6 October, 2020

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G - Block,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051
Scrip code: ACCELYA

Deputy General Manager,
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai 400 001
Scrip code: 532268

Dear Sir/ Madam,

Sub: Submission of the 34th Annual Report for the year 2019-20

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the 34th Annual Report of the Company for the financial year 2019-20 containing therein the Notice of the Annual General Meeting to be held on Wednesday, 28th October, 2020 through Video Conferencing / Other Audio Visual Means.

The Annual Report is also available on the website of the Company (w3.accelya.com) and is being dispatched to the shareholders of the Company electronically, whose email ids are available with the Company / depository participants.

Kindly take the above on record.

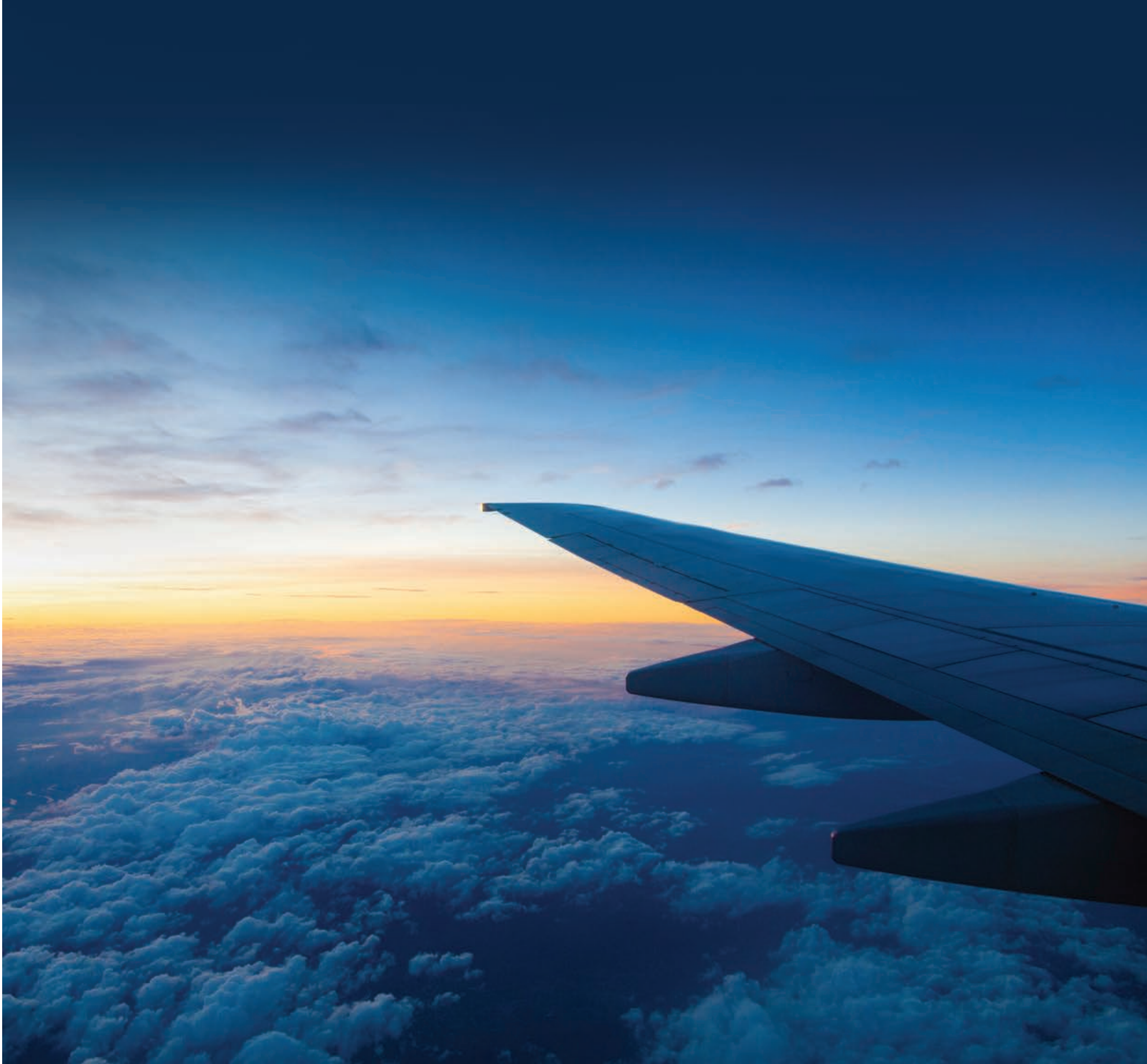
Thanking you,
For Accelya Solutions India Limited

Ninad Umranikar
Company Secretary

Accelya Solutions India Limited (formerly known as Accelya Kale Solutions Limited) CIN: L74140PN1986PLC041033
Accelya Enclave,AG-4 & AG-5, Ground Floor, Sharada Arcade, Satara Road, Pune 411 037 India
T: +91 2066083777 F: +91 202423 1639 Email: info@accelya.com
Regd. Office: Accelya Enclave, 685/ 2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune 411 037 (India)
www.accelya.com

Accelya Solutions India Limited

34th Annual Report 2019-20



Accelya Solutions India Limited

Corporate Office,
Development Center and
Accelya Managed Service Center

Mumbai

801, Tower - A, Embassy 247 Park,
LBS Marg, Vikhroli (W),
Mumbai - 400 083 (India)
Tel: +91-22-6856 8888

Development Center

Pune

Accelya Enclave,
685/2B & 2C, 1st Floor,
Sharada Arcade, Satara Road,
Pune - 411 037 India,
Tel: +91-20-6608 3777

AG-4 and AG-5, Ground Floor,
Sharada Arcade, Satara Road,
Pune - 411 037 India,
Tel: +91-20-6608 3777
Fax: +91-20-2423 1639

Goa

Office No. 6 - 10, Nucleus,
Bardez, Alto Porvorim,
Goa, India
Tel: +91-832-651 1526

Global Offices

USA

2035 Lincoln Highway,
Suite 1190 Edison, NJ 08817
Tel: +1-848-2600549

UK

Acre House, 11/15 William Road,
London, NW13ER, United Kingdom
Tel: +44(0) 20 73887000

Contents

Board of Directors

John Johnston	Chairman
Neela Bhattacherjee	Managing Director
Sekhar Natarajan	Director
Nani Javeri	Director
Sangeeta Singh	Director
Jose Maria Hurtado	Director

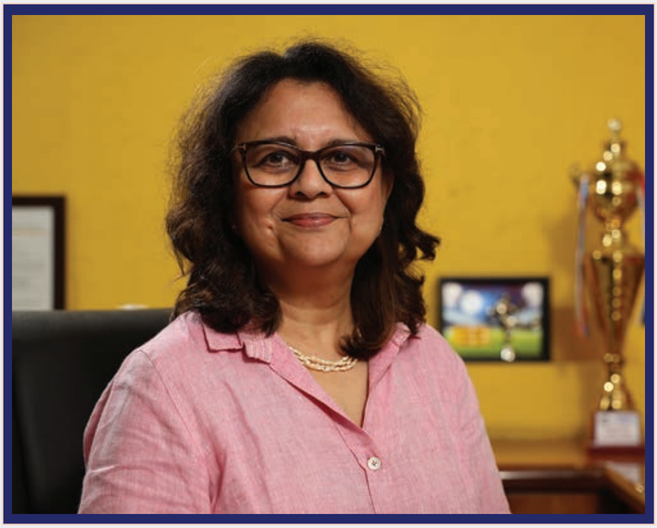
Auditor
B S R & Co., LLP
Chartered Accountants

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. KFin Technologies Private Limited,
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



Dear Shareholders,

I hope that you and your family are safe in these uncertain times.

I would like to start by sharing with you the financial performance of the Company.

We have seen unprecedented times in the last quarter of the financial year. The COVID-19 crisis hit the world economy, airline industry being no exception. Since our revenue model is mostly transaction-based, the Company's last quarter performance was affected.

Having said that, our Company is resilient and has grown successfully in the last 30 years. This time too, we will come out of this crisis and adapt to the new normal.

During the COVID-19 situation, we are focusing on three key areas for the Company – business continuity, customers and employee safety.

We started with looking at the Company's financial health and carried out a cost-rationalizing exercise across the organization. This included a moratorium on travel, reducing the cost of human resources (with the consent of relevant employees) and stopping all non-essential costs including marketing events amongst others.

Simultaneously, we reached out to our customers to understand their problems, adapt and create value that aligns with their current objectives. We helped our customers assess and respond to the crisis. I am happy to say that in many cases we have been able to extend the duration of our contracts with the customers, at the same time providing them with relief.

The safety of our employees is paramount. We adopted various measures from the beginning of the country-wide lockdown, to ensure the safety and wellbeing of our employees. In a short span of time, we transitioned all our employees from 'office' to 'work-from-home' mode. We have been able to service our customers and ensure that the operations were minimally affected.

Industry experts are forecasting a long road to recovery. Global passenger traffic and revenues are not expected to return to 2019 levels until 2024 and we are getting ready to partner with our customers in this journey

Accelya Group has a long-term view on product innovation and simplifying airline processes across the whole gamut. In December 2019, the Group was acquired by Vista Equity Partners. The Accelya Group along with Vista Equity Partners will engage in value creation opportunities and provide capital and expertise to accelerate Accelya's success.

This was followed by the recent acquisition of Farelogix, a leading provider of SaaS solutions for airline retailing and New Distribution Capability (NDC) enabled commerce, by the Accelya Group.

The acquisition will advance Accelya's vision to provide a next-generation, end-to-end platform that enables airline commerce, providing a full suite of innovative retailing, distribution, and fulfillment solutions.

For the Company, this is encouraging because our solutions will form an integral part of an airline's Order-to-Settlement cycle, which will bring new business opportunities.

With a clear and strong vision, the Company, as part of the Accelya Group, will partner with airlines in their recovery phases, enabling them on their transformational journey in the new normal. This will deliver tangible business value to our customers.

Thank you for your continued support and confidence in the Company. Stay safe and stay healthy!

