400,747 as full and final settlement of all pending dues.

The Company has reviewed all its pending litigation and proceedings and has adequately provided where provision are required. The Company has disclosed contingent liabilities wherever applicable. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

In February 2019, the Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. However, there are numerous interpretative aspects related to the judgement, including the effective date of application. In view of the above, the Company has assessed the liability which is not significant. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

Notes to the financial statements *(continued)*

44 Net dividend remitted in foreign exchange

Year of remittance (ending on)

Period to which the dividend relates	2017-18 (Final dividend)	2016-17 (Final dividend)
Numbers of non-resident shareholders	**15**	18
Numbers of equity shares held on which dividend was due	**11,158,289**	11,165,282
Amount remitted (₹)	**357,065,248**	446,611,280
Period to which the dividend relates	**2018-19 (Interim dividend)**	**2017-18 (Interim dividend)**
Numbers of non-resident shareholders	**14**	16
Numbers of equity shares held on which dividend was due	**11,159,786**	11,161,007
Amount remitted (₹)	**189,716,362**	156,254,098

45 Disclosure under Micro Small and Medium Enterprises Development (MSMED) Act, 2006

Based on information and records available, the Company has following dues to micro and small enterprises during the years ended 30 June 2019 and 30 June 2018 and as at 30 June 2019 and 30 June 2018.

Particulars	As at 30 June 2019 ₹	As at 30 June 2018 ₹
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	**4,009,587**	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	**-**	-
Amount of interest accrued and remaining unpaid at the end of the accounting year; and	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	**-**	-

Notes to the financial statements *(continued)*

46 Corporate Social Responsibility

As per the Companies Act, 2013, all companies having net worth of ₹ 500 crores or more, or turnover of ₹ 1,000 crores or more or a net profit of ₹ 5 crores or more during any financial year will be required to constitute a Corporate Social Responsibility ("CSR") committee of the Board of Directors comprising three or more directors, at least one of whom shall be an independent director. The Company has constituted a committee comprising Mr. John Johnston, Mr. Nani Javeri and Ms. Sangeeta Singh as its members. The committee is responsible for formulating and monitoring the CSR policy of the Company.

The company has implemented CSR activities through Catalysts for Social Action ("CSA") a Not-For-Profit organization dedicated to the cause of child welfare and rehabilitation for children living in orphanages. The total amount spent by the Company through CSA is ₹ 27,200,000 (previous year: ₹ 25,530,230)

(Amount in ₹)

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	27,200,000	-	27,200,000

47 Disclosure on Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 30 June 2019

48 Long term contracts

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

49 Subsequent events

Dividends paid during the year ended 30 June, 2019 include an amount of ₹ 32 per equity share towards final dividend for the year ended 30 June, 2018 and an amount of ₹ 17 per equity share towards interim dividends for the year ending 30 June, 2019. Dividends paid during the year ended 30 June, 2018 include an amount of ₹ 40 per equity share towards final dividend for the year ended 30 June, 2017 and an amount of ₹ 14 per equity share towards interim dividends for the year ending 30 June, 2018.

Dividends declared by the Company are based on profits available for distribution. Distribution of dividends out of general reserve and retained earnings is subject to applicable dividend distribution tax. On 28 August, 2019, the Board of Directors of the Company have proposed a final dividend of ₹ 15 per share in respect of the year ending 30 June, 2019 subject to the approval of shareholders at the Annual General Meeting and if approved, would result in a cash outflow of approximately ₹ 269,915,968, inclusive of dividend distribution tax of ₹ 46,022,053.

Notes to the financial statements *(Continued)*

50 Other matters

Information with regard to other matters specified in Schedule III - Division II to the Act is either nil or not applicable to the Company for the year.

As per our report of even date attached.

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAU2829

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Independent Auditor's Report

To the Members of

Accelya Solutions India Limited
(Formerly known as Accelya Kale Solutions Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Accelya Solutions India Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 30 June 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 30 June 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The key audit matter	How our audit addressed the key audit matter
Revenue Recognition – Adoption of Ind AS 115 "Revenue from Contracts with Customers" and fixed price development contracts	
The Group has adopted Ind AS 115 - Revenue from Contracts with Customers starting 1 July 2018. The application of the new revenue accounting standard involves certain key judgements and principles for evaluating various distinctive terms/matters including new disclosure requirements.	Our audit procedures on adoption of Ind AS 115 - Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, included:

The Group also derives portion of its revenue from long term fixed price development contracts, where revenue is recognized using the percentage of completion method based on management's estimates of contract efforts. Estimated effort is a critical estimate to determine revenues for fixed price development contract. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations. (Refer Note 2(i) to the consolidated financial statements).	➢ Evaluating the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard. ➢ Selecting samples of continuing and new contracts and performed the following procedures to assess management analysis and impact of Ind AS 115 adoption: • Read, analyse and identify the distinct performance obligations in these contracts. • Compare these performance obligations with that identified and recorded by the Group. • Consider the terms of the contracts and assess the transaction price including any variable consideration to test revenue. ➢ Evaluating the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures. Our audit procedures on revenue recognized from fixed price development contracts includes; ➢ Evaluating the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. ➢ Testing the access and application controls pertaining to time recording system which prevents unauthorised changes to recording of efforts incurred ➢ On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by : • Evaluating the identification of performance obligation. • Testing management's calculation of the estimation of efforts required to complete the contract and onerous obligation, if any. • Observed that the estimates of time required to complete were reviewed and approved by appropriate levels of management; • Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract; • Performed test of details including analytics to determine reasonableness of incurred and estimated efforts.

Capitalisation of internal product development costs	
The Group capitalises costs incurred in developing/ upgrading its software products to launch new service modules and functionality to provide an enhanced suite of services to its customers. During the year, the Group capitalised product development cost of ₹ 105,702,741. The costs mainly comprised of payroll and external consultant cost. Refer Note 2(g)(iii) to the consolidated financial statements. The capitalization of internal product development costs was a key audit matter due to size of the internal costs capitalized and the judgment involved in assessing whether the costs met the criteria for capitalisation.	Our audit procedures included: ➢ Evaluating the design and operating effectiveness of the Group's key controls relating to capitalisation of internal product development cost. ➢ Examining the capitalised costs to determine the nature of cost and assess whether the costs met the capitalisation criteria. ➢ Tested samples of employee and external consultants to assess the capacity in which they were employed and performed a recalculation of cost capitalized from the remuneration paid.

Other Information

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

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

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

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

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company, as on 30 June 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on 30 June 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The consolidated financial statements disclose the impact of pending litigations as at 30 June 2019 on the consolidated financial position of the Group, Refer Note 44 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 51 to the consolidated financial statements in respect of such items as it relates to the Group.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 30 June 2019.

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

C. With respect to the matter to be included in the Auditor's report under section 197(16):

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

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

Place : Thane
Date : 28th August 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Accelya Solutions India Limited (formerly known as Accelya Kale Solutions Limited) for the year ended 30 June 2019

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 30 June 2019, we have audited the internal financial controls with reference to consolidated financial statements of Accelya Solutions India Limited (hereinafter referred to as "the Holding Company") as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 30 June 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain

to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

Place : Thane
Date : 28th August 2019

Consolidated Balance Sheet as at 30 June 2019	Note	30 June 2019 ₹	30 June 2018 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3	**195,186,525**	208,767,924
Capital work in progress	3	**7,993,988**	4,357,652
Goodwill		**279,633,162**	287,481,583
Other intangible assets	4	**232,332,603**	194,882,982
Intangible assets under development	4	**1,760,000**	-
Financial assets			
Investments	5	**60,000**	60,000
Loans	6	**39,010,507**	32,268,231
Other financial assets	7	**27,681,396**	13,773,689
Income tax assets (net)	8	**10,510,791**	9,417,762
Deferred tax assets (net)	9	**50,948,788**	50,463,421
Other assets	10	**74,181,911**	66,619,401
Total non-current assets		**919,299,671**	868,092,645
Current assets			
Financial assets			
Investments	11	**167,030,286**	364,433,513
Trade receivables	12	**787,717,239**	556,982,311
Unbilled receivables	13	**96,705,245**	327,441,326
Cash and cash equivalents	14	**214,544,964**	242,451,363
Other bank balances	15	**41,306,140**	37,639,175
Loans	16	**20,801,920**	11,180,309
Other financial assets	17	**17,263,204**	8,754,781
Income tax assets (net)	18	**3,331,612**	4,295,798
Other assets	19	**469,715,971**	130,128,177
Total current assets		**1,818,416,581**	1,683,306,753
TOTAL ASSETS		**2,737,716,252**	2,551,399,398
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	**149,268,660**	149,268,660
Other equity	21	**1,826,343,644**	1,646,629,542
Total equity		**1,975,612,304**	1,795,898,202
Non-current liabilities			
Financial liabilities			
Other financial liabilities	22	**880,797**	27,151,082
Provisions	23	**40,738,311**	37,609,292
Other liabilities	24	**-**	3,683,510
Total non-current liabilities		**41,619,108**	68,443,884
Current liabilities			
Financial liabilities			
Trade payables	25		
a. Total outstanding dues of micro enterprises and small enterprises		**4,009,587**	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		**263,193,759**	218,551,939
Other financial liabilities	26	**211,145,453**	260,688,967
Deferred revenue	27	**61,754,915**	60,590,016
Provisions	28	**44,602,015**	37,137,973
Income tax liabilities (net)	29	**50,885,848**	78,763,574
Other liabilities	30	**84,893,263**	31,324,843
Total current liabilities		**720,484,840**	687,057,312
TOTAL EQUITY & LIABILITIES		**2,737,716,252**	2,551,399,398
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Consolidated Statement of Profit and Loss for the year ended 30 June 2019	Note	30 June 2019 ₹	30 June 2018 ₹
Revenue			
Revenue from operations	*31*	**4,330,246,845**	3,825,299,960
Other income	*32*	**89,654,204**	33,939,743
Total income		**4,419,901,049**	3,859,239,703
Expenses			
Employee benefits expense	*33*	**1,392,589,659**	1,380,439,204
Operating and other expense	*34*	**1,240,367,427**	951,617,819
Depreciation and amortisation expense	*35*	**167,002,250**	143,519,084
Total expenses		**2,799,959,336**	2,475,576,107
Profit before tax		**1,619,941,713**	1,383,663,596
Tax expenses:			
Current tax	*37*	**556,646,943**	542,941,078
Deferred tax	*37*	**(485,367)**	(51,071,669)
Profit for the year		**1,063,780,137**	891,794,187
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligation		**(9,076,805)**	4,723,409
Income tax related to items that will not be reclassified to profit or loss		**-**	-
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(11,355,595)**	33,624,331
Income tax related to items that will be reclassified to profit or loss		**-**	-
Total comprehensive income for the year		**1,043,347,737**	930,141,927
Earnings per equity share (face value of ₹ 10 each)			
Basic and diluted	*36*	**71.27**	59.75
Significant accounting policies	*2*		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Consolidated Statement of Changes in Equity
for the year ended 30 June 2019

A. Equity share capital

(Amount in ₹)

	Number of shares	Amount
Balance as at 1 July 2017	14,926,866	149,268,660
Changes in equity share capital during 2017-18	-	-
Balance as at 30 June 2018	**14,926,866**	**149,268,660**
Changes in equity share capital during 2018-19	-	-
Balance as at 30 June 2019	**14,926,866**	**149,268,660**

B. Other equity

Particulars	Attributable to the owners of the Company						
	Reserves & Surplus				Items of OCI		Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Translation reserve	Remeasurement of defined benefit plan (net of tax)	
Balance at 1 July, 2017	**9,538,260**	**316,984,098**	**236,953,435**	**1,139,167,832**	**(38,373,740)**	**(3,699,245)**	**1,660,570,640**
Profit for the year	-	-	-	891,794,187	-	-	891,794,187
Other comprehensive income for the year	-	-	-	-	33,624,331	4,723,409	38,347,740
Total comprehensive income for the year	**-**	**-**	**-**	**891,794,187**	**33,624,331**	**4,723,409**	**930,141,927**
Other changes							
Interim dividend	-	-	-	(208,967,654)	-	-	(208,967,654)
Dividend distribution tax on interim dividend	-	-	-	(42,540,897)	-	-	(42,540,897)
Dividend distribution tax credit	-	-	-	26,021,387	-	-	26,021,387
Final equity dividend	-	-	-	(597,050,440)	-	-	(597,050,440)
Dividend distribution tax on final dividend	-	-	-	(121,545,421)	-	-	(121,545,421)
Balance at 30 June, 2018	**9,538,260**	**316,984,098**	**236,953,435**	**1,086,878,994**	**(4,749,409)**	**1,024,164**	**1,646,629,542**

Particulars	Attributable to the owners of the Company						
	Reserves & Surplus				Items of OCI		Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Translation reserve	Remeasurement of defined benefit plan (net of tax)	
Balance at 1 July, 2018	**9,538,260**	**316,984,098**	**236,953,435**	**1,086,878,994**	**(4,749,409)**	**1,024,164**	**1,646,629,542**
Profit for the year	-	-	-	1,063,780,137	-		1,063,780,137
Other comprehensive income/(loss) for the year	-	-	-	-	(11,355,595)	(9,076,805)	(20,432,400)
Total comprehensive income for the year	**-**	**-**	**-**	**1,063,780,137**	**(11,355,595)**	**(9,076,805)**	**1,043,347,737**
Other changes							
Interim dividend	-	-	-	(253,746,437)	-	-	(253,746,437)
Dividend distribution tax on interim dividend	-	-	-	(52,158,326)	-	-	(52,158,326)
Dividend distribution tax credit	-	-	-	18,091,860	-	-	18,091,860
Final equity dividend	-	-	-	(477,640,352)	-	-	(477,640,352)
Dividend distribution tax on final dividend	-	-	-	(98,180,380)	-	-	(98,180,380)
Balance at 30 June, 2019	**9,538,260**	**316,984,098**	**236,953,435**	**1,287,025,496**	**(16,105,004)**	**(8,052,641)**	**1,826,343,644**

Pursuant to the requirements of Division II to Schedule III of Companies Act, 2013, below is the nature and purpose of the above:

(i) Capital redemption reserve
Capital redemption reserve was created on account of buy-back of equity share capital.

(ii) Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve
Amount in general reserve is transferred from profit and loss upon distribution of Dividend and is used from time to time to transfer profit from retained earnings for appropriate purposes.

(iv) Retained earnings
Retained earnings comprises of prior & current years undistributed earnings after tax.