Yours truly,

Neela Bhattacherjee
Managing Director

(Amount in ₹ Million)

	2019-20	2018-19	2017-18	2016-17	2015-16
INCOME STATEMENT					
Operating Revenue	3,549.78	3,784.77	3,450.41	3,324.05	3,097.15
Operating EBITDA	1,565.03	1,726.91	1,551.47	1,595.57	1,365.46
Profit Before Tax	1,189.05	1,560.11	1,408.17	1,452.15	1,232.69
Profit After Tax	886.38	1,038.49	947.16	947.47	806.91
BALANCE SHEET					
Net Worth	2,359.43	1,904.53	1,738.75	1,730.95	1,517.60
Borrowings	-	-	-	-	-
Net Fixed Assets	1,124.40	437.09	407.76	361.92	350.80
Cash and cash equivalents	265.44	25.70	23.49	17.29	10.94
Current Assets	1,646.85	1,413.62	1,363.38	1,350.56	976.24
Current Liabilities	663.71	571.97	608.46	535.18	391.64
Capital Employed	2,359.43	1,904.53	1,738.75	1,730.95	1,517.60
FINANCIAL INDICATORS					
Operating EBITDA Margin	44%	46%	45%	48%	44%
Current Ratio	2.48	2.47	2.24	2.52	2.49
Net Worth per share (₹)	158.07	127.60	116.49	115.97	101.67
Dividend per share (₹)	10.00	32.00	46.00	51.00	45.00
Market price per share	920.00	862.70	1,163.80	1,328.00	1,144.95
Basic Earnings per share (₹)	59.38	69.57	63.46	63.48	54.06

To,

The Members,

Your Directors are pleased to present the thirty fourth report on the business and operations of the Company for the year ended 30th June, 2020.

FINANCIAL RESULTS (STANDALONE) ₹ in Million

Particulars	2019-20	2018-19
Revenue		
- Revenue from operations	3,549.78	3,784.77
- Other Income	156.66	167.97
Total income	**3,706.44**	**3,952.74**
Total expenses	2,517.39	2,392.63
Profit before Tax	**1,189.05**	**1,560.11**
Tax expenses		
- Current Tax	328.48	522.74
- Deferred Tax	(25.82)	(1.12)
Net Profit for the year	**886.39**	**1,038.49**
Other comprehensive income	(5.53)	(9.08)
Total comprehensive income for the year (net of tax)	**880.86**	**1,029.41**
Profit brought forward from previous year	1,189.59	1,023.81
Profit available for appropriation	**2,070.45**	**2,053.22**
Appropriations:		
- Interim dividend	149.27	253.75
- Dividend distribution tax on interim dividend	27.68	52.16
- Final equity dividend	223.90	477.64
- Dividend distribution tax on final dividend	46.02	98.18
- Dividend distribution Tax Credit	(20.91)	(18.09)
- **Balance Carried Forward to Balance Sheet**	1,644.49	1,189.59

DIVIDEND

The Company had declared and paid an interim dividend of ₹ 10 per equity share during the year.

In view of the ongoing Covid 19 pandemic, your Company would like to conserve cash and accordingly the Board of Directors has decided not to recommend any final dividend for the year.

The Dividend Distribution Policy of the Company is set out as Annexure "A" and is also uploaded on the Company's website: https://w3.accelya.com/accelya-solutions-india-limited-policies.

OPERATING RESULTS

As a result of the COVID-19 pandemic and far-reaching travel restrictions has impacted the Company's growth trajectory resulting in reduction of 6.21% in its operating revenues from ₹ 3,784.77 million in 2018-19 to ₹ 3,549.78 million in 2019-20. This has had a cascading effect on the profitability. The Company has undertaken various measures including managing costs during the last quarter of the financial year, as a result of which the total expenses marginally increased by 5.21% to ₹ 2,517.39 million in the current year from ₹ 2,392.63 million in the previous year. The Company's profit for the year stood at ₹ 886.39 million as against ₹ 1,038.49 million in the previous year, a reduction of 14.65%.

IMPACT OF COVID 19

The COVID 19 pandemic, the country-wide lockdown and the far-reaching travel restrictions in various geographies across the globe have affected the airline and travel industry in an unprecedented way. As the Company's business model is principally based on per transaction pricing, the Company's revenue which is linked to airline passenger transactions has been impacted. The management has taken various initiatives in navigating this global crisis, which include, ensuring business continuity, extensive customer out-reach through webinars and video conferencing, managing costs and ensuring safety of our employees. A Special Oversight Committee (SOC) has been constituted to oversee the Company's COVID 19 planning and responses.

The Company had adopted various business continuity measures from the beginning of the country wide lockdown to ensure the safety and wellbeing of all its employees, including providing IT infrastructure and connectivity wherever possible, to enable employees to work from home. As a result of this, the Company has been able to service its customers and ensure that the operations are minimally affected.

BUSINESS OPERATIONS

- In the first half of the year, we moved into our new office premises in Mumbai. The project that began a year ago in FY 19, with the objective to consolidate our offices across Mumbai and Thane, was realized in FY 20, as planned. The new office is in line with international workplace standards to enhance employee experience and productivity.
- The Company continued with new implementations, including Revenue Accounting V20 upgrades, albeit

at a slower pace in the last quarter whilst airlines grappled with the challenges posed due to COVID-19.

- With respect to the COVID-19 situation, the Company focused on business continuity, customers and employees:
  - o The Company carried out a cost-rationalizing exercise across the organization to conserve cash to address any uncertainties in evolving situations. This includes reducing the cost of human resources (with the consent of relevant employees), travel, marketing and events, etc.
  - o The Company reached out to all its customers to support them during this crisis, with webinars and other content that helped them understand and respond better.
  - o The Company took immediate action to help the employees work safely from home. It adopted various business continuity measures from the beginning of the country-wide lockdown to ensure the safety and wellbeing of the employees. This includes providing IT infrastructure and connectivity wherever possible, to enable employees to work from home.

SUBSIDIARIES

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.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and the financial statements of each of the subsidiaries, are available on our website, w3.accelya.com. Further, in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Ind AS 110, the Consolidated Financial Statements prepared by the Company include financial information of its subsidiaries.

The Company's Policy for determining material subsidiaries may be accessed on the website of the Company at https://w3.accelya.com/accelya-solutions-india-limited-policies.

BOARD OF DIRECTORS

Eight 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 Company has received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as of Regulation 16 of the Listing Regulations.
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database.
- In terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In terms of Regulation 25(9) of the Listing Regulations, the Board of Directors has ensured the veracity of the disclosures made under Regulation 25(8) of the Listing Regulations by the Independent Directors of the Company.

Retirement by rotation and 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 America S.A. de C.V.
Accelya Topco Limited	Accelya Lux Sarl
Accelya Solutions UK Limited	Accelya Solutions Americas Inc.
Accelya Holdco Limited	Accelya Finco Limited
Accelya Midco Limited	Accelya Bidco Limited
Accelya World S.L.	

Appointment of Mr. Jose Maria Hurtado as a Non-executive Non-independent Director

Mr. Jose Maria Hurtado (DIN 08621867) was appointed as an Additional Director (Non-Executive Non-Independent Director) of the Company on 27th November, 2019.

Mr. Jose Maria Hurtado (Age 47) is the Chief Financial Officer of Accelya group. He is responsible for the financial management of Accelya and plays a key role in the definition and implementation of Accelya's strategy, including mergers and acquisitions. Mr. Jose Maria Hurtado started his professional career at KPMG. He joined Accelya in 2007. Prior to joining Accelya, Mr. Jose Maria headed the finance of Siemens VDO Automotive in Spain & France for more than 10 years.

Mr. Jose Maria Hurtado is not related to any of the directors of the Company.

Companies in which Mr. Jose Maria Hurtado is a Director	
Accelya Solutions India Limited	Accelya World SLU
Accelya Holdco Limited	Accelya Finco Limited
Accelya Midco Limited	Accelya Bidco Limited
Accelya America S.A. de C.V	Accelya Lux, Sarl
Accelya Tunisie S.a.r.l.	

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, 2020, 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, 2020 and of the profit of the Company for the year ended on that date;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of 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 "C".

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, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Financial Statements as set out therein, are being sent to all members of your Company excluding the aforesaid information. The particulars shall be made available to any member 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 and other 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 were entered into 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 to your Company.

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.

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 received 1 complaint of sexual harassment during the financial year 2019-20 which was resolved.

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.

POLICY ON APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT & OTHER EMPLOYEES AND REMUNERATION POLICY

The Company has framed a policy on appointment of directors, key managerial personnel, senior management & other employees and remuneration policy which is annexed as Annexure "C".

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 "D".

AUDITORS

Statutory Auditors

At the last AGM of the Company, B S R & Co LLP (Firm Registration No. 101248W/W-100022), the Statutory Auditors, were appointed for a term of one year until the conclusion of the 34th AGM. In view of the mandatory requirement for rotation of auditors upon completion of ten years of association with a company, in terms of Section 139 of the Act, B S R & Co LLP would retire as the Auditors of the Company, at the conclusion of 34th AGM. The Company proposes to appoint Deloitte Haskins & Sells LLP ("Deloitte"), Chartered Accountants, (Firm Registration No. 117366W/W-100018), as the new Statutory Auditors of the Company. Deloitte are proposed to be appointed for a term of five consecutive years commencing from the conclusion of the 34th AGM till the conclusion of the 39th AGM of the Company. Deloitte have expressed their willingness to act as statutory auditors of the Company, and have further confirmed that, if appointed, the said appointment would be in conformity with the provisions of Section 139 read with section 141 of the Act along with the Rules made thereunder. The Board recommends the appointment of Deloitte as statutory auditors of the Company for a term of five consecutive years commencing from the conclusion of the 34^{th} AGM up to the conclusion of the 39^{th} AGM of the Company, to be held in the year 2025, subject to the approval of the members of the Company at the ensuing AGM.

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 S. N. Ananthasubramanian & Co, Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure E".

EXTRACT OF ANNUAL RETURN

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

CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms part of this report. Business Responsibility Report under Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015 forms a part of this report and is annexed herewith as Annexure "G".

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 "H".

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 : Mumbai	London
Date : 20^{th} August, 2020	

Annexure 'A'

Dividend Distribution Policy

(Approved by the Board of Directors at their meeting held on 20th August, 2020)

INTRODUCTION

This Policy is called "Accelya Solutions India Limited – Dividend Distribution Policy" (hereinafter referred to as "this Policy") and shall be effective from 20th August, 2020 ("Effective Date"). In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Accelya Solutions India Limited (hereinafter referred to as "the Company") is required to frame this Policy.

DEFINITIONS

i) "Act" shall mean the Companies Act, 2013 including the rules made thereunder.

ii) "Company" shall mean Accelya Solutions India Limited.

iii) "CFO" shall mean Chief Financial Officer of the Company.

iv) "Board" or "Board of Directors" shall mean Board of Directors of the Company.

v) "Dividend" shall mean Dividend as defined under Companies Act, 2013 or SEBI Regulations.

vi) "SEBI Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

POLICY

This policy aims at ensuring compliance with the provisions of Regulation 43A of the SEBI Regulations.

Frequency of payment of dividend

The Company believes in rewarding its shareholders as and when the funds are available for distribution as dividend and generally strive to declare interim dividend at least once in a year and to recommend final dividend to the Members at the Annual General Meeting of the Company.

Financial parameters and internal and external factors that would be considered for declaration of dividend

The Company would, inter alia, consider the following financial parameters and / or internal & external factors before declaring dividend(s) or recommending dividend(s) to the shareholders:

- Current year profits arrived at after providing for depreciation in accordance with the provisions of section 123 and other applicable provisions, if any, of the Act;
- Profits from any of the previous financial year(s) arrived at after providing for depreciation in accordance with the provisions of Section 123 and other applicable provisions, if any, of the Act;
- Fund requirements to finance the working capital needs of the business;
- Opportunities / avenues for investment of the funds of the Company for future growth.
- Optimal free cash to fund any exigencies, if any.

In case the Board proposes not to distribute the profit, the grounds thereof and information on utilisation of the retained earnings, if any, shall be disclosed to the shareholders in the Board's Report forming part of Annual Report of the Company.

Circumstances under which their shareholders can or cannot expect dividend

In an event where the profits of the Company are inadequate or if the Company incurs losses, the Company would like to use the Company's reserves judiciously and not declare dividend or declare dividend lower than its normal rate of dividend.

Procedure for declaration / recommendation of dividend

- The CFO jointly with the Managing Director of the Company shall suggest any amount to be declared / recommended as dividend to the Board of Directors of the Company, taking into account the aforementioned parameters.
- Dividend (including interim and/or final) would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting.
- The Compliance Officer of the Company shall ensure compliance of Insider Trading Regulations and SEBI Regulations with respect to payment of recommendation / declaration of dividend.

AMENDMENTS TO THE POLICY

Any amendment(s) of any provision of this policy shall be carried out by persons authorized by the Board in this regard.

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 2019-20.

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	37:1	11.59%
2	Gurudas Shenoy	Chief Financial Officer	18:1	-
3	Ninad Umranikar	Company Secretary	8:1	1.25%

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 the Non-Executive Director and Independent Directors is therefore not considered for the purpose above.

ii) The percentage increase in the median remuneration of employees in the financial year 2019-20 was 8.89%.

iii) The Company has 1,445 permanent employees on the rolls of the Company as on 30th June, 2020.

iv) Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 5.9% whereas the increase in the managerial remuneration was 11.59%.

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

Annexure 'C'

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 non-profit 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 nonexecutive 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 'D'

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20
[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

Catalysts for Social Action ("CSA")

The purpose of corporate social responsibility is to give back to the community, take part in philanthropic causes, and provide positive social value. Undertaking CSR initiatives is a win for everyone involved and also makes a real tangible difference to the beneficiaries and society at large.

We have been partnering with **Catalysts for Social Action (CSA),** an Indian NGO for over a decade in impacting the lives of under privileged children staying at child care institutions in some of the remotest parts of the country.

CSA's vision is of a nation that cares and protects its children in need of care and protection and ensures that each one is nurtured into a happy and contributing member of society.

CSA expanded their work last year to cover many more children and Child Care Institutions (CCI's). They now support **4500+** children in **87** Child Care Institutions (CCI's) across **4** states – Maharashtra, Goa, Odisha and Madhya Pradesh.

I. Project SAMBHAV

The project aims at accomplishing the following objectives:

- Support the CCI's in providing basic necessities and improving child care conditions
- Focus on Education support & child care planning
- Vocation and skill development for older children
- Exit preparation for the young adults who will need to leave the CCI once they turn 18 years of age
- Have a deeper engagement by also looking at building capacity of the CCI's to sustain the improvement in children.

Under project Sambhav, **1650+** children across **21** CCI's in Maharashtra, Odisha and Goa were supported.

An overview of various interventions undertaken last year:

- Health – Health checks are an important indicator of health for children and annual health checkups were done twice in the year comprising of dental, eye, ENT, skin and gynecological check for girls. Children in need of treatments were jointly executed with the CCI's. An assessment of baseline versus endline health check has revealed that over 91% children were found with no ailments.
- Hygiene – Basic hygiene kits were provided twice in the year consisting of bathing soaps, washing soaps, toothbrush, toothpaste, Dettol along with additional supplements like hair oil, cream, tongue cleaner, comb, and soap cases. Children at some CCI's were also provided with winter kits – lip balm, Vaseline & winter lotion.
- Preventive healthcare & personal hygiene training on dental, skin and general health was conducted for all children and CCI staff.
- Supplementary Nutrition – 10 nutritionists were appointed to visit all CCIs spread out across 4 locations. Guidance around better nutrition and food habits was provided by Nutritionist to children and CCI staff.
- Children were supported with breakfast or evening snacks based on nutritionist's recommendations. 87% children were reported to have BMI levels in the normal range.

- Day to Day Essentials - All the children were provided with Day to day essentials as per need – Inner wear, Festival dress, Bedding kit, water bottles, footwear and night suits. Considering the cold weather, children were supported with winter jackets in some homes in Odisha and Pune.
- 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.
- Infrastructure – Basis the need, support was provided towards extension of terrace roofing, electrical work, fabrication & repair work, basic facilities like mattresses, lockers, water tank set up, UV filter, standing fans etc.
- Education – 38 Tuition Teachers were appointed for providing after school tuition support for close to 890 children across grades. 300+ children from grades 8 to10 were supported with coaching class support.
- Education Material – education material support was provided to all children under "School Support" intervention - school Bags, school shoes, school uniforms, umbrellas, lunch boxes, text books & stationery items.
- Life Skills – With the objective of facilitating better development opportunities, CSA is providing 50 hours Life Skill training. 120+ children in the 14 years and above age group went through the program. Significant change in children's behavior – more confident, work as a team, voice their concerns etc. was observed.
- Child Safety - 300+ children (ages 10 & above) have been through Child Safety sessions which aims at providing basic information around safe spaces, how to identify alarming situations & identify support system within the institution setting; 94 sessions on child safety have been completed.
- Adolescent Health Program (AHP) – 70+ children were trained on creating awareness around body image & managing body changes during puberty.
- Vocational Training - Training in Karate, Computers, Electrical work & Tailoring have been provided ranging from 1 month to 7 months depending upon the nature of the course.
- Computer Training - 8 Computer Teachers were appointed in 8 CCI's across locations and a total of 180+ children underwent computer training.
- In Pune, Mumbai and Odisha, out of 180 children, 132 children were trained by NIIT trainers for 6 months and were certified.
- Livelihood & Aftercare – Overall, 22 young adults have been supported for Higher Education and Skill training.
- 12 youngsters completed course and pursuing jobs with salaries ranging from ₹ 8000-22,000 per month.

II. Adoption and Capacity Building

- **Vulnerability Mapping and Adoption Awareness project** - The training of **8000** Anganwadi workers (AWWs) in 4 districts of Madhya Pradesh on legal provisions related to vulnerable children was undertaken last year and completed by January 2020.
    - o **51 trainings were conducted to train almost 8000 AWWs** from Indore, Khandwa, Dhar and Barwani were trained on child rights, provisions related to Children in Need of Care and Protection (CNCP) in the Juvenile Justice Act, 2015, and alternative care for CNCP. The training was followed by a survey conducted by AWWs to identify CNCP in their local areas.
    - o The survey led to two children aged 4 and 6 living with their mentally challenged mother being rescued and placed in a Child Care Institution. The mother was admitted to a hospital by the police for her medical needs.

- **Awareness and Capacity Building Workshops** – Various Capacity Building workshops have been conducted across locations:
  - o CCI Caregiver's workshops around best child practices
  - o First aid certification training program in Goa CCI's
  - o Child safety sessions were conducted with Local CCI staff and children. More than 60-70% children and staff have undergone the training.
  - o CCI Trustees meeting has been conducted in Odisha with 16 CCI's to realign the expectation with regards to program outcomes:
    - Better enrolment for older children in Aftercare courses
    - Training on Government support leverage of ICPS Fund for non-funded CCI's
    - Trustees training to create awareness around POCSO compliance and child safety and friendly environment. CCI staff were also trained for the same.

Manner in which the amount was spent during the financial year 2019-20 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)		7.08	6.29	6.29	
	Education (School fees, uniforms, bags & books, tuition, lifeskills training)	(ii)		4.53	4.10	4.10	
	Aftercare - Prepratory & Livelihood	(ii)		2.60	1.22	1.22	
	CCI Capacity Building (CCI staff - caretakers etc., awareness & training programs)	(ii)		1.07	0.60	0.60	
	Module Devt. (Education continued and Vocation & Aftercare)	(ii)		0.20	0.25	0.25	
	CSA Field staff (Implementation & Monitoring)	(i) & (ii)		2.00	2.00	2.00	
	Travelling and Miscellaneous Expenses	(i) & (ii)		0.22	0.14	0.14	
	Sub Total (A)			**17.70**	**14.60**	**14.60**	

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	0.35	0.35	CSA
	Sub Total (B)			1.00	0.35	0.35	
3	Corporate Expenses	(iii)		1.00	1.00	1.00	CSA
4	Staff Learning and Training	-		0.60	0.23	0.23	CSA
5	Corpus Fund	-		3.00	3.00	3.00	CSA
	Sub Total (C)			**4.60**	**4.23**	**4.23**	
	GRAND TOTAL (A+B+C)			**23.30**	**19.18**	**19.18**	

Seva Sadan Society ("Seva Sadan" or "Society")

This report provides an update on the activities for the FY 2019-20 of Seva Sadan's Residential Home and Marathi Schools partly funded by Accelya Solutions India Limited.