Significant accounting policies - Refer note no. 2

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Consolidated cash flow statement for the year ended 30 June 2019	30 June 2019 ₹	30 June 2018 ₹
Cash flows from operating activities		
Net profit before tax	**1,619,941,713**	1,383,663,596
Adjustments for:		
Depreciation and amortization expenses	**167,002,250**	143,519,084
Loss/ (Profit) on sale of property, plant and equipment	**4,596,618**	(531,728)
(Reversal)/ Provision for doubtful debts charge	**(665,844)**	5,549,375
Credit balances written back	**(17,143,082)**	(7,466,244)
Effect of exchange difference on translation of subsidiaries	**(3,507,174)**	13,841,992
Unrealised exchange loss/ (gain)	**25,458,978**	(11,718,451)
Interest on bank deposits	**(1,289,087)**	(505,302)
Mark to market (gain)/ loss on forward contract	**(61,695,318)**	161,766,914
Gain on fair valuation	**(6,386,483)**	-
Dividend income from mutual fund	**(10,712,035)**	(12,182,510)
Operating cash flow before working capital changes	**1,715,600,536**	1,675,936,726
Working capital changes:		
(Increase)/ Decrease in trade receivables	**(235,576,605)**	101,626,020
(Increase) in financial assets	**(16,921,005)**	(7,259,932)
(Increase) in other assets	**(366,682,712)**	(32,421,216)
Decrease/ (Increase) in unbilled revenue	**230,736,081**	(146,045,010)
Increase in trade payables	**65,225,374**	53,163,258
Increase in financial liabilities	**9,684,910**	33,227,079
Increase/ (Decrease) in other liabilities	**51,888,508**	(24,443,953)
Cash generated from operations	**1,453,955,087**	1,653,782,972
Taxes paid, net	**(584,653,512)**	(540,918,015)
Net cash flow generated from operating activities (A)	**869,301,575**	1,112,864,957
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	**(250,486,604)**	(203,782,356)
Proceeds from sale of property, plant and equipment	**593,118**	614,155
Interest received on bank deposits	**1,347,351**	274,190
Dividend received on mutual fund investments	**10,712,035**	12,182,510
Purchase of investment in a mutual fund units	**(2,676,710,295)**	(2,553,679,514)
Sale of investment in a mutual fund units	**2,880,500,005**	2,604,000,000
Investment in bank deposits having maturity more than 3 months	**(4,476,054)**	(18,859,927)
Margin money deposits matured	**4,120,718**	21,133,700
Net cash flow used in investing activities (B)	**(34,399,726)**	(138,117,242)

Consolidated cash flow statement for the year ended 30 June 2019	30 June 2019 ₹	30 June 2018 ₹
Cash flow from financing activities		
Dividend paid (including dividend distribution tax thereon)	**(863,633,635)**	(944,083,025)
Net cash flow used in financing activities (C)	**(863,633,635)**	(944,083,025)
Net decrease in cash and cash equivalents (A+B+C)	**(28,731,786)**	30,664,690
Effect of exchange differences on cash and cash equivalents held in foreign currency	**827,623**	261,340
Cash and cash equivalents at the beginning of the year	**242,487,800**	211,561,770
Cash and cash equivalents at the end of the year	**214,583,637**	242,487,800
Note to Cash flow statement:		
(a) Components of cash and cash equivalents		
Balance with banks		
in current accounts	**197,458,351**	224,911,977
in EEFC accounts	**1,213,180**	2,539,386
Bank deposit with maturity less than 3 months	**15,873,433**	15,000,000
Bank deposit with maturity more than 3 months but less than 12 months	**38,673**	36,437
Total cash and cash equivalents	**214,583,637**	242,487,800

Significant accounting policies - Refer note no. 2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

Notes to the consolidated financial statements

1 Corporate information

Accelya Solutions India Limited ("Accelya" or "the Company") is a software solutions provider to the global Airline and Travel industry.

Accelya delivers world class software products, managed processes, technology and hosting services. Accelya's industry solutions are driven by active partnerships with industry bodies and customers, and significant domain knowledge. Its customised approach in deploying these solutions supports clients with best fit solutions to match their requirements. The company is a public limited company and domiciled in India. The address of the corporate office is Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune, Maharashtra, India, 411037 The board of directors approved the financial statements for the year ended 30 June 2019 and authorized for issue on 28 August 2019.

The list of subsidiaries considered in these consolidated financial statements as at 30 June 2019 with percentage holding is summarized below:

Subsidiaries	Country of incorporation and other particulars	Percentage of holding by the immediate parent (%)	Year of consolidation
Accelya Solutions Americas Inc. (formerly known as Kale Softech Inc), USA	A Subsidiary of Accelya incorporated under the laws of United States of America	100%	1998-99
Accelya Solutions UK Limited (formerly known as Zero Octa UK Limited), UK	A Subsidiary of Accelya incorporated under the laws of United Kingdom	100%	2007-08
Kale Consultant Employees Welfare Trust	An employee welfare trust incorporated under the laws of India	100%	2015-16

2 Significant accounting policies

a) ***Statement of compliance with Ind AS***

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b) ***Basis of preparation***

The financial statements are presented in Indian Rupees (₹) which is also the functional currency of the company. All amounts are rounded off to the nearest rupee, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities including defined benefit plans - plan assets measured at fair value.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. 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. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for 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 net realisable value in value in use in Ind AS 36.

Notes to the consolidated financial statements *(Continued)*

c) ***Historical cost convention***

The consolidated financial statements have been prepared on a historical cost basis, except for following item:

Item	Measurement basis
Certain financial assets and liabilities	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligation

d) ***Use of estimates and judgements***

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised prospectively.

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 are included in the following note:

(i) Estimation of useful life of property, plant and equipment (refer note 2(f))

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

(ii) Estimation of defined benefit obligation (refer note 2(n)(ii))

Cost of defined benefit plan and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes determination of discount rates, future salary increase and mortality rates. Due to the complexities involved in the valuation and its nature, a defined benefit is highly sensitive to change in these assumptions. All assumptions are reviewed at each Balance Sheet date.

(iii) Impairment of trade receivables (refer note 2(l)(I))

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

(iv) Provisions and contingent liabilities (refer note 2(q))

A provision is recognized when the Company has a present value obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(v) Measurement of consideration and assets acquired as part of business combination.

Notes to the consolidated financial statements *(Continued)*

e) ***Basis of consolidation***

i. ***Business combination***

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired, liabilities assumed and contingent liabilities that meet the condition for recognition are recognised at fair values on their acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

ii. ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. ***Transactions eliminated on consolidation***

Intra-group balances and transactions and any unrealised income and expenses arising from Intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

f) ***Property, plant and equipment***

Property, plant and equipment's are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/amortisation and impairment loss.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

For each class of assets, based on internal assessment and independent technical evaluation carried out by external valuer, the management believes that the useful lives as given below best represent the period over which management expects to use these assets.

Depreciation on PPE has been provided on the straight-line method over the estimated `useful life of all its asset. These lives are in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of for Furniture and Fixtures and Vehicles in whose case the life of the assets has been assessed and is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Depreciation/ amortization for the year is recognised in the Statement of Profit and Loss.

Notes to the consolidated financial statements *(Continued)*

The useful life of the assets considered for depreciation is summarized below:

Building	30 years
Plant and machinery and computer equipment	3 to 6 years
Furniture and fixtures, Equipment and other assets	4 to 6 years
Software acquired/ developed	3 to 5 years
Vehicles	5 years
Leasehold improvements	To be amortized over the lesser of the period of lease and the useful life of the asset

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is changed over the revised remaining useful life.

Subsequent expenditure

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

g) ***Goodwill and other Intangible assets***

i. Goodwill

For measurement of goodwill that arises on a business combination (see note 2(e) (i)). Subsequent measurement is at cost less any accumulated impairment losses.

ii. Other Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. 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. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

iii. Product Development Cost

Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;

Notes to the consolidated financial statements *(Continued)*

- The availability of adequate resources to complete the development and to use or sell the asset;
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit i.e., the estimated useful life. Amortization is recognized in the statement of profit and loss.

h) Impairment of non-financial asset

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually or at period end for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or "CGU") that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognised for goodwill is not subsequently reversed.

i) Revenue recognition

Revenue is derived primarily from transaction processing, managed processes, technology and hosting services, licensing of software products, related implementation and maintenance services.

Effective 1 July 2018, the Company has applied Ind AS 115, *Revenue from Contracts with Customers*, using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. 1 July 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 3(e) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 30 June 2018, for revenue recognition policy as per Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Notes to the consolidated financial statements *(Continued)*

- Revenues from transaction processing service i.e. airline ticket and coupon processing charges is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue.
- Revenue from sale of user licenses where the customer obtains a 'right to use' the licenses is recognized at the time the license is made available to the customer, except in case of multiple element contracts which require significant implementation services and customization, the entire arrangement is considered to be a significant performance obligation and revenue is recognised using the percentage of completion method as the implementation and customization is performed Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised based on percentage of completion method considering the actual time spent on the contract to the total estimate time to complete the contract. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.
- Revenue related to fixed price maintenance and support services contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue related to client training and other services are recognized as the related services are performed.

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

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

Deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

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

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers primary by geographical market and service lines.

Use of significant judgements in revenue recognition

The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

The Company's contracts with customers could include promises to transfer multiple products and services, to a customer. The Company assesses the products / services promised in a contract and identifies distinct or multiple performance obligations in the contract. Identification of these performance

Notes to the consolidated financial statements *(Continued)*

obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

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

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation. On the basis of the relative standalone selling price of each distinct product or service promised in the contract.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

j) Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Rental expenses from operating lease in the books of lessee are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation. Contingent rentals arising under operating leases are recognised as an expense in the period in which they incurred.

Finance Lease

Leases under which the Company being lessee assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term on a straight-line basis.

k) *Foreign currency transactions and balances*

i. Foreign currency Transactions and Balances

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

Notes to the consolidated financial statements *(Continued)*

Translation of foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements, branches) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rate at the date of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

I) ***Financial Instruments:***

I. Financial Assets:

Classification

On initial recognition the Company classifies financial assets as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Cash and cash equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to the consolidated financial statements *(Continued)*

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

The Company has elected to continue with the carrying value of all its equity investments as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Derecognition

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, and payables).

Notes to the consolidated financial statements *(Continued)*

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses are recognised in the Consolidated Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

m) ***Fair value measurement***

'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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Notes to the consolidated financial statements *(Continued)*

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

n) ***Employee benefit***

i. Short-term employee benefits

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

ii. Post-employment benefits

Defined Contribution Plan

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined Benefit Plan

The Company's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to 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. Actuarial gains and losses are recognized in other comprehensive income.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Notes to the consolidated financial statements *(Continued)*

iii. Compensated absences

Provision for compensated absences cost has been made based on actuarial valuation by an independent actuary at balance sheet date.

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

o) ***Income taxes***

Income-tax expense comprises current tax and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

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

Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax is not recognised for temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to deferred tax assets when they are realised or deferred tax liabilities when they are settled, using tax rates enacted or substantively enacted at the reporting date.

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

p) ***Earnings per share ('EPS')***

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Notes to the consolidated financial statements *(Continued)*

The number of shares used in computing diluted earnings per share comprises of weighted average number of shares considered for deriving basic earning per share, and also the weighted average number of equity shares which may be issued on conversion of all dilutive potential shares, unless the results would be anti – dilutive.

q) ***Provisions and contingent liabilities***

Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

r) ***Segment reporting***

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company and makes strategic decisions. The company operates in one reportable business segment i.e. software solutions.

s) ***Investments***

Investments in subsidiaries is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

t) ***Government grants***

Government grants are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant will be received.

u) ***Recent accounting developments***

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

Ind AS 116, Leases

On 30 March 2019, Ministry of Corporate Affairs (MCA) has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after 1 April 2019 (1 July 2019 for the company). The standard permits two possible methods of transition:

Notes to the consolidated financial statements *(Continued)*

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application (1 July 2019). Accordingly, comparatives for the year ended 30 June 2019 will not be retrospectively adjusted.

On transition, for leases other than short-term leases, the Company will recognise a right of-use asset of approx.. ₹ 851,691,780 and a corresponding lease liability of approx. ₹ 886,419,525.

Amendment to Ind AS 12 – Income Taxes

On 30 March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognise the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the entity originally recognised those past transactions or events that generated distributable profits were recognised. The effective date of these amendments is annual periods beginning on or after 1 April 2019. The Company is currently assessing the impact of this amendment on the Company's financial statements.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

On 30 March 2019, Ministry of Corporate Affairs issued Appendix C to Ind AS 12, which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The effective date for adoption of Appendix C to Ind AS 12 is 1 April 2019. The Company will apply Appendix C to Ind AS 12 prospectively from the effective date and the Company is currently assessing the impact of this amendment on the Company's financial statements.

Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

On 30 March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. These amendments are effective for annual reporting periods beginning on or after 1 April 2019. The Company will apply the amendment from the effective date and the Company is currently assessing the impact of this amendment on the Company's financial statements.

Notes to the consolidated financial statements *(Continued)*

3 Property, plant and equipment

	Building	Plant and machinery and computer equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
	₹	₹	₹	₹	₹	₹
Gross carrying amount						
As at 1 July 2017	63,259,128	559,976,418	65,418,808	9,509,518	24,423,768	722,587,640
Additions during the year	-	51,916,583	2,654,488	-	107,601	54,678,672
Deletions/ disposals	-	61,882,928	-	2,310,436	-	64,193,364
Translation	-	253,637	317,637	-	-	571,274
As at 30 June 2018	63,259,128	550,263,710	68,390,933	7,199,082	24,531,369	713,644,222
Additions during the year	-	80,096,380	485,819	-	-	80,582,199
Deletions/ disposals	-	73,517,195	-	1,333,344	-	74,850,539
Translation	-	16,424	6,613	-	-	23,037
As at 30 June 2019	**63,259,128**	**556,859,319**	**68,883,365**	**5,865,738**	**24,531,369**	**719,398,919**
Accumulated depreciation						
As at 1 July 2017	38,831,098	364,755,778	51,350,549	7,697,682	21,930,707	484,565,814
Charge for the year	2,108,638	75,017,023	5,625,465	529,236	588,430	83,868,792
Deletions/ disposals	-	61,800,501	-	2,310,436	-	64,110,937
Translation	-	185,227	367,402	-	-	552,629
As at 30 June 2018	40,939,736	378,157,527	57,343,416	5,916,482	22,519,137	504,876,298
Charge for the year	2,108,638	81,708,967	4,067,945	529,236	574,285	88,989,071
Deletions/ disposals	-	68,327,459	-	1,333,344	-	69,660,803
Translation	-	1,703	6,125	-	-	7,828
As at 30 June 2019	**43,048,374**	**391,540,738**	**61,417,486**	**5,112,374**	**23,093,422**	**524,212,394**
Net carrying amount						
As at 30 June 2018	22,319,392	172,106,183	11,047,517	1,282,600	2,012,232	208,767,924
As at 30 June 2019	**20,210,754**	**165,318,581**	**7,465,879**	**753,364**	**1,437,947**	**195,186,525**

	Capital work in progress
	₹
As at 1 July 2017	6,425,100
Additions	4,357,652
Assets capitalisation during the year	(6,425,100)
As at 30 June 2018	4,357,652
Additions	7,993,988
Assets capitalisation during the year	(4,357,652)
As at 30 June 2019	**7,993,988**