Seva Sadan Society (the Society) is a 112-year old organization set up by Shri Behramji Malabari and Dewan Dayaram Gidumal with the intention to provide refuge to destitute women, support and educate young girls and empower young women from underprivileged backgrounds. Over the years, the Society has broadened its support to include the holistic development of the girl child and provide high quality education to marginalized children from neighboring communities.

A primary school Teachers Training College offering Diploma in Education in Marathi is managed by the Society.

Skill Development and vocations courses like baking, tailoring and beauty are offered to women who would seek financially independence.

The Society owns prime real estate in Gamdevi Mumbai (settled on the Society by the founders).

PROGRAM 1 – Residential Home 82 Residents

Seva Sadan's Residential Home provides accommodation, education, learning opportunities and a secure environment to girls from economically challenged backgrounds where the parental care giver is challenged to keep his/her girl / ward safe. Girls are aged between 6 and 18 years and attend one of Seva Sadan's schools.

The residents are housed, fed, educated, counseled, kept healthy and safe. The Society ensures academic learning is balanced with activities like sports / arts / music and dance.

There were 82 resident girls staying at Seva Sadan's Home for the year 2019-20.

Highlights of the project

- **Education / Academics:** The girls residing in Seva Sadan's Home as well as children from low-income neighbouring communities receive good quality state board education at the schools managed by the Society. Paid tuition teachers/ volunteers supervise the girls' education needs at our Residential Home. A few teachers use our well – equipped Computer Lab to teach the girls conversational English, Science and Maths.
- **Health:** A senior pediatrician volunteers her time to conduct monthly medical checkups of all the resident girls and recommends follow-up treatment.
- **Nutrition:** Fresh, nutritious, balanced meals are cooked in-house.
- **Counselling:** Professional counsellors attend to girls' behavioral / emotional challenges largely due to trauma experienced before coming to Seva Sadan. A marked improvement in their emotional maturity has been observed.

- **Enrichment programs / competitions:** Classes in art and craft, dance, music, drama, physical education, karate, computer training are conducted. A year-long reading marathon was held to improve language skills. The girls have read 120 +books through the year.
- **Annual Science Fair:** As a first of its kind in Seva Sadan, the Home Administrator and Home girls organized a Science Fair. Immersed in a fun and exciting learning environment, the girls explored new ideas and developed valuable skills beyond the classroom. Around 300 children and guests from different organisations visited the fair.
- **Dance:** The girls won the first prize at the "Create Trophy for Artistic Excellence" held by Raell Padamsee's Create Foundation.
- **Life Skills:** Our Home Administrator regularly conducts age appropriate life skills sessions with the objective of facilitating better development opportunities.
- **Dealing with the pandemic:** The ongoing pandemic has forced re-arrangements for the girls in the Residential Home. The girls and Home staff have shown grit and determination in facing the situation. The girls were occupied with different constructive and productive activities such as conversational English classes, life skills sessions, sports, dance, and art. They also participated in a digital art fest which was organised by Institute of Sustainable Development and Governance (ISDG).

Parents are allowed to visit their daughters at Seva Sadan on a fortnightly basis. Since the start of the pandemic, in mid-March, the girls have remained on-site at Seva Sadan while parental visits have been suspended to prevent infection spread. The residents have retained happy dispositions and managed to stay busy and occupied throughout this period.

PROGRAM 2- Seva Sadan Society's Marathi Schools

One of Seva Sadan's key focus areas is building a strong foundation in education. Girls living in Seva Sadan's Residential Home as well as boys and girls from low-income backgrounds in the neighbouring communities which are largely Marathi speaking attend the Society's Marathi Schools.

The Society's Marathi Primary and High Schools receive Government grants for teachers. However, they need to supplement the students' education with support in English, Computers; other activities are also funded by the Society.

The Society established an unaided Pre-Primary Marathi School in the year 2000, to ensure high quality education is imparted from an early age.

A total no. of 260 students take education at Seva Sadan Society's Girls' High School.

- **Technology Classes:** Technology is an integral area of learning and to enhance digital literacy of the students, a trained professional has been employed to teach computers to the students in our fully equipped Computer Lab.
- **Digital Classes:** The High School has four fully equipped digital classrooms which enables students to visualise and listen to curriculum based audio-visual modules.
- **Sports:** Just for Kicks is a programme run by Pragatee Foundation. It works with children to develop leadership skills and a teamwork ethic through football. Combining life skills with football drills, the curriculum has students engaging in rigorous year-round training, participating in national leagues, and getting scouted at games, simultaneously exposing them to sport and competition. Girls of our High School and Primary Marathi School are a part of the programme.
- The schools Kho-Kho team qualified and won two matches at the district level.
- **Inter school Competitions:** the students participated in various interschool competitions and won around 13 such prizes for elocution, essay writing, drawing and singing. Twenty-two students participated in Mental Maths Competition conducted by Ignite Mind Lab; three students won medals.
- **Counselling:** mPower conducts counseling and remedial sessions for the students twice a week. A marked improvement is observed at least in 4 students who were academically weak.

- **Conversational English:** Though the school is semi-English, there have been constant efforts by the Principal and teachers to improve English proficiency of the students. Activities like essay writing, elocution, speeches were centered around improving language skills.
- **Collaboration with Bombay International School:** The School tied up with Bombay International School under the school's International Baccalaureate social work CAS Program. It was a year-long well-structured program where the students of both the schools had meaningful interactions.

Seva Sadan Society's Primary Marathi School Strength – 107 students

- The school won the best dance performance award at the inter school event held by National Sponsorship Council.
- Along with the curriculum, the school encourages participation in sports and weave in innovative programmes to enhance the school experience for all the students. An exciting new initiative introduced this year is a partnership with the NGO **Just For Kicks,** where the School won "School of the Year" trophy.
- One classroom is digitized and is used for effective teaching.
- Medical camps like leprosy awareness camp, eye checkup were held.

A total no. of 33 students take education at Seva Sadan Society's Pre-Primary Marathi School.

Seva Sadan endeavours to offer affordable, high standard of education, building a strong foundation where learning goes beyond textbooks. Their aim is to enhance the students' personal development through comprehension, social, and communication skills; expand their latent creativity and artistic sense; and instill confidence and belief in their own abilities right from a young age.

(₹ 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
1	**Home**	(ii)	**Maharashtra**				**Seva Sadan Society**
	Salaries			2.063	1.055	1.055	
	Food			1.393	0.849	0.849	
	Tutoring			0.460	0.125	0.125	
	Extra-Curricular			0.137	0.077	0.077	
	Activities			0.100	0.024	0.024	
	Testing			0.050	0.004	0.004	
	Medical Expenses			0.020	0.009	0.009	
	Honorarium / Pocket Money			0.176	0.197	0.197	
	Home Maintenance			0.500	0.295	0.295	
	Security			0.296	0.165	0.165	
	Electricity			0.198	0.175	0.175	

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
	General Maintenance of Home plus Purchase of Computers*			0.440	0.050	0.050	
	Sundry Expenses			0.200	0.068	0.068	
	Contingencies 10%			0.613	-	-	
	Sub Total (A)			**6.646**	**3.093**	**3.093**	
	INCOME						
	LESS: Home Fees received from parents			(1.615)	(0.561)	(0.561)	
	NET EXPENSES (A)			**5.031**	**2.532**	**2.532**	
2	**Pre Primary Marathi School**	**(ii)**	**Maharashtra**				**Seva Sadan Society**
	Teachers' and Principal Salaries			0.256	0.212	0.212	
	Sports Expenses			0.002	0.002	0.002	
	Festival & Cultural Expenses			0.017	0.010	0.010	
	Staff Training			0.002	-	-	
	Printing & Stationery			0.003	0.008	0.008	
	Cleaning Staff & Charges			0.016	0.015	0.015	
	Electricity Charges			0.017	0.002	0.002	
	Repairs & Maintenance			0.011	0.005	0.005	
	Computer Expenses			0.002	-	-	
	Telephone Expenses			0.006	0.001	0.001	
	Miscellaneous expenses			0.004	0.001	0.001	
	Conveyance			0.002	0.001	0.001	
	Contingencies 10%			0.034	-	-	
	Sub total (B)			0.372	0.257	0.257	
	(-) INCOME (Fees from parents)			(0.188)	(0.094)	(0.094)	
	NET EXPENSES B			**0.184**	**0.163**	**0.163**	

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
3	**Girls High School & Primary Marathi**	(ii)	Maharashtra				Seva Sadan Society
	Primary School Teachers' Salaries			0.302	0.231	0.231	
	High School Teachers' Salaries			0.240	0.030	0.030	
	Sports Expenses			0.004	0.037	0.037	
	Festival & Cultural Expenses			0.022	0.028	0.028	
	Teacher Training			0.005	0.008	0.008	
	Printing & Stationery			0.025	0.014	0.014	
	AMC of Computers, Water Purifiers and Pest Control			0.060	0.003	0.003	
	Cleaning Staff & Charges			0.016	0.011	0.011	
	Electricity Charges			0.056	-	-	
	Repairs & Maintenance			0.105	0.065	0.065	
	Annual Snacks			0.011	-	-	
	Sundry Expenses			0.047	0.023	0.023	
	Sub total (C)			0.894	0.449	0.449	
	(-) INCOME (Activity Fee from Parents)			(0.309)	(0.205)	(0.205)	
	Sub Total (C)			**0.585**	**0.245**	**0.245**	
	NET EXPENSES (C)			**5.800**	**2.940**	**2.940**	

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 (2016-17 to 2018-19) **1,453.72**

4. Prescribed CSR expenditure for 2019-20 **29.10**

5. Details of CSR spent during the financial year 2019-20

a. Total amount to be spent for the financial year 29.10

b. Total amount spent during the year# 22.12

c. Amount unspent 6.95

The Company provided the total amount of ₹ 29.10 million to the implementing agencies, however, due to the COVID 19 pandemic and various restrictions in place during the lockdown, the implementing agencies could spend ₹ 22.12 million till 30th June, 2020. The unspent amounts will be carried forward and utilized in financial year 2020-21 by the implementing agencies

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 & 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;

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report.

During the year 2019-20, the Company contributed a sum of ₹ 23.30 Million to Catalysts for Social Action (CSA) and a sum of ₹ 5.80 Million to Seva Sadan Society, aggregating ₹ 29.10 Million towards CSR spend, being 2% of the average net profits of the Company for the last three years.

Due to the COVID 19 pandemic and various restrictions in place during the lockdown, CSA and Seva Sadan ("implementing agencies") could not work to their full potential during the last quarter of the Company's financial year which ends on 30th June, as a result of which an amount of ₹ 4.10 million and a sum of ₹ 2.85 million remained unspent by CSA and Seva Sadan respectively. These funds will be carried forward and utilized in financial year 2020-21 by the implementing agencies.

7. 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 : Mumbai
Date : 20th August, 2020

Annexure 'E'

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2020
[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ACCELYA SOLUTIONS INDIA LIMITED
CIN: L74140PN1986PLC041033
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** (hereinafter called '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 ended 30th June 2020**, 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:

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 2020** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder.;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. 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 - **Provisions of External Commercial Borrowings are not applicable**;

v. The following Regulations and 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 SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable as the Company has not issued any shares during the year under review;**

   e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014) - **Not Applicable as the Company has not granted any shares / options under the said regulations during the financial year under review;**

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued and/or listed any debt securities during the financial year under review;**

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted/ has proposed to delist its equity shares from any stock exchange during the financial year under review;**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back / has proposed to buy-back any of its securities during the financial year under review.**

vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:

1) Software Technology Parks of India - Rules & Regulations;
2) Information Technology Act, 2000.

We have also examined compliance with the applicable Clauses/Regulations of the following:

(i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

➢ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

➢ Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance before the meeting except where consent of Directors was received for receiving notice of meetings, circulation of Agenda and notes on Agenda at a shorter notice, 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 of the Board and Committees thereof were carried through with requisite majority.

We further report that based on the review of the compliance mechanism established by the Company; verification of applicable labour law related compliances on test check basis and on the basis of Statutory Compliance Report issued by Managing Director on the basis of confirmations received from the concerned Executives and taken on record by the Board of Directors at their meeting(s), we are of the opinion that management has adequate systems and processes placed in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following event having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. has occurred:

On 15th November, 2019, Aurora UK Bidco Limited ("Acquirer"), agreed to acquire 100% stake in Accelya Topco Limited, the ultimate holding company of the Company, from Warburg Pincus and certain other institutional shareholders of Accelya Topco and individuals ("the transaction"). The transaction was completed on 24th December, 2019. This has resulted into indirect acquisition of voting rights and control of the Company ("Target Company"), thereby triggering compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations,

2011. Consequently, on 7th January 2020, the Acquirer, along with Vista Equity Partners Perennial L.P. (PAC 1), Vista Equity Partners Perennial A, L.P. (PAC 2) and Accelya Topco Limited (PAC 3), who are part of Vista Equity Partners group filed the draft Letter of Offer with SEBI to acquire upto 3,782,966 fully paid up equity shares of face value of INR 10 each of the Target Company, representing 25.34 per cent of the voting share capital of the Target Company from public shareholders at Rs 956.09 per share.

This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 606/2019

Ashwini Vartak
Partner
ACS: 29463 | COP No.: 16723
ICSI UDIN : A029463B000573261

Date : 12th August, 2020
Place : Thane

Annexure 'F'

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
For financial year ended 30th June, 2020

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. KFin Technologies Private Limited, Unit : Accelya Solutions India Limited, 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@kfintech.com www.kfintech.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									
INSTITUTIONS									
Mutual Funds /UTI	515,459	-	515,459	3.45	633,190	-	633,190	4.24	0.79
Financial Institutions / Banks	11,883	200	12,083	0.08	9,293	200	9,493	0.06	-0.02
Central Govt. / State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	332,913	-	332,913	2.23	90,852	-	90,852	0.61	-1.62
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	**860,255**	**200**	**860,455**	**5.76**	**733,335**	**200**	**733,535**	**4.91**	**-0.85**

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	399,471	200	399,671	2.68	1,005,300	200	1,005,500	6.74	4.06
Individuals									
(i) Individuals holding nominal share capital upto ₹ 1 lakh	1,867,660	79,873	1,947,533	13.05	1,514,767	77,973	1,592,740	10.67	-2.38
(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	287,731	-	287,731	1.93	236,899	-	236,899	1.59	-0.34
Others									
Clearing Members	3,435	-	3,435	0.02	8,527	-	8,527	0.06	0.03
Foreign Nationals	1,577	7,500	9,077	0.06	1,557	7,500	9,057	0.06	0.00
I E P F	46,831	-	46,831	0.31	47,566	-	47,566	0.32	0.00
NBFC	263	-	263	0.00	-	-	-	-	0.00
Non-Resident Indians (NRI)	115,278	4,922	120,200	0.81	70,385	4,472	74,857	0.50	-0.30
NRI Non-Repatriation	107,699	-	107,699	0.72	73,722	-	73,722	0.49	-0.23
Trusts	71	-	71	0.00	563	-	563	0.00	0.00
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2)	**2,830,016**	**92,495**	**2,922,511**	**19.58**	**2,959,286**	**90,145**	**3,049,431**	**20.43**	**0.85**
Total B=B(1)+B(2)	**3,690,271**	**92,695**	**3,782,966**	**25.34**	**3,692,621**	**90,345**	**3,782,966**	**25.34**	**0.00**
Total (A+B)	**14,833,566**	**92,695**	**14,926,261**	**100.00**	**14,835,916**	**90,345**	**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) :	**14,833,566**	**92,695**	**14,926,261**	**100.00**	**14,835,916**	**90,345**	**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	SBI Magnum Global Fund	309,646	2.07	29/06/2019			309,646	2.07
				30/06/2020			309,646	2.07
2	VLS Finance Limited	261,218	1.75	29/06/2019			261,218	1.75
				30/06/2020			261,218	1.75
3	Valuequest India Moat Fund Limited	213,767	1.43	29/06/2019			213,767	1.43
				22/11/2019	-27,434	Sale	186,333	1.25
				29/11/2019	-72,870	Sale	113,463	0.76
				06/12/2019	-39,817	Sale	73,646	0.49
				13/12/2019	-73,646	Sale	0	0.00
				30/06/2020			0	0.00
4	Rajasthan Global Securities Private Limited	0	0.00	29/06/2019			0	0.00
				20/03/2020	34,477	Purchase	34,477	0.23
				10/04/2020	77,608	Purchase	112,085	0.75
				17/04/2020	273	Purchase	112,358	0.75
				24/04/2020	5,501	Purchase	117,859	0.79
				01/05/2020	37,334	Purchase	155,193	1.04
				08/05/2020	14,105	Purchase	169,298	1.13
				15/05/2020	19,954	Purchase	189,252	1.27
				19/06/2020	-5,442	Sale	183,810	1.23
				26/06/2020	11,000	Purchase	194,810	1.31
				26/06/2020	-11,000	Sale	183,810	1.23
				30/06/2020			183,810	1.23
5	Edelweiss Custodial Services Limited	1,033	0.01	29/06/2019			1,033	0.01
				05/07/2019	48	Purchase	1,081	0.01
				12/07/2019	168	Purchase	1,249	0.01
				19/07/2019	9	Purchase	1,258	0.01
				26/07/2019	567	Purchase	1,825	0.01
				02/08/2019	499	Purchase	2,324	0.02
				09/08/2019	21	Purchase	2,345	0.02
				16/08/2019	15	Purchase	2,360	0.02
				23/08/2019	-473	Sale	1,887	0.01
				30/08/2019	-21	Sale	1,866	0.01
				06/09/2019	-133	Sale	1,733	0.01
				13/09/2019	21	Purchase	1,754	0.01
				20/09/2019	11	Purchase	1,765	0.01

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
				27/09/2019	797	Purchase	2,562	0.02
				27/09/2019	-795	Sale	1,767	0.01
				30/09/2019	-35	Sale	1,732	0.01
				04/10/2019	2	Purchase	1,734	0.01
				11/10/2019	-28	Sale	1,706	0.01
				18/10/2019	-284	Sale	1,422	0.01
				25/10/2019	-511	Sale	911	0.01
				01/11/2019	10	Purchase	921	0.01
				08/11/2019	10	Purchase	931	0.01
				08/11/2019	-10	Sale	921	0.01
				15/11/2019	10	Purchase	931	0.01
				15/11/2019	-10	Sale	921	0.01
				22/11/2019	9,798	Purchase	10,719	0.07
				29/11/2019	14,196	Purchase	24,915	0.17
				06/12/2019	207	Purchase	25,122	0.17
				06/12/2019	-1,207	Sale	23,915	0.16
				13/12/2019	-4	Sale	23,911	0.16
				20/12/2019	18,684	Purchase	42,595	0.29
				27/12/2019	948	Purchase	43,543	0.29
				03/01/2020	924	Purchase	44,467	0.30
				03/01/2020	-924	Sale	43,543	0.29
				10/01/2020	51	Purchase	43,594	0.29
				17/01/2020	121	Purchase	43,715	0.29
				24/01/2020	3,210	Purchase	46,925	0.31
				31/01/2020	2,556	Purchase	49,481	0.33
				07/02/2020	-18	Sale	49,463	0.33
				14/02/2020	3,007	Purchase	52,470	0.35
				21/02/2020	21,663	Purchase	74,133	0.50
				28/02/2020	645	Purchase	74,778	0.50
				06/03/2020	26	Purchase	74,804	0.50
				13/03/2020	12,047	Purchase	86,851	0.58
				20/03/2020	48,446	Purchase	135,297	0.91
				27/03/2020	2,967	Purchase	138,264	0.93
				03/04/2020	204	Purchase	138,468	0.93
				03/04/2020	-204	Sale	138,264	0.93
				10/04/2020	1,018	Purchase	139,282	0.93
				17/04/2020	292	Purchase	139,574	0.94
				24/04/2020	79	Purchase	139,653	0.94
				01/05/2020	22,073	Purchase	161,726	1.08