Notes to the consolidated financial statements *(Continued)*

4 Other intangible assets

	Internally developed software ₹	Acquired software ₹	Total ₹
Gross carrying amount			
As at 1 July 2017	384,436,495	331,655,643	716,092,138
Purchase/ internal development	108,996,060	27,674,516	136,670,576
Deletions/ disposals	-	-	-
As at 30 June 2018	493,432,555	359,330,159	852,762,714
Purchase/ internal development	105,702,741	9,760,059	115,462,800
Deletions/ disposals	-	-	-
As at 30 June 2019	**599,135,296**	**369,090,218**	**968,225,514**
Accumulated amortisation			
As at 1 July 2017	326,452,217	271,777,223	598,229,440
Charge for the year	21,869,530	37,780,762	59,650,292
Deletions/ disposals	-	-	-
As at 30 June 2018	348,321,747	309,557,985	657,879,732
Charge for the year	39,866,039	38,147,140	78,013,179
Deletions/ disposals	-	-	-
As at 30 June 2019	**388,187,786**	**347,705,125**	**735,892,911**
Net carrying amount			
As at 30 June 2018	145,110,808	49,772,174	194,882,982
As at 30 June 2019	**210,947,510**	**21,385,093**	**232,332,603**

	Intangible assets under development ₹
As at 1 July 2017	-
Additions	108,996,060
Capitalisation during the year	(108,996,060)
As at 30 June 2018	-
Additions	107,462,741
Capitalisation during the year	(105,702,741)
As at 30 June 2019	**1,760,000**

The estimated amortisation for the year subsequent to 30 June 2019 is as follows:

	Amortisation expenses ₹
Year ending 30th June	
2020	67,277,367
2021	55,884,616
2022	47,934,131
2023	43,233,264
2024	21,378,256
Total	**235,707,634**

Notes to the consolidated financial statements *(Continued)*

5 Non-current investments

	30 June 2019 ₹	30 June 2018 ₹
Investments in Shares of Co-operative Banks carried at fair value through profit or loss		
Rupee Co-operative Bank Limited (unquoted)		
5,000 (30 June 2018: 5,000) equity shares of ₹ 10 each fully paid up	**50,000**	50,000
Saraswat Co-operative Bank Limited (unquoted)		
1,000 (30 June 2018: 1,000) equity shares of ₹ 10 each fully paid up	**10,000**	10,000
	60,000	60,000
All units are in absolute numbers		
Aggregate value of unquoted investments	**60,000**	60,000

6 Loans - non current

	30 June 2019 ₹	30 June 2018 ₹
Lease deposits	**39,010,507**	32,268,231
	39,010,507	32,268,231

7 Other non-current financial assets

	30 June 2019 ₹	30 June 2018 ₹
Other deposits	**13,151,203**	12,594,085
Margin money deposit	**391,800**	370,075
Interest accrued on bank deposits	**20,243**	104,254
Derivative asset - forward contracts	**14,118,150**	705,275
	27,681,396	13,773,689

Margin money deposits

Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 391,800 (30 June 2018: ₹ 370,075) which are due to mature after twelve months of the reporting date.

8 Income tax assets (net)

	30 June 2019 ₹	30 June 2018 ₹
Advance income-tax (net of provision for tax of ₹ 992,204,668, 30 June 2018: ₹ 883,717,325)	**10,510,791**	9,417,762
	10,510,791	9,417,762

Notes to the consolidated financial statements *(Continued)*

9 Deferred tax assets (net)

	30 June 2019 ₹	30 June 2018 ₹
Deferred tax assets		
Provision for compensated absences	**15,374,149**	17,255,560
Provision for doubtful debts	**4,365,103**	5,043,748
Difference between tax and book value of fixed assets	**8,445,976**	770,487
Mark to market loss on derivative instruments	**-**	12,694,030
Deferred Rent	**17,526,676**	3,885,744
Provision on service tax / Goods and Service tax refund	**5,712,196**	3,750,261
Others	**11,485,669**	10,782,938
	62,909,769	54,182,768
Deferred tax liabilities		
Mark to market gain on derivative instruments	**(7,387,319)**	-
Others	**(4,573,662)**	(3,719,347)
	(11,960,981)	(3,719,347)
Total	**50,948,788**	50,463,421

10 Other non-current assets

	30 June 2019 ₹	30 June 2018 ₹
Indirect taxes recoverable	**-**	33,411,283
Service tax refund receivable	**32,024,985**	18,180,586
Goods and Service tax refund receivable	**21,985,028**	-
Discount in advance	**8,565,929**	11,761,369
Prepaid expenses	**11,605,969**	3,266,163
	74,181,911	66,619,401

Notes to the consolidated financial statements *(Continued)*

11 Current investments

	30 June 2019 ₹	30 June 2018 ₹
Non-trade, unquoted investments		
Investments in Mutual Fund carried at fair value through profit or loss		
HDFC		
6,564.958 Liquid Fund Div Reinvest of ₹ 1019.82 (30 June 2018: 89,946.983 Liquid Fund Div Reinvest of ₹ 1019.82) (net asset value of unquoted investment)	**6,695,075**	91,729,732
ICICI Prudential		
661,765.889 Liquid Fund Div Reinvest of ₹ 100.1482 (30 June 2018: 607,591.507 Liquid Fund Div Reinvest of ₹ 100.1482) (net asset value of unquoted investment)	**66,274,663**	60,849,196
Birla Sun Life		
262,956.149 Liquid fund Div reinvest of ₹ 100.1950 (30 June 2018: 753,085.860 Liquid fund Div reinvest of ₹ 100.2169) (net asset value of unquoted investment)	**26,346,891**	75,471,930
SBI Premier		
24,238.399 Liquid fund Div reinvest of ₹ 1003.25 (30 June 2018: 99,050.740 Liquid fund Div reinvest of ₹ 1003.25) (net asset value of unquoted investment)	**24,317,174**	99,372,655
ICICI Prudential		
154,835.535 Liquid fund - Growth of ₹ 280.2747 (30 June 2018: 141,876.977 Liquid fund Div reinvest of ₹ 260.8598) (net asset value of unquoted investment)	**43,396,483**	37,010,000
Total	**167,030,286**	364,433,513
All units are in absolute numbers		
Aggregate value of unquoted investments	**167,030,286**	364,433,513

12 Trade receivables (unsecured)

	30 June 2019 ₹	30 June 2018 ₹
Trade receivables		
a. Considered good	**787,717,239**	556,982,311
b. Credit impaired	**13,590,077**	14,257,554
Less: Allowance for bad and doubtful trade receivable (refer to note 40)	**(13,590,077)**	(14,257,554)
Net trade receivables	**787,717,239**	556,982,311
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note no. 42)	**199,375,739**	66,430,108
Allowance for bad and doubtful trade receivable	**-**	-
Net trade receivables	**199,375,739**	66,430,108

Notes to the consolidated financial statements *(Continued)*

13 Unbilled receivables

	30 June 2019 ₹	30 June 2018 ₹
Unbilled receivables	**96,705,245**	327,441,326
	96,705,245	327,441,326
Total unbilled receivables from related parties (refer note no. 42)	**55,987,626**	73,607,675

14 Cash and cash equivalents

	30 June 2019 ₹	30 June 2018 ₹
Cash and cash equivalents		
Balances with bank		
On current accounts	**197,458,351**	224,911,977
In EEFC accounts	**1,213,180**	2,539,386
Bank deposit with maturity less than 3 months	**15,873,433**	15,000,000
	214,544,964	242,451,363

15 Other bank balances

	30 June 2019 ₹	30 June 2018 ₹
Margin money deposits	**4,454,329**	4,120,718
Unclaimed dividend *	**36,813,138**	33,482,020
Bank deposit with maturity more than 3 months but less than 12 months	**38,673**	36,437
	41,306,140	37,639,175

*The Company can utilize this balance only towards settlement of unclaimed dividend.

Margin money deposits

Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 4,454,329 (30 June 2018: ₹ 4,120,718) which are due to mature within twelve months of the reporting date.

Due after 12 months (refer note 7)	**391,800**	370,075

16 Loans

	30 June 2019 ₹	30 June 2018 ₹
Lease deposits	**20,801,920**	11,180,309
	20,801,920	11,180,309

Notes to the consolidated financial statements *(Continued)*

17 Other current financial assets

	30 June 2019 ₹	30 June 2018 ₹
Interest accrued on bank deposits	**521,164**	495,417
Derivative asset - forward contracts	**16,742,040**	8,259,364
	17,263,204	8,754,781

18 Income tax assets (net)

	30 June 2019 ₹	30 June 2018 ₹
Advance income-tax (net of provision for tax of ₹ 24,083,839, 30 June 2018: ₹ 25,546,842)	**3,331,612**	4,295,798
	3,331,612	4,295,798

19 Other current assets

	30 June 2019 ₹	30 June 2018 ₹
Indirect taxes recoverable	**23,156,395**	37,905,621
Contract asset	**268,855,358**	-
Service tax refund receivable	**796,402**	26,740,516
Goods and Service tax refund receivable	**68,492,707**	-
VAT refund receivable	**111,782**	-
Prepaid expenses	**93,364,324**	52,143,521
Discount in advance	**3,312,960**	3,614,455
Other advances recoverable	**11,626,043**	9,724,064
	469,715,971	130,128,177

20 Equity share capital

	30 June 2019 ₹	30 June 2018 ₹
Authorised share capital		
20,200,000 (30 June 2018: 20,200,000) equity shares of ₹ 10 each	**202,000,000**	202,000,000
Issued, subscribed and paid-up share capital		
14,926,261 (30 June 2018: 14,926,261) equity shares of ₹ 10 each fully paid up	**149,262,610**	149,262,610
Forfeited shares*	**6,050**	6,050
Total issued, subscribed and paid-up share capital	**149,268,660**	149,268,660

* Shares forfeited on 23 October 2003

Notes to the consolidated financial statements *(Continued)*

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

Equity shares

	30 June 2019		30 June 2018	
	Number of shares	**₹**	Number of shares	₹
At the beginning and end of the year	**14,926,261**	**149,262,610**	14,926,261	149,262,610

b. Rights, preference and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as follows

	30 June 2019 ₹	30 June 2018 ₹
Accelya Holding World S.L.U		
11,143,295 (30 June 2018: 11,143,295) equity shares of ₹ 10 each fully paid	**111,432,950**	111,432,950

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

	30 June 2019		30 June 2018	
	Number of shares	**% of total shares in the class**	Number of shares	% of total shares in the class
Equity shares of ₹ 10 each fully paid				
Accelya Holding World S.L.U	**11,143,295**	**74.66**	11,143,295	74.66

Notes to the consolidated financial statements *(Continued)*

21 Other equity

	30 June 2019 ₹	30 June 2018 ₹
Reserves and surplus		
Capital redemption reserve	**9,538,260**	9,538,260
Securities premium	**316,984,098**	316,984,098
General reserve	**236,953,435**	236,953,435
Retained earnings	**1,262,867,851**	1,083,153,749
	1,826,343,644	1,646,629,542
(i) Capital redemption reserve		
At the commencement and end of the year	**9,538,260**	9,538,260
(ii) Securities premium		
At the commencement and end of the year	**316,984,098**	316,984,098
(iii) General reserve		
At the commencement and end of the year	**236,953,435**	236,953,435
(iv) Retained earnings		
At the commencement of the year	**1,083,153,749**	1,097,094,847
Add: Net profit for the year	**1,063,780,137**	891,794,187
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of defined benefit obligation	**(9,076,805)**	4,723,409
- Exchange differences on translation of foreign operations	**(11,355,595)**	33,624,331
Less: Appropriations		
Interim dividend (current year amount per share ₹ 17, previous year amount per share ₹ 14)	**253,746,437**	208,967,654
Dividend distribution tax on interim dividend	**52,158,326**	42,540,897
Dividend distribution tax credit	**(18,091,860)**	(26,021,387)
Final equity dividend (current year amount per share ₹ 32, previous year amount per share ₹ 40)	**477,640,352**	597,050,440
Dividend distribution tax on final dividend	**98,180,380**	121,545,421
Total appropriations	**863,633,635**	944,083,025
Balance at the end of the year	**1,262,867,851**	1,083,153,749
Total reserve and surplus	**1,826,343,644**	1,646,629,542

22 Other non-current financial liabilities

	30 June 2019 ₹	30 June 2018 ₹
Derivative liability - forward contracts	**-**	26,170,285
Deposit received	**880,797**	980,797
	880,797	27,151,082

Notes to the consolidated financial statements *(Continued)*

23 Provisions

	30 June 2019 ₹	30 June 2018 ₹
Provision for employees benefits		
- Compensated absences (refer to note 38)	**40,738,311**	37,609,292
	40,738,311	37,609,292

24 Other non-current liabilities

	30 June 2019 ₹	30 June 2018 ₹
Deferred rent liability	**-**	3,683,510
	-	3,683,510

25 Trade payables

	30 June 2019 ₹	30 June 2018 ₹
- Total outstanding dues of micro enterprises and small enterprises (refer to note 46)	**4,009,587**	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	**263,193,759**	218,551,939
	267,203,346	218,551,939
Total trade payables from related parties (refer note no. 42)	**158,993,124**	79,451,304

26 Other current financial liabilities

	30 June 2019 ₹	30 June 2018 ₹
Creditors for capital goods	**4,290,820**	53,320,880
Unclaimed dividends	**36,813,138**	33,482,020
Provision for salaries and incentives	**164,549,845**	154,764,935
Derivative liability - forward contracts	**5,491,650**	19,121,132
	211,145,453	260,688,967

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund

27 Deferred revenue

	30 June 2019 ₹	30 June 2018 ₹
Deferred revenue (refer note no. 31)	**61,754,915**	60,590,016
	61,754,915	60,590,016

Notes to the consolidated financial statements *(Continued)*

28 Provisions

	30 June 2019 ₹	30 June 2018 ₹
Provision for employee benefit		
- Compensated absences (refer to note 23 and 38)	**12,057,542**	11,953,482
- Gratuity (refer to note 38)	**19,742,499**	11,271,864
Provision for claims	**12,801,974**	13,912,627
	44,602,015	37,137,973

29 Income tax liabilities (net)

	30 June 2019 ₹	30 June 2018 ₹
Provision for income tax (net of advance tax ₹ 600,376,129, 30 June 2018: ₹ 572,681,365)	**50,885,848**	78,763,574
	50,885,848	78,763,574

30 Other current liabilities

	30 June 2019 ₹	30 June 2018 ₹
Provident fund contribution payable	**6,617,443**	6,004,224
Profession tax payable	**242,750**	241,175
Tax deducted at source payable	**14,612,122**	11,915,216
Value added tax payable	**55,879**	80,920
Payable to employee state insurance corporation	**282,514**	268,111
Goods and Service tax payable	**2,848,599**	5,264,855
Deferred rent liability	**60,233,956**	7,550,342
	84,893,263	31,324,843

31 Revenue from operations

	30 June 2019 ₹	30 June 2018 ₹
Sale of services	**4,292,665,528**	3,803,301,375
Other operating revenue	**37,581,317**	21,998,585
	4,330,246,845	3,825,299,960

Disaggregate Revenue Information

For disaggregation of revenue by geography wise, please refer to note no. 41 - Segment reporting.

Notes to the consolidated financial statements *(Continued)*

Disaggregation of revenue by service lines

Service Lines	30 June 2019 ₹
Finance Solutions	**3,420,182,791**
Commercial Solutions	**110,791,552**
Industry & Audit Solutions	**738,220,521**
Cargo & Logistics	**23,470,664**
Total	**4,292,665,528**

Remaining performance obligations

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is approx. ₹ 565,402,355 out of which approx. 44.04% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amounts mentioned above.