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
				08/05/2020	644	Purchase	162,370	1.09
				08/05/2020	-22,702	Sale	139,668	0.94
				15/05/2020	-4	Sale	139,664	0.94
				22/05/2020	-97	Sale	139,567	0.94
				29/05/2020	-153	Sale	139,414	0.93
				05/06/2020	256	Purchase	139,670	0.94
				05/06/2020	-256	Sale	139,414	0.93
				12/06/2020	6,179	Purchase	145,593	0.98
				19/06/2020	12,548	Purchase	158,141	1.06
				26/06/2020	3,614	Purchase	161,755	1.08
				30/06/2020	25	Purchase	161,780	1.08
				30/06/2020			161,780	1.08
6	Edelweiss Multi Strategy Investment Trust - Edelweiss Alternative Equity Scheme	0	0.00	29/06/2019			0	0.00
				10/04/2020	31,293	Purchase	31,293	0.21
				17/04/2020	24,921	Purchase	56,214	0.38
				24/04/2020	8,100	Purchase	64,314	0.43
				01/05/2020	54,965	Purchase	119,279	0.80
				08/05/2020	6,246	Purchase	125,525	0.84
				15/05/2020	14,140	Purchase	139,665	0.94
				22/05/2020	10,798	Purchase	150,463	1.01
				29/05/2020	10,938	Purchase	161,401	1.08
				05/06/2020	1,502	Purchase	162,903	1.09
				12/06/2020	-503	Sale	162,400	1.09
				19/06/2020	-850	Sale	161,550	1.08
				26/06/2020	-59	Sale	161,491	1.08
				30/06/2020			161,491	1.08
7	Sundaram Mutual Fund A/c Sundaram Select Micro Cap	133,038	0.89	29/06/2019			133,038	0.89
				30/06/2020			133,038	0.89
8	Avalokiteshvar Valinv Limited	0	0.00	29/06/2019			0	0.00
				29/11/2019	34,771	Purchase	34,771	0.23
				06/12/2019	47,837	Purchase	82,608	0.55
				13/12/2019	19,064	Purchase	101,672	0.68
				20/12/2019	10,010	Purchase	111,682	0.75
				27/12/2019	11,333	Purchase	123,015	0.82

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
				03/01/2020	5	Purchase	123,020	0.82
				30/06/2020			123,020	0.82
9	Jatinder Agarwal	70,000	0.47	29/06/2019			70,000	0.47
				19/06/2020	-761	Sale	69,239	0.46
				26/06/2020	-14,911	Sale	54,328	0.36
				30/06/2020	-4,328	Sale	50,000	0.33
				30/06/2020			50,000	0.33
10	Union Small Cap Fu nd	65,663	0.44	29/06/2019			65,663	0.44
				27/09/2019	-3,151	Sale	62,512	0.42
				30/09/2019	-976	Sale	61,536	0.41
				04/10/2019	-4,557	Sale	56,979	0.38
				22/11/2019	1,142	Purchase	58,121	0.39
				31/12/2019	-408	Sale	57,713	0.39
				03/01/2020	-174	Sale	57,539	0.39
				03/04/2020	-57,539	Sale	0	0.00
				30/06/2020			0	0.00
11	Ambara Capital	0	0.00	29/06/2019			0	0.00
				25/10/2019	8,000	Purchase	8,000	0.05
				01/11/2019	10,895	Purchase	18,895	0.13
				08/11/2019	56	Purchase	18,951	0.13
				15/11/2019	966	Purchase	19,917	0.13
				22/11/2019	8,314	Purchase	28,231	0.19
				13/12/2019	12,000	Purchase	40,231	0.27
				14/02/2020	2,118	Purchase	42,349	0.28
				28/02/2020	240	Purchase	42,589	0.29
				13/03/2020	1,670	Purchase	44,259	0.30
				01/05/2020	10,000	Purchase	54,259	0.36
				30/06/2020			54,259	0.36
12	Vishwamukh Trading LLP	0	0.00	29/06/2019			0	0.00
				06/03/2020	3,981	Purchase	3,981	0.03
				13/03/2020	5,428	Purchase	9,409	0.06
				20/03/2020	41,840	Purchase	51,249	0.34
				30/06/2020			51,249	0.34
13	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	46,931	0.31	29/06/2019			46,931	0.31
				05/07/2019	785	Purchase	47,716	0.32
				06/09/2019	-50	Sale	47,666	0.32

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
				25/10/2019	500	Purchase	48,166	0.32
				30/06/2020			48,166	0.32
14	Sextant Autour Du Monde	46,600	0.31	29/06/2019			46,600	0.31
				01/11/2019	53,400	Purchase	100,000	0.67
				08/11/2019	15,662	Purchase	115,662	0.77
				15/11/2019	5,918	Purchase	121,580	0.81
				22/11/2019	28,420	Purchase	150,000	1.00
				13/03/2020	-501	Sale	149,499	1.00
				20/03/2020	-49,499	Sale	100,000	0.67
				27/03/2020	-1,010	Sale	98,990	0.66
				31/03/2020	-8,617	Sale	90,373	0.61
				03/04/2020	-60,979	Sale	29,394	0.20
				10/04/2020	-29,394	Sale	0	0.00
				30/06/2020			0	0.00
15	Singhi Dinesh Kumar HUF	35,311	0.24	29/06/2019			35,311	0.24
				25/10/2019	-1,000	Sale	34,311	0.23
				01/11/2019	-1,000	Sale	33,311	0.22
				08/11/2019	-2,000	Sale	31,311	0.21
				22/11/2019	-311	Sale	31,000	0.21
				29/11/2019	-5,000	Sale	26,000	0.17
				30/06/2020			26,000	0.17
16	India Insight Value Fund	30,000	0.20	29/06/2019			30,000	0.20
				06/09/2019	-791	Sale	29,209	0.20
				13/09/2019	-2,209	Sale	27,000	0.18
				20/09/2019	-9,000	Sale	18,000	0.12
				27/09/2019	-459	Sale	17,541	0.12
				11/10/2019	-3,072	Sale	14,469	0.10
				25/10/2019	-14,469	Sale	0	0.00
				30/06/2020			0	0.00

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	-	-	-	-	-	-

* Retired wef 24th September, 2019

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:

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	20,102,999	20,102,999
	(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	**20,142,599**	**20,142,599**

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors						Total
		Sekhar Natarajan	*K. K. Nohria	Nani Javeri	Sangeeta Singh	John Johnston	Jose Maria Hurtado	
		Independent Directors				Non-Executive Directors		
1	Fee for attending board and committee meetings	720,000	120,000	720,000	810,000	-	-	2,370,000
2	Commission	100,000	-	100,000	100,000	-	-	300,000
3	Others, please specify	-	-	-	-	-	-	-
	Total	**820,000**	**120,000**	**820,000**	**910,000**	**-**	**-**	**2,670,000**

* Retired w.e.f. 24th September, 2019

C. Remuneration to Key Managerial Personnel Other Than Managing Director / Manager / Whole-time Director

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	4,275,734	9,886,024	14,161,758
	(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	**4,275,734**	**9,925,624**	**14,201,358**

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	**John Johnston**
Managing Director	**Chairman**
(DIN : 01912483)	(DIN : 07258586)
Mumbai	London

Place : Mumbai

Date : 20th August, 2020

Annexure 'G'

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	L74140PN1986PLC041033
2.	Name of the Company:	Accelya Solutions India Limited
3.	Registered address:	Accelya Enclave, 685 / 2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037
4.	Website:	w3.accelya.com
5.	E-mail id:	accelyaindia.investors@accelya.com
6.	Financial Year reported:	1 July, 2019 – 30 June, 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Computer Programming, Consultancy and Related activities
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	i) Business Process Outsourcing (ITeS) ii) Software Application Hosting and Support iii) Software License and Maintenance
9.	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations (Provide details of major 5):	Nil (On a standalone basis)
	(b) Number of National Locations:	3
10.	Markets served by the Company – Local/ State/National/International:	National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital:	₹ 149.27 million
2.	Total Turnover:	₹ 3,549.78 million
3.	Total profit after taxes:	₹ 886.38 million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	2%
5.	List of activities in which expenditure in 4 above has been incurred:	Refer Annexure 'D' to Directors Report.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No

3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for Business Reporting (BR)

(a) Details of the Director/Directors responsible for implementation of the BR policy / policies

1	DIN	01912483
2	Name	Ms. Neela Bhattacherjee
3	Designation	Managing Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	01912483
2	Name	Neela Bhattacherjee
3	Designation	Managing Director
4	Telephone number	022-6856 8888
5	E-mail id	neela.bhattacherjee@accelya.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Refer Note 1								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Refer Note 2								

Note 1	All the policies are uploaded on the website https://w3.accelya.com/accelya-solutions-india-limited-policies
Note 2	While the Company has not carried out independent audit of the policies, the policies are periodically evaluated internally.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

<table>
<tr><th>No.</th><th>Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>1</td><td>The company has not understood the Principles</td><td colspan="9" rowspan="6">Not Applicable</td></tr>
<tr><td>2</td><td>The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles</td></tr>
<tr><td>3</td><td>The company does not have financial or manpower resources available for the task</td></tr>
<tr><td>4</td><td>It is planned to be done within next 6 months</td></tr>
<tr><td>5</td><td>It is planned to be done within the next 1 year</td></tr>
<tr><td>6</td><td>Any other reason (please specify)</td></tr>
</table>

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group /Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The Code of Conduct and Whistle blower Policy cover the Company as well as all stakeholders of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   The Company did not receive any whistle blower complaints received during the financial year 2019-20.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

<table>
<tr><td>(a) REVERA PRA</td><td rowspan="3">The Company is in the business of providing software products and Services to Airline/s Finance. Not being a manufacturing organisation, usage of raw material water are not applicable. However, the products and solutions design areas does take cognizance of environmental impact. All the solutions have direct data based interfaces to Airline IT ecosystems and dashboards for reporting, thereby avoiding usage of paper and other physical media for interaction. Over a period of last five years, the usage of paper and tapes for customer interaction has reduced to minimal.</td></tr>
<tr><td>(b) REVERA CRA</td></tr>
<tr><td>(c) FINESSE MBS</td></tr>
</table>

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   Not Applicable

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   Yes, the Company has procedures in place for sustainable sourcing including transportation.