Contract asset and liabilities

During the year ended 30 June 2019, the Company recognized revenue of ₹ 61,292,005 out of opening gross deferred reveune of ₹ 71,873,402 (deferred revenue as of 1 July 2018, net of debtor balance is ₹ 60,590,016).

During the year ended 30 June 2019, ₹ 234,186,521 of unbilled revenue pertaining to fixed-price development contracts (contract assets) which had an amount of ₹ 247,459,606 as at 1 July 2018, has been reclassified to trade receivables on completion of milestones.

Reconciliation of revenue recognised with the contracted price is as follows:

	30 June 2019 ₹
Contracted price	**4,301,067,124**
Reductions towards variable consideration components	**8,401,596**
Revenue recognised	**4,292,665,528**

The reduction towards variable consideration comprises of volume discounts.

Notes to the consolidated financial statements *(Continued)*

32 Other income

	30 June 2019 ₹	30 June 2018 ₹
Interest on bank deposits	**1,289,087**	505,302
Foreign exchange gain (net)	**47,703,651**	-
Interest on income tax refunds	**-**	26,060
Credit balances written back	**17,143,082**	7,466,244
Dividend from mutual funds	**10,712,035**	12,182,510
Gain on fair valuation of investments	**6,386,483**	-
Provision for doubtful debts, net of bad debt written off	**665,844**	-
Profit on sale of asset, net	**-**	531,728
Interest income - others	**2,900,956**	2,937,457
Miscellaneous income	**2,853,066**	10,290,442
	89,654,204	33,939,743

33 Employee benefits expense

	30 June 2019 ₹	30 June 2018 ₹
Salaries, wages and bonus	**1,381,214,814**	1,353,115,020
Contribution to Provident and other fund	**42,724,054**	42,591,664
Staff welfare expenses	**57,483,936**	49,134,668
Gratuity (refer to note 38)	**11,801,661**	15,497,488
Less: Product development cost capitalised	**(100,634,806)**	(79,899,636)
	1,392,589,659	1,380,439,204

Notes to the consolidated financial statements *(Continued)*

34 Operating and other expenses

	30 June 2019 ₹	30 June 2018 ₹
Advertisement and sales promotion	**101,874,348**	39,753,177
Auditor's remuneration (refer below)	**8,136,534**	7,473,555
Bank charges	**3,934,714**	3,948,919
Communication charges	**28,444,900**	28,297,019
Connectivity charges	**20,858,613**	26,375,952
Data processing charges	**14,436,991**	17,555,610
Director's commission	**400,000**	400,000
Director's sitting and committee fees	**1,825,000**	2,021,492
Contribution to corporate social responsibility (refer to note 47)	**27,200,000**	25,530,230
Insurance	**6,703,470**	7,345,336
Legal and professional fees	**29,783,113**	20,968,747
Management fees	**123,034,501**	43,832,179
Foreign exchange loss (net)	**-**	23,782,074
Membership and subscription	**16,077,141**	13,788,122
Power, fuel and water charges	**32,930,512**	30,046,130
Printing and stationery	**1,747,636**	2,143,999
Provision for doubtful debts	**-**	5,549,375
Rates and taxes	**21,635,789**	2,718,610
Loss on sale of fixed assets, net	**4,596,618**	-
Recruitment expenses	**8,010,822**	6,502,374
Rent (refer to note 39)	**132,025,942**	79,584,125
Repair and maintenance :		
-Machinery	**5,283,515**	5,361,315
-Others	**24,938,167**	20,191,575
Software and maintenance	**238,251,967**	212,376,488
Technical consultants charges	**257,115,557**	237,240,018
Travelling and conveyance	**101,740,107**	80,722,051
Miscellaneous expenses	**36,209,406**	37,205,771
Less: Product development cost capitalised	**(6,827,936)**	(29,096,424)
	1,240,367,427	951,617,819
Auditor's remuneration		
For services as auditor	**7,146,440**	6,841,050
For other services (including certification)	**600,000**	425,000
Reimbursement of expenses	**390,094**	207,505
	8,136,534	7,473,555

Notes to the consolidated financial statements *(Continued)*

35 Depreciation and amortisation expense

	30 June 2019 ₹	30 June 2018 ₹
Depreciation on tangible fixed assets	**88,989,071**	83,868,812
Amortization on intangible fixed assets	**78,013,179**	59,650,272
	167,002,250	143,519,084

36 Earning per equity share (EPS)

	30 June 2019 ₹	30 June 2018 ₹
Profit after tax attributable to equity shareholders (A)	**1,063,780,137**	891,794,187
Number of equity shares at the beginning of the year	**14,926,261**	14,926,261
Number of equity shares outstanding at the end of the year	**14,926,261**	14,926,261
Weighted average number of equity shares outstanding during the year (B)	**14,926,261**	14,926,261
Basic and diluted EPS:		
Basic earnings per share (A / B)	**71.27**	59.75
Diluted earnings per share (A / B)	**71.27**	59.75
Face value per share (₹)	**10.00**	10.00

37 Income taxes

	30 June 2019 ₹	30 June 2018 ₹
A. Amounts recognised in statement of profit or loss		
Current tax		
a) Current tax	**551,602,068**	547,817,349
b) Changes in estimates related to prior years #	**5,044,875**	(4,876,271)
c) Deferred tax:		
Attributable to:		
Origination and reversal of temporary difference	**(485,367)**	(51,071,669)
Income tax expense reported in the statement of profit or loss (a+b+c)	**556,161,576**	491,869,409

Changes in estimates related to prior years in current year is on account of additional tax provision made for FY 2017-18. Changes in estimates related to prior years in previous year is on account of excess tax provision for FY 2014-15 offset by additional tax provision for FY 2016-17.

Notes to the consolidated financial statements *(Continued)*

	30 June 2019 ₹	30 June 2018 ₹
B. Income tax recognised in other comprehensive income	**Nil**	Nil
C. Reconciliation of effective tax rate		
Profit before tax	**1,619,941,713**	1,383,663,596
Tax Rate	**33.492%**	34.692%
Tax using the Company's domestic tax rate	**543,973,983**	479,954,741
Changes in estimates related to prior years	**5,044,875**	(4,876,271)
Tax exempt income	**(3,631,407)**	(4,225,533)
Non-deductible expenses	**3,156,028**	6,319,320
Income chargeable at lower rate of tax	**(15,378,085)**	(22,118,180)
Differences in tax rates in foreign jurisdictions	**17,453,949**	40,248,328
Others	**5,542,233**	(3,432,996)
Effective tax charge	**556,161,576**	491,869,409
Current tax	**551,602,068**	547,817,349
Current tax relating to previous years	**5,044,875**	(4,876,271)
Deferred tax	**(485,367)**	(51,071,669)
Tax expense reported in the statement of comprehensive income	**556,161,576**	491,869,409

D. Recognised deferred tax assets and liabilities

Movement in temporary differences:

(Amount in ₹)

	Balance as at 1 July 2017	Recognised in OCI during 2017-18	Recognised in profit or loss during 2017-18	Balance as at 30 June 2018	Recognised in OCI during 2018-19	Recognised in profit or loss during 2018-19	Balance as at 30 June 2019
Deferred tax assets arising on account of:							
Provision for compensated absences	22,353,608	-	(5,098,048)	17,255,560	-	**(1,881,411)**	**15,374,149**
Allowance for doubtful debts	3,086,765	-	1,956,983	5,043,748	-	**(678,645)**	**4,365,103**
Difference between tax and book value of fixed assets	-	-	770,487	770,487	-	**7,675,489**	**8,445,976**
Mark to market loss on derivative instruments	-	-	12,694,030	12,694,030	-	**(12,694,030)**	**-**
Deferred Rent	4,963,989	-	(1,078,245)	3,885,744	-	**13,640,932**	**17,526,676**
Provision on service tax/ Goods and Service tax refund	-	-	3,750,261	3,750,261	-	**1,961,935**	**5,712,196**
Others	25,456,402	-	(14,673,464)	10,782,938	-	**702,731**	**11,485,669**
Less: Deferred tax liability arising on account of:							
Difference between tax and book value of fixed assets	(10,377,966)	-	10,377,966	-	-	-	**-**
Mark to market gain on derivative instruments	(45,005,373)	-	41,872,770	-	-	**(7,387,319)**	**(7,387,319)**
Others	(2,678,724)	-	(1,040,623)	(3,719,347)	-	**(854,315)**	**(4,573,662)**
Total	**(2,201,299)**	**-**	**49,532,117**	**50,463,421**	**-**	**485,367**	**50,948,788**

Notes to the consolidated financial statements *(Continued)*

(Amount in ₹)

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. This is long term capital loss which can only be set-off against future long term capital gain, which cannot be predicted.

(Amount in ₹)

	30 June 2019		30 June 2018	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	**192,559,395**	**38,511,879**	236,997,213	47,399,443
Total	**192,559,395**	**38,511,879**	236,997,213	47,399,443

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

(Amount in ₹)

	30 June 2019	Expiry date	30 June 2018	Expiry date
Long term capital loss - FY 2010-11	**-**	-	44,437,818	2018-19
Long term capital loss - FY 2012-13	**3,920,131**	2020-21	3,920,131	2020-21
Long term capital loss - FY 2015-16	**188,639,264**	2023-24	188,639,264	2023-24

38 Employee benefits

Gratuity

The Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The liability towards gratuity is carried out using projected unit benefit method. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company.

	30 June 2019 ₹	30 June 2018 ₹
Changes in present value of obligations		
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	**85,880,290**	79,135,718
Current service cost	**10,878,026**	10,967,588
Interest cost	**7,037,171**	5,416,962
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	**(17,174)**	-
- change in financial assumptions	**7,223,827**	(6,850,961)
- experience variance (i.e. Actual experience vs assumptions)	**2,072,092**	2,604,246
Past service cost	**-**	3,445,707
Benefits paid	**(5,602,244)**	(8,838,970)
Closing balance (i)	**107,471,988**	85,880,290
ii) Fair value of plan assets		
Opening balance	**74,608,426**	63,296,883
Investment Income	**6,113,536**	4,332,769

Notes to the consolidated financial statements *(Continued)*

(Amount in ₹)

	30 June 2019	30 June 2018
	₹	₹
Employer's contributions	**12,407,832**	15,341,050
Return on plan assets	**201,940**	476,694
Benefits paid	**(5,602,245)**	(8,838,970)
Closing balance (ii)	**87,729,489**	74,608,426
Net liability recognised in the balance sheet (i-ii)	**19,742,499**	11,271,864
b) Expenses recognised in statement of profit and loss		
Current service cost	**10,878,026**	10,967,588
Past service cost	**-**	3,445,707
Net interest cost/ (income) on the net defined benefit liability/ (asset)	**923,635**	1,084,193
Expenses recognised in statement of profit and loss	**11,801,661**	15,497,488
c) Expenses recognised in other comprehensive income		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	**(17,174)**	-
- change in financial assumptions	**7,223,827**	(6,850,961)
- experience variance (i.e. Actual experiences assumptions)	**2,072,092**	2,604,246
Return on plan assets	**(201,940)**	(476,694)
Total	**9,076,805**	(4,723,409)
d) Break up of Plan assets		
LIC of India - Insurer Managed Fund	**100.00%**	100.00%
e) Maturity Profile of Defined Benefit Obligation		
Expected cash flows over the next 5 years:		
Year 1	**18,206,356**	15,146,624
Year 2	**15,287,197**	12,800,110
Year 3	**13,704,350**	12,254,170
Year 4	**12,598,081**	10,910,517
Year 5	**12,418,715**	10,016,499
f) Principal actuarial assumptions		
Rate of discounting	**6.95%**	8.20%
Expected return on plan assets	**6.95%**	8.20%
Rate of increase in basic salary	**5.00%**	5.00%
Attrition rate	**13.00%**	13.00%
Weighted average duration (based on discounted cashflows)	**6 years**	5 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2006-08) ultimate
Normal retirement age	**58 years**	58 years

The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2019-20 will be ₹ 31,400,226.

Notes to the consolidated financial statements *(Continued)*

38 Employee benefits (Continued)

Sensitivity analysis

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

(Amount in ₹)

Particulars	30 June 2019		30 June 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	**113,977,342**	**101,617,092**	90,857,704	81,386,205
Salary Growth Rate (- / + 1%)	**101,641,466**	**113,819,367**	81,344,234	90,815,670
Attrition Rate (- / + 50%)	**101,679,471**	**110,348,146**	78,410,640	89,614,863
Mortality Rate (- / + 10%)	**107,452,818**	**107,491,106**	85,855,674	85,904,836

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Compensated absences

Compensated absences as at balance sheet date, determined on the basis of actuarial valuation based on the 'Projected unit credit method' is as below:

	30 June 2019 ₹	30 June 2018 ₹
Current provisions (refer note 28)	**12,057,542**	11,953,482
Non-current provisions (refer note 23)	**40,738,311**	37,609,292
	52,795,853	49,562,774

	Year ended 30 June 2019	Year ended 30 June 2018
Principal actuarial assumptions		
Rate of discounting	**6.95%**	8.20%
Rate of increase in salary cost to company	**10.00%**	10.00%
Attrition rate	**13.00%**	13.00%
Weighted average duration (based on discounted cashflows)	**4 years**	4 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2006-08) ultimate
Normal retirement age	**58 years**	58 years

Provident Fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to ₹ 36,853,850 (30 June 2018: ₹ 35,450,036).

Notes to the consolidated financial statements *(Continued)*

39 Leases

Operating lease

The company has entered into non cancellable operating leases for office premises. The lease rent for the current year charged to statement of profit and loss aggregates to ₹ 132,025,942 (30 June 2018: ₹ 79,584,125)

Future minimum lease commitments in respect of non cancellable operating leases:

Due	As at 30 June 2019 ₹	As at 30 June 2018 ₹
Not later than one year	**130,537,907**	69,886,656
Later than one year and not later than five years	**536,621,699**	34,615,359
Later than five years	**-**	-

40 Financial instruments

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(Amount in ₹)

30 June 2019	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investments in Shares of Co-operative Banks	5	60,000	-	-	60,000	-	-	60,000	60,000
Non current lease deposits	6	-	-	39,010,507	39,010,507	-	-	-	-
Derivative financial assets - non current	7	14,118,150	-	-	14,118,150	-	14,118,150	-	14,118,150
Other non-current financial assets	7	-	-	412,043	412,043	-	-	-	-
Other deposits	7	-	-	13,151,203	13,151,203	-	-	-	-
Current investments	11	167,030,286	-	-	167,030,286	167,030,286	-	-	167,030,286
Trade receivables	12	-	-	787,717,239	787,717,239	-	-	-	-
Unbilled receivables	13	-	-	96,705,245	96,705,245	-	-	-	-
Current lease deposits	16	-	-	20,801,920	20,801,920	-	-	-	-
Cash and cash equivalents	14	-	-	214,544,964	214,544,964	-	-	-	-
Other bank balances	15	-	-	41,306,140	41,306,140	-	-	-	-
Derivative financial assets - current	17	16,742,040	-	-	16,742,040	-	16,742,040	-	16,742,040
Other current financial assets	17	-	-	521,164	521,164	-	-	-	-
		197,950,476	**-**	**1,214,170,425**	**1,412,120,901**	**167,030,286**	**30,860,190**	**60,000**	**197,950,476**

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

30 June 2019	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities									
Other non-current financial liabilities	22	-	-	880,797	880,797	-	-	-	-
Trade payables	25	-	-	267,203,346	267,203,346	-	-	-	-
Derivative financial liabilities – current	26	5,491,650	-	-	5,491,650	-	5,491,650	-	5,491,650
Other current financial liabilities	26	-	-	205,653,803	205,653,803	-	-	-	-
		5,491,650	**-**	**473,737,946**	**479,229,596**	**-**	**5,491,650**	**-**	**5,491,650**

30 June 2018	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investments in Shares of Co-operative Banks	5	60,000	-	-	60,000	-	-	60,000	60,000
Non current lease deposits	6	-	-	32,268,231	32,268,231	-	-	-	-
Derivative financial assets - non current	7	705,275	-	-	705,275	-	705,275	-	705,275
Other non-current financial assets	7	-	-	474,329	474,329	-	-	-	-
Other deposits	7	-	-	12,594,085	12,594,085	-	-	-	-
Current investments	11	364,433,513	-	-	364,433,513	364,433,513	-	-	364,433,513
Trade receivables	12	-	-	556,982,311	556,982,311	-	-	-	-
Unbilled receivables	13	-	-	327,441,326	327,441,326	-	-	-	-
Current lease deposits	16	-	-	11,180,309	11,180,309	-	-	-	-
Cash and cash equivalents	14	-	-	242,451,363	242,451,363	-	-	-	-
Other bank balances	15	-	-	37,639,175	37,639,175	-	-	-	-
Derivative financial assets - current	17	8,259,364	-	-	8,259,364	-	8,259,364	-	8,259,364
Other current financial assets	17	-	-	495,417	495,417	-	-	-	-
		373,458,152	**-**	**1,221,526,546**	**1,594,984,698**	**364,433,513**	**8,964,639**	**60,000**	**373,458,152**
Financial liabilities									
Derivative financial liabilities - non current	22	26,170,285	-	-	26,170,285	-	26,170,285	-	26,170,285
Other non-current financial liabilities	22	-	-	980,797	980,797	-	-	-	-
Trade payables	25	-	-	218,551,939	218,551,939	-	-	-	-
Derivative financial liabilities – current	26	19,121,132	-	-	19,121,132	-	19,121,132	-	19,121,132
Other current financial liabilities	26	-	-	241,567,835	241,567,835	-	-	-	-
		45,291,417	**-**	**461,100,571**	**506,391,988**	**-**	**45,291,417**	**-**	**45,291,417**

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

B. Measurement of fair values

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

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

C. Financial risk management

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

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

i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Financial Assets are written off when there is no reasonable expectation of recovery from the customer.

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Amount in ₹)

	As at 30 June 2019	As at 30 June 2018
Neither past due nor impaired	-	-
Past due but not impaired	**324,622,406**	300,469,645
Past due 1–90 days	**329,161,634**	221,974,900
Past due 91–180 days	**117,997,653**	28,956,227
Past due 181–270 days	**6,962,665**	2,418,682
Past due 271–365 days	**3,370,849**	1,738,841
Past due more than 365 days	**5,602,032**	1,424,016
	787,717,239	556,982,311

Expected credit loss assessment:

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at 30 June, 2019 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(Amount in ₹)

	As at 30 June 2019
Balance as at 1 July 2017	**8,708,287**
Impairment loss recognised during the year	**6,849,262**
Amounts written off during year	**(1,299,995)**
Balance as at 30 June 2018	**14,257,554**
Impairment loss recognised during the year	**2,209,044**
Amounts written off during year	**(2,876,521)**
Balance as at 30 June 2019	**13,590,077**

One customer accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2019 (30 June 2018: one customer accounted for more than 10% of accounts receivable). One customer accounted individually for more than 10% of the unbilled receivable and contract asset for the year ended 30 June 2019 (30 June 2018: one customer accounted for more than 10% of unbilled receivable and contract asset).

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of ₹ 198,671,531 as at 30 June 2019. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

* all non derivative financial liabilities
* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

(Amount in ₹)

		Contractual cash flows				
As at 30 June 2019	**Carrying amount**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**	**Total**
Non-derivative financial liabilities						
Trade and other payables	**267,203,346**	**267,203,346**	**-**	**-**	**-**	**267,203,346**
Other current financial liabilities	**205,653,803**	**205,653,803**	**-**	**-**	**-**	**205,653,803**
Other non-current financial liabilities	**880,797**	**-**	**-**	**-**	**880,797**	**880,797**
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	**5,491,650**	**(350,033,400)**	**-**	**-**	**-**	**(350,033,400)**
- Inflow		**344,541,750**	**-**	**-**	**-**	**344,541,750**
As at 30 June 2018						
Non-derivative financial liabilities						
Trade and other payables	218,551,939	218,551,939	-	-	-	218,551,939
Other current financial liabilities	241,567,835	241,567,835	-	-	-	241,567,835
Other non-current financial liabilities	980,797	-	-	-	980,797	980,797
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	45,291,417	(689,746,063)	(656,889,044)	-	-	(1,346,635,107)
- Inflow		670,624,930	630,718,760	-	-	1,301,343,690

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP and Euro, against the respective functional currencies of the Company and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

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

(Amount in ₹)

	EURO	AUD	GBP	USD	SGD	NZD	AED	MXN
As at 30 June 2019								
Trade receivables	**109,557,340**	**-**	**77,532,894**	**302,547,188**	**9,256,928**	**-**	**-**	**-**
EEFC accounts	**-**	**-**	**316,836**	**896,343**	**-**	**-**	**-**	**-**
Trade payables	**(133,257,765)**	**(18,186)**	**(3,898,843)**	**(27,187,225)**	**(2,194,295)**	**(306,559)**	**-**	**(307,072)**
Net statement of financial position exposure	**(23,700,425)**	**(18,186)**	**73,950,887**	**276,256,306**	**7,062,633**	**(306,559)**	**-**	**(307,072)**
Forward exchange contracts	**61,223,770**	**-**	**57,747,475**	**302,104,364**	**-**	**-**	**-**	**-**
Net exposure	**(84,924,195)**	**(18,186)**	**16,203,412**	**(25,848,058)**	**7,062,633**	**(306,559)**	**-**	**(307,072)**
As at 30 June 2018								
Trade receivables	43,501,051	19,675,777	19,434,420	190,771,634	26,299,627	-	-	-
EEFC accounts	1,363,578	-	693,966	481,843	-	-	-	-
Trade payables	(5,217,060)	(222,606)	(2,617,738)	(85,790,538)	(5,352,663)	(749,920)	(6,558,866)	(26,783)
Net statement of financial position exposure	39,647,569	19,453,171	17,510,648	105,462,939	20,946,964	(749,920)	(6,558,866)	(26,783)
Forward exchange contracts	44,195,775	-	20,011,891	194,092,298	-	-	-	-
Net exposure	(4,548,206)	19,453,171	(2,501,243)	(88,629,359)	20,946,964	(749,920)	(6,558,866)	(26,783)

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management (Continued)

Sensitivity analysis

A 10% strengthening/ weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

(Amount in ₹)

Currency	30 June 2019				30 June 2018			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
EUR	**(8,492,420)**	**8,492,420**	-	-	(454,821)	454,821	-	-
AUD	**(1,819)**	**1,819**	-	-	1,945,317	(1,945,317)	-	-
GBP	**1,620,341**	**(1,620,341)**	-	-	(250,124)	250,124	-	-
USD	**(2,584,806)**	**2,584,806**	-	-	(8,862,936)	8,862,936	-	-
SGD	**706,263**	**(706,263)**	-	-	2,094,696	(2,094,696)	-	-
NZD	**(30,656)**	**30,656**	-	-	(74,992)	74,992	-	-
AED	**-**	**-**	-	-	(655,887)	655,887	-	-
MXN	**(30,707)**	**30,707**	-	-	(2,678)	2,678	-	-

(Note: The impact is indicated on the profit/ loss and equity before tax basis)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company has no borrowings from banks and financial institutions. The company has margin money deposit with bank at fixed interest rate. Any movement in the market interest rate is not expected to significantly impact the fair value of deposits.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and bank balances and has very low amount of debt. The company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

Notes to the consolidated financial statements *(Continued)*

41 Segmental reporting

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance as a single business segment namely travel and transportation vertical. The Company's CODM is Managing Director.

Geographic segments

Continents	Country
Asia Pacific	India, China, New Zealand, Japan, Hong Kong, Singapore, Indonesia, Australia, Bangladesh, Fiji, Malaysia, Maldives, South Korea, Seychelles, Taiwan, Thailand, Vietnam, Philippines and Sri Lanka
Middle East and Africa	Casablanca, Kenya, Lebanon, Tanzania, Bahrain, Iran, Kuwait, Namibia, Rwanda, Saudi Arabia, South Africa, UAE, Ethiopia and Israel
Americas	USA, Canada, Argentina, Brazil, Chile, Colombia, El Salvador, Panama and Mexico
Europe	Austria, Belgium, Denmark, France, Finland, Greece, Germany, Iceland, Italy, Norway, Poland, Portugal, Romania, United Kingdom, Luxembourg, Spain and Turkey

Segment revenues

Revenues are attributable to individual geographic segments based on location of the end customer.

Continent wise geographical revenue and Non current assets (Amount in ₹)

Continent	Revenue		Non-current assets	
	For the year ended 30 June 2019	For the year ended 30 June 2018	As at 30 June 2019	As at 30 June 2018
Asia Pacific	**1,494,602,517**	**1,327,391,404**	629,764,278	567,374,064
Middle East and Africa	**661,950,828**	**621,786,078**	-	-
Americas	**1,440,295,429**	**1,191,567,342**	9,552,071	12,872,227
Europe	**695,816,754**	**662,556,551**	279,983,322	287,846,354
Total	**4,292,665,528**	**3,803,301,375**	919,299,671	868,092,645

Major customer:

None of the customers accounted for more than 10% of the revenue for the year ended 30 June 2019 (30 June 2018: Three customers accounted for more than 10% of the total revenue)

Notes to the consolidated financial statements *(Continued)*

42 Related party transactions

A. Related party disclosures

Related parties where control exists	Name
Ultimate holding company	Accelya Topco Limited *(formerly known as Canary Topco Ltd)*
Intermediate holding company	Sky Bidco S.L.U. *
Holding company	Accelya Holding World S.L.U. *
Fellow subsidiaries	Accelya World S.L.U.
	Accelya UK Limited
	Accelya France SAS
	Accelya America, S.A. de C.V.
	Accelya Portugal Unipessoal Ltda.
	Mercator Solutions FZE
	Accelya Services India Private Limited *(formerly known as Canary Travel and Logistics Solutions Pvt. Ltd.)*
	Revenue Management Systems
Key management personnel	John Johnston - Chairman
	Neela Bhattacherjee - Managing Director
	Gurudas Shenoy - Chief Financial Officer
	Ninad Umranikar - Company Secretary
Other related party	K.K. Nohria - Director
	Sekhar Natarajan - Director
	Nani Javeri - Director
	Sangeeta Singh - Director
	Vipul Jain ** - Director
	Catalysts for Social Action #

Note: *With effect from 28 June 2019, Sky Bidco S.L.U. has been dissolved and has been merged with Accelya Holding World, S.L.U.

** Mr. Vipul Jain resigned as Director with effect from 9th August, 2017

Ceased to be a related party with effect from 9th August, 2017

Notes to the consolidated financial statements *(Continued)*

42 Related party transactions (Continued)

B. Transactions with related parties

(Amount in ₹)

Nature of transactions	Year ended	Ultimate holding company	Intermediate holding	Holding	Fellow subsidiaries	Other related parties	Key management personnel	Total
Services rendered by the Company	30 June 2019	**-**	**44,652,496**	**(315,042)**	**680,760,097**	**-**	**-**	**725,097,551**
	30 June 2018	-	-	16,581,838	474,194,082	-	-	490,775,920
Services received by the Company	30 June 2019	**-**	**208,670,655**	**-**	**296,713,033**	**-**	**-**	**505,383,688**
	30 June 2018	-	-	41,629,136	206,965,761	-	-	248,594,897
Claims raised for expenses	30 June 2019	**-**	**14,290,984**	**(306,393)**	**53,046,757**	**-**	**-**	**67,031,348**
	30 June 2018	-	-	7,425,132	38,800,446	-	-	46,225,578
Claims received for expenses	30 June 2019	**-**	**24,416,909**	**1,682,434**	**27,664,935**	**-**	**-**	**53,764,278**
	30 June 2018	-	-	29,526,046	12,904,270	-	-	42,430,316
Remuneration	30 June 2019	**-**	**-**	**-**	**-**	**-**	**36,684,555**	**36,684,555**
	30 June 2018	-	-	-	-	-	29,122,105	29,122,105
Sitting fees	30 June 2019	**-**	**-**	**-**	**-**	**1,825,000**	**-**	**1,825,000**
	30 June 2018	-	-	-	-	1,775,000	-	1,775,000
Commission	30 June 2019	**-**	**-**	**-**	**-**	**400,000**	**-**	**400,000**
	30 June 2018	-	-	-	-	400,000	-	400,000
Dividend paid	30 June 2019	**-**	**-**	**546,021,455**	**-**	**-**	**433,601**	**546,455,056**
	30 June 2018	9,234	-	601,737,930	-	-	477,846	602,225,010
Balances outstanding	**As at:**							
Payable	30 June 2019	**-**	**59,157,905**	**377,705**	**99,457,514**	**-**	**-**	**158,993,124**
	30 June 2018	-	-	14,568,010	64,883,294	-	-	79,451,304
Trade receivables	30 June 2019	**-**	**55,788,524**	**901,323**	**142,685,892**	**-**	**-**	**199,375,739**
	30 June 2018	-	-	4,891,847	61,538,261	-	-	66,430,108
Unbilled receivables	30 June 2019	**-**	**1,873,654**	**-**	**54,113,972**	**-**	**-**	**55,987,626**
	30 June 2018	-	-	3,666,431	69,941,244	-	-	73,607,675