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The procurement team ensures that laptops and desktops procured are of high quality and have high energy efficiency as against the standard non-efficient laptops and desktops.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Our procurement team ensures that while selecting a vendor it takes into consideration quality of the product / service, service capabilities and competitive advantage.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our company is in the business of providing software products and services. Not being a manufacturing organisation, there are no harmful effects from the Company’s business on the environment. However if there are any such effects anytime in the future, the Company will minimize the potentially harmful effects of its activities on the environment. The Company is committed to protect and preserve the environment. It is the endeavor of the Company to reuse rather than dispose whenever possible, any disposed material. The Company promotes recycling and use of recycled materials.

Principle 3

1. Please indicate the Total number of employees.

1,524

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.

67

3. Please indicate the Number of permanent women employees.

581

4. Please indicate the Number of permanent employees with disabilities

4 employees

5. Do you have an employee association that is recognized by management.

Accelya recognizes the right to freedom of association and encourages associates to connect, discuss ideas and raise issues through readily available internal tools and platforms. Although in India our associates are not part of any trade unions, there are internal tools, readily available to all associates to share their views, opinions and ideas across managerial levels and across the organization. Accelya follows the local rules and regulations in the country of our operations and adheres to these collective bargaining agreements in some of the European countries where applicable.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

(a)	Permanent Employees	95%
(b)	Permanent Women Employees	95%
(c)	Casual/Temporary/Contractual Employees	61%
(d)	Employees with Disabilities	100%

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No:

   Yes. The Company has mapped its internal and external stakeholders:

   - Customers, Clients
   - Investors and Shareholders
   - Suppliers and Vendors
   - NGOs
   - Industry bodies

   The company follows a proactive and transparent culture of ensuring all its stakeholders including investors, employees, customers and analysts are updated on key initiatives and broad business plans. One of the key values of the company is customer centricity and the same is evident in the way it conducts its market facing communication.

2. Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders.

   The Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

   - Children and youth from disadvantaged backgrounds
   - Girls/young women
   - Persons with disabilities

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   As an organization committed to CSR, we have been continuing to support:

   i) Catalysts for Social Action (CSA), an NGO, with a focus on improving living conditions, developmental aspects and aftercare support for children in childcare institutions/orphanages and on increasing the number of children available in the adoption stream and;

   ii) Seva Sadan Society, an NGO, set up IN 1908 with the intention to provide refuge to destitute women, support and educate young girls and empower young women from underprivileged backgrounds. Over the years, the Society has broadened its support to include the holistic development of the girl child and provide high quality education to marginalized children from neighbouring communities.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   Policies on human rights, including the Code of Conduct, Prevention of Sexual Harassment at Workplace Policy and the Whistle blower Policy cover the Company as well as all stakeholders of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company received 1 complaint under the Prevention of Sexual harassment of Women at Workplace and the same was closed satisfactorily within the defined framework of the applicable laws.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

   The policy is part of the Code of Conduct and extends to all stakeholders of the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   The company is in the business of providing software products and services. Not being a manufacturing organisation, there are no harmful effects from the Company's business on the environment. As such, the company does not have formal stategy/ initiative in this regard.

3. Does the company identify and assess potential environmental risks? Y/N

   The company is in the business of providing software products and services. Not being a manufacturing organisation, there are no harmful effects from the Company's business on the environment. However, the Company is committed to protect and preserve the environment.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The Company is in the business of providing software products and services. Not being a manufacturing organisation, there are no harmful effects from the Company's business on the environment. As such, the Company has not carried out any project related to Clean Development Mechanism. However, the Company is committed to protect and preserve the environment.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Since the Company is in the business of providing software products and services, there are no harmful effects from the Company's business on the environment. However, for desktop power saving we use third party tool for effective hibernation at few locations.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   The Company has not received any show cause/ legal notices from CPCB/SPCB during the financial year.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   No.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Not Applicable.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Over the years, the Company has engaged with Catalysts for Social Action (CSA), an NGO registered under the Charities Act, for rehabilitation of orphaned children, promoting preventive healthcare & sanitation, making available safe drinking water ensuring environmental sustainability and ecological balance. CSA works for the holistic rehabilitation of the orphaned child. The Company has also engaged with Seva Sadan Society (Seva Sadan), is registered under the Societies Registration Act and Bombay Public Trusts Act which runs a residential home for girls from any community who are faced with difficult and unsafe living conditions. Seva Sadan also runs a Marathi medium school for underprivileged girls. Seva Sadan also runs an English medium co-ed school. Seva Sadan also offers vocational training and skill development programmes on their premises for women.

The programmes/initiatives/projects undertaken by the Company through CSA and Seva Sadan are provided below:

A. **Projects undertaken through CSA**

i) Project Sambhav – A Model Home Project - The project is a holistic development model that works on primary interventions as well as long term deeper engagements for systemic changes. The Project engages with 14 orphanages/child care institutions (CCI's) across 4 Indian states having 1200+ children and works to improve and enhance the quality of care to children in the allied CCI's.

The focus of the primary support and interventions are Preventive health care, Sanitation & Nutrition, and Recreation and then move towards deeper engagements like Education, Life Skills, Vocational/Aftercare programmers for children along with Infrastructural and capacity building programmers for the Orphanages.

ii) Project CAP (Child Adoption Program) - Goal is to identify children in CCI's with no parental contact and make them legally free for adoption. CSA continued to implement this project in the states of Goa, Maharashtra, Madhya Pradesh and Odisha through identification of children with no parental, contact, conduct social investigations through social workers, submitting reports to Child Welfare Committees (CWC) and follow ups to make children legally free. CSA has also been conducting district and grass root level awareness workshops.

B. **Projects undertaken through Seva Sadan**

i) Residential Home - Seva Sadan manages a Residential Home within their premises where underprivileged girls aged between 6 and 18 years are housed, fed, educated, counselled, kept healthy and provided a safe environment. They ensure academic learning is balanced with activities like sports/arts/music/dance.

They cater to the economically challenged section, with a focus on abandoned and impoverished girls belonging to families where parents do not have basic accommodation or both/single parent(s) work full time with no caregiver for the child. Two matrons and a helper are entrusted with the care of the girls and are supervised by a Home Administrator.

ii) Education - The girls residing in our Home as well as children from low-income neighbouring communities receive good quality state board education at the Marathi medium school managed by Seva Sadan.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programmes / projects are undertaken through external implementing agencies viz. Catalysts for Social Action and Seva Sadan Society. The focus of these programmes / projects is on improving living conditions, developmental aspects and aftercare support for children in childcare institutions/orphanages on increasing the number of children available in the adoption stream, promoting gender equality and empowering women.

3. Have you done any impact assessment of your initiative?

A continuous and robust impact assessment of our initiatives are planned and executed by Catalyst for Social Action and Seva Sadan Society. Each program has a yearly assessment process around quantitative and qualitative outcomes.

4. What is your company's direct contribution to community development projects - Amount in INR million and the details of the projects undertaken.

   Project undertaken through CSA

   i) Project Sambhav – ₹ 17.70 million

   ii) Project CAP (Child Adoption Program) – ₹ 1.00 million

   Project undertaken through Seva Sadan

   Residential Home and Marathi school managed by Seva Sadan Society – ₹ 5.8 million

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The supported Implementing Agencies have put an efficient system in place in order to ensure various development initiatives acceptance are successfully adopted, details of which are as below:

   For Project undertaken through CSA

   i) Signing off a Memorandum of Understanding – This ensures the allied home's/orphanage's leadership buy-in to the various engagements and their participation in a collective approach of planning and execution of various childcare activities.

   ii) Quarterly review and brainstorming meetings with the senior leadership and home management team – This process helps in efficient planning around child centric requirements and timely implementation by collective participation by the home staff and CSA location Staff.

   iii) CCI Evaluation System – The annual CCI assessment helps to understand the current state of the existing childcare and initiatives taken to upgrade the holistic child care practices at allied CCIs.

   For Project undertaken through Seva Sadan Society

   The Residential Home is governed by the Home Committee, which comprises 3 Managing Committee members, the Home Administrator, the matrons and a social worker. The Home Committee meets each week to review the operations of the Home. Similarly the Marathi schools are governed by Marathi education sub committees who meet once a month with the Principals of each school. Policy decisions are taken at monthly Managing Committee meetings.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   For financial year 2019-20, we have addressed all customer complaints and there are no pending customer complaints.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

   Not Applicable. The software products when supplied are accompanied by product documentation which covers details of products and their usage.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   There has been no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes, customer satisfaction survey is carried for key products annually.

Annexure 'H'

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 2019-20 was ₹ 92.23 million

Foreign exchange earning and outgo

During the year 2019-20, the foreign exchange earnings stood at ₹ 3012.37 million and foreign exchange outgo stood at ₹ 375.96 million.

For and on behalf of the Board of Directors

Neela Bhattacherjee **Managing Director** (DIN : 01912483)	**John Johnston** **Chairman** (DIN : 07258586)
Place : Mumbai Date : 20th August, 2020	London

Corporate Governance Report

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, 2020, the Company has six directors consisting of a non-Executive Chairman, one Managing Director, one non-executive non-independent director and three independent directors.

Board Meetings

Eight Board Meetings were held during the financial year 2019-20.