Notes to the consolidated financial statements *(Continued)*

42 Related party transactions (Continued)

C. Of the above items, transactions in excess 10% of the total related party transactions are as under

Nature of transaction	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Services rendered by the Company		
Sky Bidco S.L.U.	**44,652,496**	-
Accelya Holding World S.L.U.	**(315,042)**	16,581,838
Accelya World S.L.U.	**315,548,783**	238,393,119
Accelya France SAS	**42,593,648**	46,762,445
Accelya UK Ltd	**111,836,897**	126,703,297
Accelya America, S.A. de C.V.	**16,321,733**	4,087,381
Accelya Portugal Unipessoal Ltda.	**13,579,387**	14,090,886
Mercator Solutions FZE	**180,879,649**	44,156,954
Services received by the Company		
Sky Bidco S.L.U.	**208,670,655**	-
Accelya Holding World S.L.U.	**-**	41,629,136
Accelya World S.L.U.	**189,430,565**	146,081,849
Accelya France SAS	**8,492,304**	6,447,626
Accelya UK Ltd	**22,847,288**	26,513,202
Accelya America, S.A. de C.V.	**5,433,399**	1,062,926
Mercator Solutions FZE	**57,425,048**	24,716,322
Revenue Management Systems	**13,084,429**	2,143,836
Claims raised for expenses		
Sky Bidco S.L.U.	**14,290,984**	-
Accelya Holding World S.L.U.	**(306,393)**	7,425,132
Accelya World S.L.U.	**17,929,216**	6,894,844
Accelya France SAS	**3,384,096**	5,431,099
Accelya UK Ltd	**4,853,677**	17,020,647
Accelya America, S.A. de C.V.	**1,726,961**	-
Accelya Portugal Unipessoal Ltda.	**86,048**	100,040
Mercator Solutions FZE	**24,270,034**	7,973,570
Accelya Services India Private Limited	**796,725**	1,380,246
Claims received for expenses		
Sky Bidco S.L.U.	**24,416,909**	-
Accelya Holding World S.L.U.	**1,682,434**	29,526,046
Accelya World S.L.U.	**7,496,935**	701,289
Accelya France SAS	**55,373**	-
Accelya UK Ltd	**7,598,631**	6,691,618
Accelya America, S.A. de C.V.	**17,215**	-
Mercator Solutions FZE	**7,878,266**	5,511,363
Revenue Management Systems	**4,618,515**	-
Dividend paid		
Accelya Topco Limited	**-**	9,234
Accelya Holding World S.L.U.	**546,021,455**	601,737,930
Gurudas Shenoy	**106,085**	116,910
Neela Bhattacherjee	**102,361**	112,806
Ninad Umranikar	**225,155**	248,130

Notes to the consolidated financial statements *(Continued)*

42 Related party transactions (Continued)

Nature of transaction	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Remuneration		
Neela Bhattacherjee	**18,050,905**	16,185,434
Gurudas Shenoy	**14,410,903**	8,491,395
Ninad Umranikar	**4,222,747**	4,445,276
Sitting fees		
K.K. Nohria	**370,000**	350,000
Sekhar Natarajan	**520,000**	350,000
Nani Javeri	**455,000**	525,000
Sangeeta Singh	**480,000**	525,000
Vipul Jain	**-**	25,000
Commission		
K.K. Nohria	**100,000**	100,000
Sekhar Natarajan	**100,000**	100,000
Nani Javeri	**100,000**	100,000
Sangeeta Singh	**100,000**	100,000

Notes to the consolidated financial statements *(Continued)*

42 Related party transactions (Continued)

Balances outstanding:	As at 30 June 2019	As at 30 June 2018
Payable		
Sky Bidco S.L.U.	**59,157,905**	-
Accelya Holding World S.L.U.	**377,705**	14,568,010
Accelya World S.L.U.	**73,114,403**	53,975,654
Accelya France SAS	**2,108,577**	2,094,955
Accelya UK Ltd	**4,150,540**	2,871,162
Accelya America, S.A. de C.V.	**1,806,359**	93,153
Mercator Solutions FZE	**13,949,529**	5,848,370
Revenue Management Systems	**4,328,106**	-
Trade receivables		
Sky Bidco S.L.U.	**55,788,524**	-
Accelya Holding World S.L.U.	**901,323**	4,891,847
Accelya World S.L.U.	**56,141,916**	32,359,793
Accelya France SAS	**10,876,311**	4,651,704
Accelya UK Ltd	**21,340,701**	12,226,721
Accelya America, S.A. de C.V.	**5,874,636**	395,084
Accelya Portugal Unipessoal Ltda.	**3,135,542**	1,109,086
Mercator Solutions FZE	**45,171,177**	10,725,622
Accelya Services India Private Limited	**145,609**	70,251
Unbilled receivables		
Sky Bidco S.L.U.	**1,873,654**	-
Accelya Holding World S.L.U.	**-**	3,666,431
Accelya World S.L.U.	**26,691,382**	24,877,684
Accelya France SAS	**-**	9,522,369
Accelya UK Ltd	**26,461,709**	19,632,535
Accelya America, S.A. de C.V.	**-**	395,084
Accelya Portugal Unipessoal Ltda.	**86,048**	1,109,086
Mercator Solutions FZE	**874,833**	14,404,486

Key management personnel

	Year ended 30 June 2019 ₹	Year ended 30 June 2018 ₹
Managerial remuneration		
Short-term employment benefits	**35,754,487**	28,246,836
Post-employment benefits	**930,068**	875,269
Total compensation	**36,684,555**	29,122,105

The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation. Based on the above, the Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for tax.

Notes to the consolidated financial statements *(Continued)*

43 Capital and other commitments

	30 June 2019 ₹	30 June 2018 ₹
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	**26,072,234**	33,685,143

44 Contingent liabilities

	30 June 2019 ₹	30 June 2018 ₹
Claims against the Company pertaining to Sales Tax with Maharashtra Sales Tax Tribunal - For F.Y. 2001-02 (disallowance of Software services and maintenance of software) *	-	7,870,739
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed to the extent of ₹ 26,953,406 (net of provision)	**27,749,808**	18,180,586
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards certain transactions were chargeable to tax under Reverse Charge Mechanism pertaining to financial year 2011-12 to 2014-15. The Company has filed an appeal against the same with CESTAT.	**59,121,804**	59,121,804

* The Company availed the Amnesty Scheme announced by the Government of Maharashtra and accordingly made the payment of ₹ 2,400,747 as full and final settlement of all pending dues.

The Company has reviewed all its pending litigation and proceedings and has adequately provided where provision are required. The Company has disclosed contingent liabilities wherever applicable. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

In February 2019, the Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. However, there are numerous interpretative aspects related to the judgement, including the effective date of application. In view of the above, the Company has assessed the liability which is not significant. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

Notes to the consolidated financial statements *(Continued)*

45 Net dividend remitted in foreign exchange

Year of remittance (ending on)		
Period to which the dividend relates	**2017-18 (Final dividend)**	2016-17 (Final dividend)
Numbers of non-resident shareholders	**15**	18
Numbers of equity shares held on which dividend was due	**11,158,289**	11,165,282
Amount remitted (₹)	**357,065,248**	446,611,280
Period to which the dividend relates	**2018-19 (Interim dividend)**	2017-18 (Interim dividend)
Numbers of non-resident shareholders	**14**	16
Numbers of equity shares held on which dividend was due	**11,159,786**	11,161,007
Amount remitted (₹)	**189,716,362**	156,254,098

46 Disclosure under Micro Small and Medium Enterprises Development (MSMED) Act, 2006

Based on information and records available, the Company has following dues to micro and small enterprises during the years ended 30 June 2019 and 30 June 2018 and as at 30 June 2019 and 30 June 2018

Particulars	As at 30 June 2019 ₹	As at 30 June 2018 ₹
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	**4,009,587**	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	-	-

47 Corporate Social Responsibility

As per the Companies Act, 2013, all companies having net worth of ₹ 500 crores or more, or turnover of ₹ 1,000 crores or more or a net profit of ₹ 5 crores or more during any financial year will be required to constitute a Corporate Social Responsibility ("CSR") committee of the Board of Directors comprising three or more directors, at least one of whom shall be an independent director. The Company has constituted a committee comprising Mr. John Johnston, Mr. Nani Javeri and Ms. Sangeeta Singh as its members. The committee is responsible for formulating and monitoring the CSR policy of the Company.

The company has implemented CSR activities through Catalysts for Social Action ("CSA") a Not-For-Profit organization dedicated to the cause of child welfare and rehabilitation for children living in orphanages. The total amount spent by the Company through CSA is ₹ 27,200,000 (30 June 2018: ₹ 25,530,230)

Notes to the consolidated financial statements *(Continued)*

(Amount in ₹)

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	27,200,000	-	27,200,000

48 Statement pursuant to requirement of Schedule III of the Companies Act, 2013 relating Company's interest in subsidiary companies

(Amount in ₹)

Name of Entity	Net Assets [Total Assets - Total Liabilities]		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
30 June 2019:								
Parent Company								
Accelya Solutions India Limited *(formerly known as Accelya Kale Solutions Limited)*	96.40%	1,904,531,350	97.62%	1,038,491,373	44.42%	(9,076,805)	98.66%	1,029,414,568
Subsidiaries								
Accelya Solutions Americas Inc *(formerly known as Kale Softech Inc)*	8.17%	161,374,422	5.89%	62,642,002	-8.69%	1,774,960	6.17%	64,416,962
Accelya Solutions UK Limited *(formerly known as Zero Octa UK Limited)*	-2.92%	(57,679,099)	4.22%	44,912,927	25.85%	(5,282,133)	3.80%	39,630,794
Kale Employee Welfare Trust	2.22%	43,842,702	0.54%	5,749,427	0.00%	-	0.55%	5,749,427
Eliminations	-3.87%	(76,457,071)	-8.27%	(88,015,592)	38.41%	(7,848,422)	-9.19%	(95,864,014)
Total	**100.00%**	**1,975,612,304**	**100.00%**	**1,063,780,137**	**100.00%**	**(20,432,400)**	**100.00%**	**1,043,347,737**
30 June 2018:								
Parent Company								
Accelya Solutions India Limited	96.82%	1,738,750,417	106.21%	947,163,359	12.32%	4,723,409	102.34%	951,886,768
Subsidiaries								
Accelya Solutions Americas Inc	7.80%	140,067,461	5.15%	45,895,204	21.73%	8,333,676	5.83%	54,228,880
Accelya Solutions UK Limited	-2.92%	(52,404,242)	3.02%	26,926,380	14.36%	5,508,367	3.49%	32,434,747
Kale Employee Welfare Trust	2.12%	38,093,206	-0.04%	(369,556)	0.00%	-	-0.04%	(369,556)
Eliminations	-3.82%	(68,608,640)	-14.33%	(127,821,200)	51.59%	19,782,288	-11.62%	(108,038,912)
Total	**100.00%**	**1,795,898,202**	**100.00%**	**891,794,187**	**100.00%**	**38,347,740**	**100.00%**	**930,141,927**

Notes to the consolidated financial statements *(Continued)*

49 Impairment testing of Goodwill

For the purpose of impairment testing, carrying amount of goodwill has been allocated to the single cash generating unit (CGU) to Accelya Solutions UK Limited (formerly known as Zero Octa UK Limited)

The recoverable amounts of the above CGU have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below:

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The cash flow projections included specific estimates for five years developed using internal forecasts, and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-midterm market developments.

The average growth rates used in extrapolating cash flows beyond the planning period ranges from 1% to 5%.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Pre-tax discount rate used is 11.39%.

The company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

50 Disclosure on Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 30 June 2019

51 Long term contracts

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

Notes to the consolidated financial statements *(Continued)*

52 Subsequent events

Dividends paid during the year ended 30 June, 2019 include an amount of ₹ 32 per equity share towards final dividend for the year ended 30 June, 2018 and an amount of ₹ 17 per equity share towards interim dividends for the year ending 30 June, 2019. Dividends paid during the year ended 30 June, 2018 include an amount of ₹ 40 per equity share towards final dividend for the year ended 30 June, 2017 and an amount of ₹ 14 per equity share towards interim dividends for the year ending 30 June, 2018.

Dividends declared by the Company are based on profits available for distribution. Distribution of dividends out of general reserve and retained earnings is subject to applicable dividend distribution tax. On 28 August, 2019, the Board of Directors of the Company have proposed a final dividend of ₹ 15 per share in respect of the year ending 30 June, 2019 subject to the approval of shareholders at the Annual General Meeting and if approved, would result in a cash outflow of approximately ₹ 269,915,968, inclusive of dividend distribution tax of ₹ 46,022,053.

53 Other matters

Information with regard to other matters specified in Schedule III - Division II to the Act is either nil or not applicable to the Company for the year.

As per our report of even date attached

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

Rajiv Shah
Partner
Membership No: 112878
ICAI UDIN: 19112878AAAAAS4513

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August 2019

FORM AOC - 1 (PART A)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(All amounts in ₹ unless otherwise stated)

Sr no	Name of the subsidiary	**Accelya Solutions Americas Inc** *(formerly known as Kale Softech Inc)*	**Accelya Solutions UK Limited** *(formerly known as Zero Octa UK Limited)*
1	Reporting currency	USD	GBP
2	Exchange rate on the last date of the financial year	69.015	87.541
3	Financial year end on	30th June 2019	30th June 2019
4	Share capital	897,195	97,171
5	Reserves and surplus	160,465,569	60,227,945
6	Total assets	359,887,275	144,288,753
7	Total Liabilities	198,524,512	83,963,637
8	Investments	-	-
9	Turnover	1,240,429,922	346,216,076
10	Profit before taxation	85,702,689	47,280,019
11	Provision for taxation	24,082,094	8,979,693
12	Profit after taxation	61,620,595	38,300,326
13	Proposed Dividend	-	-
14	% of shareholding	100%	100%

For and on behalf of Board of Directors
Accelya Solutions India Limited
CIN: L74140PN1986PLC041033

John Johnston
Chairman
DIN: 07258586

Neela Bhattacherjee
Managing Director
DIN: 01912483

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Thane
Date : 28th August, 2019

Shareholder Information

1. Annual General Meeting

Date and Time	-	Thursday, 24th October, 2019 at 12.00 noon
Venue	-	Navalmal Firodia Seminar Hall No. 4 & 5, 'A Wing', 5th Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016
Book Closure Dates	-	Monday, the 14th day of October, 2019 to Thursday, the 24th day of October, 2019 (both days inclusive)
Purpose	-	Dividend and Annual General Meeting

2. Registered Office Address

Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune - 411 037

3. Listing Details

No. of securities listed - 1 to 14926261

Name, Address & Telephone Nos. of the Stock Exchanges	Scrip Code	Date of Listing	Listing fees For 2018-19
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 Tel.: (022) 22721233 / 34	532268	November 16, 1999	Paid
National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Tel.: (022) 2659 8100 –14	ACCELYA	December 1, 1999	Paid

4. Share Transfer System

The Share Transfer Committee of the Board usually meets once every month to approve physical transfer of shares.

Break up of shareholding in physical and demat mode (As on 30th June, 2019)

Type of Holding	Percentage to Share Capital
Physical	0.62%
Dematerialized	99.38%
Total	**100.00%**

5. ISIN Numbers

NSDL:

ISIN No.	Description	Type of Shares
INE793A01012	KALE CONSULTANT EQ	Equity Share

CDSL:

ISIN No.
INE793A01012

6. Registrar and Share Transfer Agent (address for correspondence)

Karvy Fintech Private Limited
Karvy Selenium, Tower B,
Plot 31-32, Gachibowli Financial District,
Nanakramguda,
Hyderabad – 500 032
Tel. No. (040) 67162222
Fax No. (040) 23001153
Email: einward.ris@karvy.com
Contact Person: Mr. Mohammed Mohsinuddin

7. Accelya Solutions India Limited Share Price (NSE) Vs. NSE S&P CNX Nifty Index

Month	Accelya Solutions India Limited Share Price (₹)		NSE S&P CNX Nifty	
	High	Low	High	Low
July, 2018	1,090.00	1,029.00	11,328.10	10,604.65
August, 2018	1,097.60	990.25	11,760.20	11,234.95
September, 2018	1,055.00	975.00	11,751.80	10,850.30
October, 2018	1,042.00	945.00	11,035.65	10,004.55
November, 2018	1,000.00	906.25	10,922.45	10,341.90
December, 2018	1,011.35	939.75	10,985.15	10,333.85
January, 2019	964.95	905.00	10,987.45	10,583.65
February, 2019	975.00	901.25	11,118.10	10,585.65
March, 2019	950.00	905.00	11,630.35	10,817.00
April, 2019	967.90	905.00	11,856.15	11,549.10
May, 2019	944.15	890.15	12,041.15	11,108.30
June, 2019	904.80	860.00	12,103.05	11,625.10

8. Distribution of Shareholding as on 30th June, 2019

Shareholding Range	No. of Shareholders	Percentage	Shareholding	Percentage
Up to 500	20,806	96.63	1,258,388	8.43
501 – 1000	378	1.75	288,364	1.93
1001 – 2000	174	0.81	245,702	1.65
2001 – 3000	66	0.31	166,679	1.12
3001 – 4000	19	0.09	65,817	0.44
4001 – 5000	19	0.09	90,277	0.60
5001 – 10000	36	0.17	258,280	1.73
10001 and above	33	0.15	12,552,754	84.10
TOTAL	**21,531**	**100.00**	**14,926,261**	**100.00**

9. Investor Complaints

During the year, the Company received 49 complaints all of which were resolved during the year and there were no complaints pending at the end of the year.

The Company has received letters from Stock Exchanges confirming NIL complaints pending, the details of which are given below:

Stock Exchange	Date of Letter / Email
BSE Limited	October 04, 2018
National Stock Exchange of India Limited	October 04, 2018
BSE Limited	January 03, 2019
National Stock Exchange of India Limited	January 03, 2019
BSE Limited	April 22, 2019
National Stock Exchange of India Limited	April 03, 2019
BSE Limited	July 01, 2019
National Stock Exchange of India Limited	July 01, 2019

The Company has set up a Stakeholders Relationship Committee, which monitors overall investor complaints in co-ordination with Registrar & Share Transfer agent.

10. Financial Calendar

The tentative calendar of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 30th June, 2020 is as follows:

Quarter /Year ended	Month of approval of Financial Results
30th September, 2019	October / November, 2019
31st December, 2019	January / February, 2020
31st March, 2020	April / May, 2020
30th June, 2020	July / August, 2020

accelya

ACCELYA SOLUTIONS INDIA LIMITED

Regd. Off.: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037.
Tel No.: +91 20 6608 3777 Fax: +91 20 2423 1639 Email: accelyaindia.investors@accelya.com
Website: https://w3.accelya.com
CIN: L74140PN1986PLC041033

NOTICE

NOTICE IS HEREBY GIVEN THAT the thirty third Annual General Meeting (AGM) of the members of Accelya Solutions India Limited (CIN: L74140PN1986PLC041033) will be held on Thursday, the 24th day of October, 2019 at 12.00 noon at Navalmal Firodia Seminar Hall No. 4 & 5, 'A Wing', 5th Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the year ended 30th June, 2019, together with the Reports of the Directors' and Auditors' thereon.

2. To confirm payment of interim dividend and declare a final dividend on equity shares.

3. To appoint a Director in place of Mr. John Johnston (DIN : 07258586), who retires by rotation and being eligible, offers himself for re-appointment.

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, B S R & Co. LLP, Chartered Accountants, (Firm's Registration No. 101248W/W-100022), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 34th AGM of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to Regulation 26 (6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Securities and Exchange Board of India regulations as may be applicable in this regard, the approval and confirmation of the members be and is hereby accorded to the payment of bonus rewards **(Global Management Rewards)** to employees and/or directors of the Company as identified by Accelya Topco Limited (**Topco** and together with its subsidiaries the **Accelya Group**) from time to time **(Managers)** in certain circumstances including upon occurrence of agreed exit events, such payments to be made by the Accelya Group in a manner that ensures that the Global Management Rewards will not have any net financial impact on the Company's liability, profit and loss account, balance sheet and/or cash flow.

   "**RESOLVED FURTHER THAT** the identified exit events for the purpose of the Global Management Rewards are: (i) winding up of Topco or a holding company of Topco, (ii) listing of shares of Topco or any holding

company of Topco on any internationally recognised stock exchange, or (iii) the completion of an acquisition where a person acquires a controlling interest in Topco or in a holding company of Topco where such person did not previously have such a controlling interest in that company or disposal of all or substantially all of the assets of the Accelya Group, subject to such terms as may be decided by Topco.

"**RESOLVED FURTHER THAT** the approval and confirmation of the members be and is hereby accorded to the implementation of the Global Management Rewards with respect to the Managers and all such steps and actions as may be necessary in connection with the Global Management Rewards including without limitation the Managers entering into agreements and/or arrangements to implement the Global Management Rewards be and are hereby approved and confirmed.

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, each Director of the Company and any person authorized by the Board of Directors of the Company, be and are hereby authorized, in each case, acting severally, to do any and all such acts, deeds and things, take such steps and actions and give such directions as it or any such authorized person may in his / her absolute discretion deem necessary, appropriate or desirable to give effect to the above resolutions, settle any questions that may arise in this regard, and to modify, finalise and/or execute any documents and writing related thereto."

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT,** in accordance with the provisions of section 149 read with schedule IV of the Companies Act, 2013, and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, the members of the Company hereby approve the re-appointment of Mr. Sekhar Natarajan (DIN: 01031445) as an Independent Director of the Company upto 6th July, 2021."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT,** in accordance with the provisions of section 149 read with schedule IV of the Companies Act, 2013, and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, the members of the Company hereby approve the re-appointment of Mr. Nani Javeri (DIN: 02731854) as an Independent Director of the Company upto 7th July, 2023."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT,** in accordance with the provisions of section 149 read with schedule IV of the Companies Act, 2013, and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, the members of the Company hereby approve the re-appointment of Ms. Sangeeta Singh (DIN: 06920906) as an Independent Director of the Company upto 17th July, 2024."

By the Order of the Board of Directors

Ninad Umranikar
Company Secretary
ACS : 14201

Place: Thane
Date: 28th August, 2019

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 hours before the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.

2. The Register of Members and Transfer Books of the Company will be closed from Monday, the 14th day of October, 2019 to Thursday, the 24th day of October, 2019 (both days inclusive), for the purpose of dividend and AGM.

3. If the Final Dividend as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made on Monday, 11th November, 2019 as under:

   a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Saturday, the 12th day of October, 2019;

   b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Saturday, the 12th day of October, 2019.

4. **Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Fintech Private Limited (Karvy) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy.**

5. **MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDING TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES (LOSS OR MISPLACE OF SHARE CERTIFICATE). MEMBERS CAN CONTACT THE COMPANY OR KARVY FOR ASSISTANCE IN THIS REGARD.**

6. Members desiring any information as regards the accounts and operations of the Company are requested to send their queries to the Company, at least 10 days in advance, so as to enable the management to keep the information ready.

7. **Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Karvy.**

   Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per section 124 of the Companies Act, 2013 (section 205A of the ertswhile Companies Act, 1956) be transferred to the Investor Education Protection Fund.

8. The Notice of the AGM along with the Annual Report for 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

9. **To support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register the same with Karvy / Depositories.**

10. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder read with regulation 44 of the SEBI Listing Regulations, members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy, on all resolutions set forth in this Notice.

    The instructions for e-voting are as under:

    A. For members who receive notice of annual general meeting through e-mail:

    i. Use the following URL for e-voting: https://evoting.karvy.com

    ii. Enter the login credentials i.e. user id and password mentioned in your email. Your Folio No. /DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing USER ID and password for casting your vote.

    iii. After entering the details appropriately click on "LOGIN".

    iv. You will reach the 'password change' menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.,). The system will prompt you to change your password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

    v. You need to login again with the new credentials.

    vi. On successful login, the system will prompt you to select the EVENT i.e., **Accelya Solutions India Limited**.

    vii. On the voting page, the number of shares (which represents the number of votes) as held by the member will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

    viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

    ix. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. **Once you confirm, you will not be allowed to modify your vote subsequently.** During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

    x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.,) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through email info@napco.in. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name_EVENT No."

    xi. The voting rights shall be as per the number of equity shares held by the members as on 17th day of October, 2019 (cut-off date).

    xii. Members who have acquired shares after the dispatch of the Annual Report but before the cut-off date may obtain the user ID and password by sending a request at **evoting@karvy.com** or mohsin.mohd@karvy.com

xiii. Remote e-voting facility where members can cast their vote online shall be open from: **21st October, 2019 (9.00 a.m.) till 23rd October, 2019 (5.00 p.m.)**

xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call Karvy Fintech Private Limited on 1800 345 4001 (toll free).

B. For members who receive the notice of annual general meeting in physical form

In case of members whose email addresses are not registered with the Company/ Depository Participants, their User ID and initial password/ PIN is provided on the Attendance Slip being sent with the AGM Notice.

Please follow all steps mentioned in A above, to cast your vote.

C. Other Instructions

i. The Board of Directors has appointed Nilesh A. Pradhan & Co. LLP, Practicing Company Secretaries (FCS No. 5445 CP No. 3659) as the Scrutinizer to scrutinize the e-voting process and voting at the venue of the Annual General Meeting in a fair and transparent manner.

ii. The Scrutinizer shall, after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and not later than three days from the conclusion of the meeting, prepare a consolidated scrutinizer's report and submit the same to the Chairman of the Company.

iii. The results declared along with the Scrutinizer's report shall be placed on the Company's website (w3.accelya.com) and on the website of Karvy (http://evoting.karvy.com) and shall also be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. 24th October, 2019.

By the Order of the Board of Directors

Ninad Umranikar
Company Secretary
ACS : 14201

Place: Thane
Date: 28th August, 2019

Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following statement sets out all material facts relating to the business mentioned under Items No. 5 to 7 of the Notice:

Item No. 5

Canary Topco Limited (**Topco**, and together with its subsidiaries, the **Accelya Group**), a company incorporated in England, UK, and an indirect holding company of Accelya Solutions India Limited **(Company)**, has proposed that cash rewards **(Global Management Rewards)** be made, at a global level, to certain identified employees and/or directors of the companies forming part of the Accelya Group based in various countries across the world (including employees and/or directors of the Company in India), who contribute to the Accelya Group **(Key Managers)**. The aim of the Global Management Rewards is, inter alia, to encourage such Key Managers to continue their strong leadership to grow the Accelya Group (including the Company). The Global Management Rewards is not directed solely at the Company's employees and/or directors. The number of the Company's employees and/ or directors who qualify for Global Management Rewards could change from time to time at the discretion of Topco.

The salient features of the Global Management Rewards are set out below:

1. The Global Management Rewards comprise of, *inter alia,* Key Managers (including employees and/or directors of the Company) receiving cash rewards upon the occurrence of certain events as decided by Topco. The events include the following 'exit' events which relate to Topco and a holding company of Topco and are as follows: (i) winding up of Topco or a holding company of Topco, (ii) listing of the shares of Topco or any holding company of Topco on any internationally recognized stock exchange, or (iii) the completion of an acquisition where a person acquires a controlling interest in Topco or in a holding company of Topco, where such person did not previously have such a controlling interest in that company or disposal of all or substantially all of the assets of the Accelya Group **(Exit)**, subject to such terms as may be decided by Topco.

2. The Global Management Rewards may be subject to the satisfaction of certain performance based parameters and thresholds at the time of Exit for the shares of Topco. These parameters may include the market capitalization of Topco meeting certain thresholds relating to the return and the internal rate of return achieved by Topco investors.

3. There will be no net financial impact, liability or burden on the Company under the Global Management Rewards and further the Global Management Rewards will not have any net financial impact on the Company's liability, profit and loss account, balance sheet and/or cash flow. All Global Management Rewards will be subject to payment of applicable taxes, if any, by Topco and the Company.

4. The Global Management Rewards may be offered, *inter alios* to employees of the Accelya Group as identified by Topco from time to time and may include any directors and/or employees of the Company.

The offering or participation in the Global Management Rewards will not imply any intent on the part of the promoters of the Company or its affiliates to actively or passively dispose of its interests in the Accelya Group. The Global Management Rewards merely intend that, in the future, upon the occurrence of a specific event including an Exit, the Key Managers of the Accelya Group also benefit from the overall value creation of the Accelya Group.

The inclusion of directors / employees of the Company as part of the Global Management Rewards is recognition of their talent, strong leadership, strategic direction and hard work in seeking to create value for the Company's shareholders, other stakeholders and the Accelya Group. It is intended that by way of their participation in the Global Management Rewards, they will be encouraged to continue their hard work and efforts towards the growth of the Company and the value which they create for its shareholders and stakeholders.

The Board of Directors at its meeting held on 28th August, 2019, had considered and approved the above Global Management Rewards and recommended the same to the public shareholders by means of an ordinary resolution.

In terms of Regulation 26 (6) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 **(Listing Regulations)** the Company's employees, key managerial personnel and directors may enter into an agreement for compensation or profit sharing in connection with dealings in securities of the Company only with the prior approval of the Board and public shareholders of the Company by way of an ordinary resolution. While the Global Management Rewards do not pertain to dealings in securities of the Company and do not fall within the letter of Regulation 26 (6) of the Listing Regulations, as a matter of abundant caution, good practice and corporate governance, this matter can be presented for the approval of the public shareholders of the Company by way of an ordinary resolution.

The Board recommends the Resolution at Item No. 5 for approval by the Members.

Any directors or employees who are Key Managers and their relatives may be deemed to be interested in the resolutions. The promoters of the Company, directors of the Company (other than independent directors) and interested employees and their relatives may be deemed to be interested in the resolution and will abstain from voting on this resolution.

Item No. 6

Mr. Sekhar Natarajan was appointed as an Independent Director on 7th July, 2011 by the Board of Directors and approved by the members on 8th November, 2011. At the 28th Annual General Meeting held on 25th September, 2014, the members had approved the appointment of Mr. Sekhar Natarajan as an Independent Director of the Company for a period of five years with effect from the said date. Mr. Natarajan will complete his present term on 24th September, 2019. The Board of Directors of the Company ('the Board') at the meeting held on 28th August, 2019, on the recommendation of the Nomination & Compensation Committee, has recommended for the approval of the members, the re-appointment of Mr. Natarajan as an Independent Director of the Company upto 6th July, 2021. The Board is of the view that the continued association of Mr. Natarajan would benefit the Company, given the knowledge, experience and performance of Mr. Natarajan, and contribution to Board processes by him. Mr. Natarajan has given the declaration that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Mr. Natarajan fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director. In addition to sitting fees for attending the meetings of the Board and its Committees, Mr. Natarajan would be entitled to remuneration by way of commission as may be determined by the Board.

Consent of the members by way of special resolution is required for re-appointment of Mr. Natarajan, in terms of section 149 of the Act. Requisite Notice under section 160 of the Act proposing the re-appointment of Mr. Natarajan has been received by the Company, and consent has been filed by Mr. Natarajan pursuant to section 152 of the Act.

Brief profile of Mr. Sekhar Natarajan

Sekhar Natarajan is a qualified chartered accountant and cost accountant and an experienced industry professional.

Known for his integrity and passion for results, Sekhar has led and built Monsanto India as an organization that is a growth leader in Indian agriculture. He is a strategic thinker with rich global experience in business development and mergers and acquisition and a great people leader. He took early retirement from Monsanto after 30 years of working for the company.

He continues as the chairman of the board of Monsanto India Ltd. and is a director/adviser of a few other companies.

Companies in which Mr. Natarajan is a director:

Accelya Solutions India Limited	Ingersoll-Rand (India) Limited
Monsanto India Limited	Maharashtra Hybrid Seeds Company Private Limited

Mr. Natarajan does not hold any share in the Company. Mr. Natarajan and his relatives are interested in this special resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this special resolution. The Board recommends the special resolution at Item No. 6 of the Notice for your approval.

Item No. 7

Mr. Nani Javeri was appointed as an Independent Director on 8th July, 2013 by the Board of Directors and approved by the members on 26th September, 2013. At the 28th Annual General Meeting held on 25th September, 2014, the members had approved the appointment of Mr. Nani Javeri as an Independent Director of the Company for a period of five years with effect from the said date. Mr. Javeri will complete his present term on 24th September, 2019. The Board of Directors of the Company ('the Board') at the meeting held on 28th August, 2019, on the recommendation of the Nomination & Compensation Committee, has recommended for the approval of the members, the re-appointment of Mr. Javeri as an Independent Director of the Company upto 7th July, 2023. The Board is of the view that the continued association of Mr. Javeri would benefit the Company, given the knowledge, experience and performance of Mr. Javeri, and contribution to Board processes by him. Mr. Javeri has given the declaration that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Mr. Javeri fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director. In addition to sitting fees for attending the meetings of the Board and its Committees, Mr. Javeri would be entitled to remuneration by way of commission as may be determined by the Board.

Consent of the members by way of special resolution is required for re-appointment of Mr. Javeri, in terms of section 149 of the Act. Further, in terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the members by way of special resolution is also required for continuation of a Non-Executive Director beyond the age of seventy-five years. During the proposed term of re-appointment, Mr. Javeri will attain the age of seventy-five years on 4th April, 2021. This special resolution, once passed, shall also be deemed as your approval under the aforesaid Regulations, for continuation of Mr. Javeri as an Independent Director beyond the age of seventy-five years.

Requisite Notice under section 160 of the Act proposing the re-appointment of Mr. Javeri has been received by the Company, and consent has been filed by Mr. Javeri pursuant to section 152 of the Act.

Brief Profile of Mr. Nani Javeri

Mr. Nani Javeri has over 42 years' experience in financial services industry. He served as CEO of Bank Sohar in Oman from 2006-2009 and Birla Sun Life Insurance in India from 2002-2006.

Prior to joining Birla Sun Life Insurance, Mr. Javeri spent 32 years with Grindlays Bank in various capacities in India, London and Melbourne. At Grindlays Bank he pioneered private banking in India. He had also been associated with Oman International Bank in Oman and Times Bank Ltd in India.

Mr. Javeri has played a major role in all the organizations he has been involved with. Under his leadership Birla Sun Life Insurance emerged as one of the leading private sector life insurance companies in India. During his tenure Birla Sun Life was awarded as best insurance company by Outlook in 2004 and among best five life insurance companies in Asia for 2004 by Asian Insurance Review. He joined as managing director of Times Bank when it was in difficulty. Through his action-plan he turned-around the company.

Mr. Javeri is associated with various organizations across different sectors serving as director of INARCO Pvt. Ltd., Aegon Life Insurance Co. Ltd. and HSBC Mutual Fund.

Companies in which Mr. Javeri is a director:

Accelya Solutions India Limited	Aegon Life Insurance Co. Ltd.
Inarco Pvt. Ltd.	HSBC Mutual Fund
Voltas Ltd.*	

* Mr. Nani Javeri will cease to be a director w.e.f. 31st August, 2019.

Mr. Javeri does not hold any share in the Company. Mr. Javeri and his relatives are interested in this special resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this special resolution. The Board recommends the special resolution at Item No. 7 of the Notice for your approval.

Item No. 8

Ms. Sangeeta Singh was appointed as an Independent Director on 18th July, 2014 by the Board of Directors. At the 28th Annual General Meeting held on 25th September, 2014 the members had approved the appointment of Ms. Sangeeta Singh as an Independent Director of the Company till 17th July, 2019. The Board of Directors of the Company ('the Board') at the meeting held on 3rd May, 2019, on the recommendation of the Nomination & Compensation Committee, has recommended for the approval of the members, the re-appointment of Ms. Singh as an Independent Director of the Company with effect from 18th July, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), or any amendment thereto or modification thereof. The Board is of the view that the continued association of Ms. Singh would benefit the Company, given the knowledge, experience and performance of Ms. Singh, and contribution to Board processes by her.

Ms. Singh has given the declaration that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Ms. Singh fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director. In addition to sitting fees for attending the meetings of the Board and its Committees, Ms. Singh would be entitled to remuneration by way of commission as may be determined by the Board.

Consent of the members by way of special resolution is required for re-appointment of Ms. Singh, in terms of section 149 of the Act. Requisite Notice under section 160 of the Act proposing the re-appointment of Ms. Singh has been received by the Company, and consent has been filed by Ms. Singh pursuant to section 152 of the Act.

Requisite Notice under section 160 of the Act proposing the re-appointment of Ms. Singh has been received by the Company, and consent has been filed by Ms. Singh pursuant to section 152 of the Act.

Brief profile of Ms. Sangeeta Singh

Ms. Sangeeta Singh has over 35 years of experience primarily in human resources but also encompassing employer branding, corporate communications, employee governance, harassment/ grievance/ redressal and some aspects of operations. Ms. Singh's experience spans professional services firms, financial services, consulting and media sectors.

Ms. Singh founded Sanguine Consultants in April 2013, which is handling independent consulting assignments in the area of leadership coaching for senior management. Ms. Singh is also a member of the Advisory Board of CII – Indian Women's Network and a champion of encouraging women to leadership positions in corporate India. Ms. Singh was also India head of the KPMG Network of Women India chapter. Ms. Singh has been actively engaged and is responsible for driving several initiatives in diversity and inclusion - beyond gender diversity and corporate social responsibility.

In the past Ms. Singh has handled key leadership assignments including partner and head of human resources at KPMG India; partner and head of human capital at PwC India; partner and head of human resources Ambit-RSM; vice president and head of human resources for J Walter Thompson India amongst others. Over the years Ms. Singh has been a part of the top management teams consisting of iconic industry leaders and has worked on several leadership issues beyond human resources.

Ms. Singh has been associated with many academic institutions' functional forums and leadership development centers. She is an active member and speaker at various HR forums. She has also been associated with various academic institutions collaborating with them on their development needs.

Companies in which Ms. Singh is a director:

Accelya Solutions India Limited	S. H. Kelkar & Co. Ltd
Alkem Laboratories Limited	Keva Fragrances Private Limited
Laxmi Organic Industries Limited	Crystal Crop Protection Limited
Ask Wealth Advisors Private Limited	Ask Investment Managers Limited

Ms. Singh does not hold any share in the Company. Ms. Singh and her relatives are interested in this special resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this special resolution. The Board recommends the special resolution at Item No. 8 of the Notice for your approval.

REGISTRATION OF E – MAIL ADDRESS FORM

As per Rule 18 of the Companies (Management and Administration) Rules, 2014,

Karvy Fintech Private Limited
Unit : Accelya Solutions India Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda
Hyderabad - 500 032

I / We shareholder(s) of Accelya Solutions India Limited, hereby accord my / our approval to receive documents viz annual reports, notices of general meetings / postal ballot, other documents etc. in electronic mode.

I / We request you to note my / our latest email address, as mentioned below. If there is any change in the e–mail address, I / we will promptly communicate the same to you. I / We attach the self-attested copy of PAN Card / passport towards identification proof for the purpose of verification.

Folio No / DP ID and Client ID	
Name of first / sole share holder	
Name of joint share holder(s) if any	
Registered Address	
E-mail address (to be registered)	

Place:

Date :

_____
(Signature of shareholder)

This page is intentionally kept blank

accelya

ACCELYA SOLUTIONS INDIA LIMITED

Regd. Off.: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037.
Tel No.: +91 20 6608 3777 Fax: +91 20 2423 1639 Email: accelyaindia.investors@accelya.com
Website: https://w3.accelya.com
CIN: L74140PN1986PLC041033

ECS Mandate Form for payment of Dividend
(In case of physical holding - send to our Registrar and Transfer Agent
In case of demat holding - send to your Depository Participant)

I/We request you to arrange for payment of my / our dividend through ECS facility by crediting the same to my / our bank account as per details given below:

1. First / Sole Shareholder's Name									
2. If shares not Dematerialised - Registered Folio No.									
3. If shares Dematerialised - DPID No. and Client ID No.									
4. * Particulars of Bank Account									
a. Bank Name									
b. Branch Name									
c. Address of the Branch									
d. 9 - digit MICR code number of the Bank and Branch as appearing on the MICR Cheque issued by the Bank.									
e. Account type	Savings ( ) Current ( )								
f. Account Number as appearing on the Cheque Book									

* Please attach a cancelled photocopy of cheque issued by the Bank for verification of the above details.

I/We hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incomplete or incorrect information or for any other reason, I/we would not hold the Company responsible or liable. In case of ECS facility not being available for any reason, the bank account details provided above may be incorporated in the payment instrument and sent to my/our Bankers at the address provided above and be considered as a mandate by me/us. This instruction will hold good for payment of dividend for subsequent years also unless revoked by me/us in writing.

Yours faithfully,

_____
Name and signature of First/Sole Shareholder

This page is intentionally kept blank

accelya

ACCELYA SOLUTIONS INDIA LIMITED

Regd. Off.: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037.
Tel No.: +91 20 6608 3777 Fax: +91 20 2423 1639 Email: accelyaindia.investors@accelya.com Website: w3.accelya.com
CIN: L74140PN1986PLC041033

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)	:
Registered address	:
E-mail Id	:
Folio No/ Client Id	:
DP ID	:

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____
   Address : _____
   E-mail Id : _____
   Signature : _____ or failing him / her
2. Name : _____
   Address : _____
   E-mail Id : _____
   Signature : _____ or failing him / her
3. Name : _____
   Address : _____
   E-mail Id : _____
   Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us on my / our behalf at the 33rd Annual General Meeting of the Company to be held on Thursday, 24th October, 2019 at 12.00 noon at Navalmal Firodia Seminar Hall No. 4 & 5, 'A Wing', 5th Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of audited financial statements (including audited consolidated financial statements) for the year ended 30th June, 2019 and the Directors' and Auditors' Report (Ordinary Resolution)
2. Confirmation of payment of interim dividend and declaration of final dividend (Ordinary Resolution)
3. Re-appointment of Mr. John Johnston as Director of the Company, liable to retire by rotation (Ordinary Resolution)
4. Appointment of Statutory Auditors (Ordinary Resolution)
5. Approval for payment of bonus rewards (Global Management Rewards) to employees and / or directors of the Company (as identified by Accelya Topco Limited from time to time). (Ordinary Resolution)
6. Approval for re-appointment of Mr. Sekhar Natarajan as an Independent Director. (Special Resolution)
7. Approval for re-appointment of Mr. Nani Javeri as an Independent Director. (Special Resolution)
8. Approval for re-appointment of Ms. Sangeeta Singh as an Independent Director. (Special Resolution)

Signed this _____ day of_____ 2019.

Affix Revenue Stamp

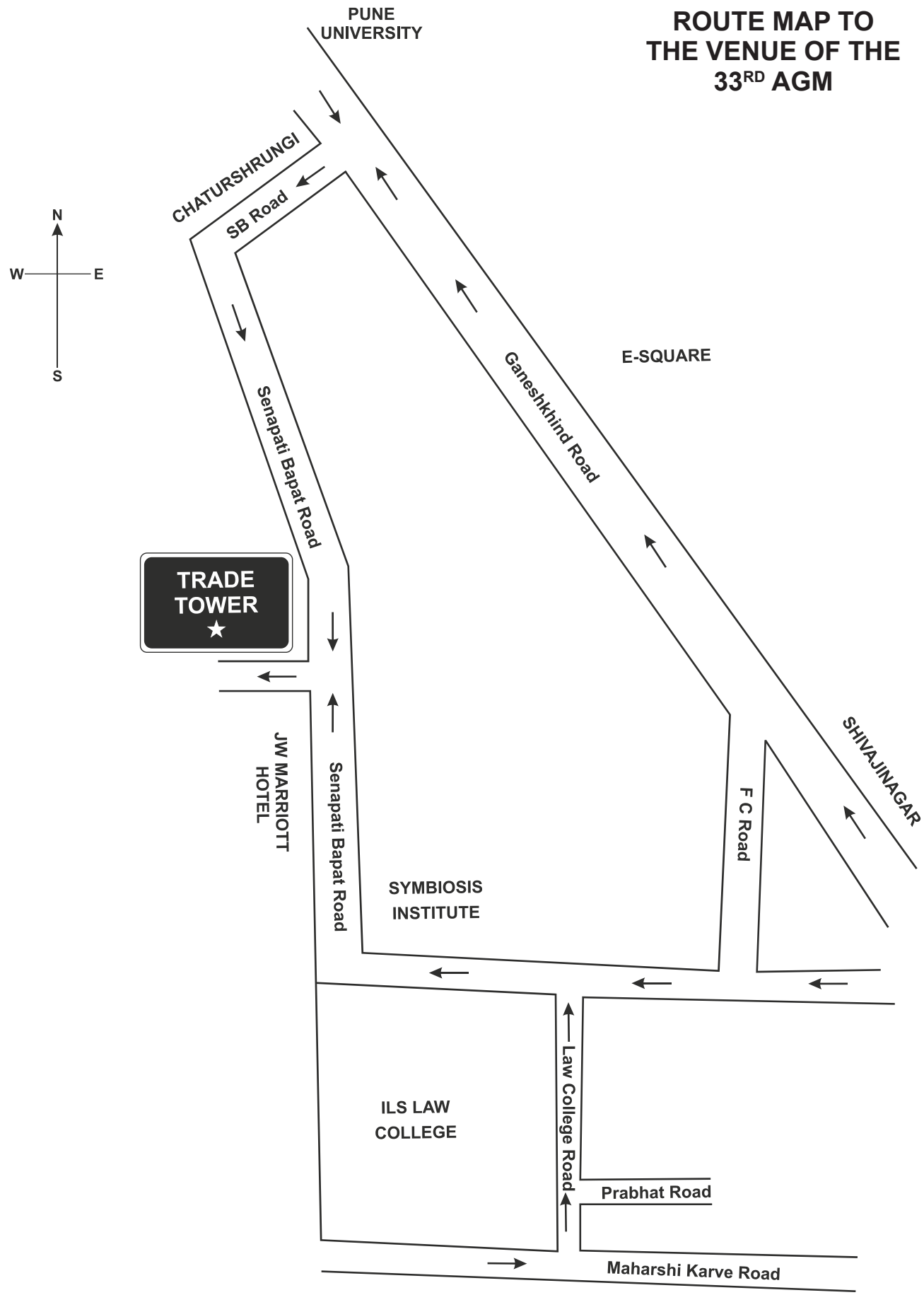
Signature of shareholder : _____

Signature of Proxy holder(s) : _____

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

This page is intentionally kept blank

ROUTE MAP TO THE VENUE OF THE 33RD AGM



This page is intentionally kept blank

NOTES

NOTES