Directorship in other companies / committee position as on 30 June, 2020 and Matrix setting out the skills/expertise/ competence of Board of Directors

Name of Director	Designation	Category	Key Skills	Directorship held in other Listed entities along with Category	Directorships / Board Committees (Number)		
					Other Directorships	Committee Membership*	Committee Chairmanship**
Neela Bhattacherjee	Managing Director	Executive	Strategy, Leadership and Business Development	-	-	-	-
John Johnston	Chairman	Non-Executive Non-Independent	Strategy, Leadership and Business Development	-	12	-	-
Sekhar Natarajan	Director	Non-Executive / Independent	Finance, Strategy and Business Development	Independent Director of Ingersoll-Rand (India) Limited, Bayer CropScience Limited and Colgate-Palmolive (India) Limited	4	1	4
Nani Javeri	Director	Non-Executive / Independent	Finance, Strategy and Business Development	-	2	3	-
Sangeeta Singh	Director	Non-Executive / Independent	Human Resource / Leadership	Independent Director of S. H. Kelkar & Company Limited and Alkem Laboratories Limited	5	4	-
Jose Maria Hurtado	Director	Non-Executive Non-Independent	Finance & Strategy	-	8	-	-

* 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.

The details of attendance of Directors at Board Meetings either in person or through video conference during the financial year 2019-20 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

	Attendance at Board Meetings								Attendance at AGM
Name of Director	**28th August, 2019**	**23rd October, 2019**	**7th November, 2019**	**7th January, 2020**	**29th January, 2020**	**17th April, 2020***	**14th May, 2020***	**29th June, 2020***	**24th October, 2019**
Neela Bhattacherjee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
John Johnston	Yes	No	No	No	Yes	Yes	Yes	Yes	No
Sekhar Natarajan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
K. K. Nohria#	Yes	-	-	-	-	-	-	-	-
Jose Maria Hurtado^	-	-	-	No	Yes	Yes	Yes	Yes	-

* Meetings were conducted through video conferencing

\# Ceased to be a director w.e.f 24th September, 2019

^ Appointed director on 27th November, 2019

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, a sample letter of appointment / re-appointment containing the terms and conditions, issued to the Independent Directors and the code of conduct for directors and senior management, is available on the website of the Company on the following link:

https://w3.accelya.com/accelya-solutions-india-limited-policies

Performance Evaluation

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The Company has a structured assessment process for evaluation of performance of the Board and individual performance of each Director including the Chairman.

The Independent Directors, at their separate meeting, reviewed the performance of Non-Independent Directors and the Board as a whole taking into consideration 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.

The parameters of the performance evaluation process for Directors, inter alia, includes, effective participation in meetings of the Board, understanding of the roles and responsibilities, domain knowledge, attendance of director(s), etc. The performance of each independent director was evaluated by the entire Board, without the presence of the respective independent director, with respect to fulfilment of independence criteria as specified in the Listing Regulations and Companies Act, 2013 and his / her independence from the management.

Board Committees

Currently Board has six committees –

i) Audit Committee

ii) Stakeholders Relationship Committee

iii) Nomination and Remuneration Committee

iv) Risk Management Committee

v) Corporate Social Responsibility Committee

vi) Share Transfer 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

The Audit Committee met five times during the financial year 2019-20. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

	Attendance at Audit Committee Meetings				
Name of Member	**28th August, 2019**	**23rd October, 2019**	**29th January, 2020**	**14th May, 2020***	**29th June, 2020***
Sekhar Natarajan^	Yes	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes	Yes
K. K. Nohria#	Yes	-	-	-	-

* Meetings were conducted through video conferencing

^ Chairman of the Committee

\# Ceased to be a director w.e.f. 24th September, 2019

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

The Stakeholders Relationship Committee met four times during the financial year 2019-20. The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

	Attendance at Stakeholders Relationship Committee			
Name of Member	**28th August, 2019**	**23rd October, 2019**	**29th January, 2020**	**14th May, 2020***
Sekhar Natarajan^	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes
K. K. Nohria#	Yes	-	-	-

* Meeting was conducted through video conferencing
^ Chairman of the Committee
\# Ceased to be a director w.e.f. 24th September, 2019

Terms of Reference

a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.

b) Review of measures taken for effective exercise of voting rights by shareholders.

c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

Name and Designation of Compliance Officer

Ninad G. Umranikar – Company Secretary

iii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee met four times during the financial year 2019-20. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

	Attendance at Nomination and Remuneration Committee			
Name of Member	**28th August, 2019**	**23rd October, 2019**	**17th April, 2020**	**14th May, 2020***
Sangeeta Singh^	Yes	Yes	Yes	Yes
Sekhar Natarajan	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes
K. K. Nohria#	Yes	-	-	-

* Meeting was conducted through video conferencing
^ Chairman of the Committee
\# Ceased to be a director w.e.f. 24th September, 2019

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 ("the Act"). Commission is paid to Managing Director and to independent non-executive directors which does not exceed such percentage of the net profits of the Company as is specified under the Act. Sitting Fees are paid to independent directors for attending every meeting of the Board of Directors or committee thereof.

Remuneration to Managing Director

Ms. Neela Bhattacherjee was paid ₹ 2,01,42,599 towards remuneration for the period from 1st July, 2019 to 30th June, 2020. 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 was 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 – ₹ 300,000/-

Sitting Fees – ₹ 2,370,000/-

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/- is paid to each independent director 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, 2020, none of the non–executive directors held any equity share in the Company.

iv) Risk Management Committee

The Risk Management Committee met once during the financial year 2019-20. The composition of the Risk Management Committee of the Board of Directors of the Company along with the details of the meeting held and attended during the financial year 2019-20 are detailed below:

	Attendance at Risk Management Committee Meeting
Name of Member	**23rd October, 2019**
Sekhar Natarajan^	Yes
Nani Javeri	Yes
Sangeeta Singh	Yes

^ 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 any internal information necessary to fulfill its oversight role.

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

The Risk Management Policy formulated by the Risk Management Committee prescribes the roles and responsibilities of each risk owner within the Company, the impact and probability assessment of each risk, structure for managing risks, framework with respect to risk management. The internal controls comprehensively address various strategic, operational, financial and compliance risks.

iv) Share Transfer Committee

The Share Transfer Committee met 8 times during the financial year 2019-20. The composition of the Share Transfer Committee of the Board of Directors of the Company is detailed below:

Name of Member	Category
John Johnston^	Non-Executive Non-Independent Director Director
Neela Bhattacherjee	Managing Director
Gurudas Shenoy	Chief Financial Officer
Ninad Umranikar	Company Secretary

^ Chairman of the Committee

Terms of reference

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

v) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee met three times during the financial year 2019-20. The composition of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

	Attendance at CSR Committee Meetings		
Name of Member	**28th August, 2019**	**23rd October, 2019**	**29th January, 2020**
Nani Javeri ^	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes
John Johnston	Yes	Yes	Yes
K. K. Nohria#	Yes	-	-

^ Chairman of the Committee
# Ceased to be a director w.e.f. 24th September, 2019

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) 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. The details of the meeting held and attended during the financial year 2019-20 are detailed below:

	Attendance at Independent Directors' Meeting
Name of Member	**28th August, 2019**
Sekhar Natarajan^	Yes
Nani Javeri	Yes
Sangeeta Singh	Yes
K. K. Nohria#	Yes

^ Chairman of the Committee
# Ceased to be a director w.e.f. 24th September, 2019

Quorum for Board & Committee Meetings

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.

General Body Meetings

Particulars of Annual General Meetings held during last three years:

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 the 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 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.

Year 2019 Annual General Meeting dated 24th October, 2019 – 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 at 12 noon.

Special Resolutions were passed for:

1. Re-appointment of Mr. Sekhar Natarajan as an Independent Director of the Company.
2. Re-appointment of Mr. Nani Javeri as an Independent Director of the Company.
3. Re-appointment of Ms. Sangeeta Singh as an Independent Director of the Company.

No special resolution was passed through postal ballot during financial year 2019-20. Further, no special resolution is proposed to be passed through postal ballot as on the date of this Report.

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

General Shareholder Information

1	**Annual General Meeting**	
	Date	Wednesday, 28th October, 2020
	Time	2.30 p.m.
	Venue	The Company is conducting meeting through Video Conference / Other Audio Visual Means pursuant to the MCA Circular dated 5th May, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
2	**Registered Office Address**	Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune - 411 037
3	**Financial Calendar**	
	Financial Year	**1st July to 30th June**
	The tentative calendar of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 30th June, 2021 is given below:	
	Quarter /Year ended	**Month of approval of Financial Results**
	30th September, 2020	October / November, 2020
	31st December, 2020	January / February, 2021
	31st March, 2021	April / May, 2021
	30th June, 2021	July / August, 2021
4	**Details of the dividend declared and paid by the company in 2019-20 are as follows:**	
	Interim Dividend for 2019-20	18th February, 2020
5	**Listing Details**	
	Name of the Stock Exchange & Stock Codes	**Address**
	BSE Limited (BSE) – 532268	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 Tel.: (022) 22721233 / 34
	National Stock Exchange of India Limited (NSE) – ACCELYA	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra, (East), Mumbai – 400 051,. Tel.: (022) 2659 8100 –14
	ISIN for Depositories	INE793A01012
	The Company has paid listing fees to BSE and NSE for 2020-2021.	

6	**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, 2019	878.00	769.00	11,981.75	11,072.65
	August, 2019	804.00	701.00	11,181.45	10,637.15
	September, 2019	871.65	774.00	11,694.85	10,670.25
	October, 2019	985.00	795.00	11,945.00	11,090.15
	November, 2019	1,245.20	925.05	12,158.80	11,802.65
	December, 2019	1,119.05	940.00	12,293.90	11,832.30
	January, 2020	1,130.00	1,017.60	12,430.50	11,929.60
	February, 2020	1,091.70	993.00	12,246.70	11,175.05
	March, 2020	1,059.75	810.00	11,433.00	7,511.10

	April, 2020	935.50	846.15	9,889.05	8,055.80
	May, 2020	950.00	890.25	9,598.85	8,806.75
	June, 2020	970.00	917.65	10,553.15	9,544.35

7	**Registrar and Share Transfer Agent (address for correspondence)**	
	Name	**Address and contact details**
	KFin Technologies Private Limited	Selenium, Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Selenium Building, Hyderabad – 500 032 Tel. No. (040) 67162222 Fax No. (040) 23001153 Email: einward.ris@kfintech.com Contact Person: Mr. Mohammed Mohsinuddin
8	**Share Transfer System**	
	The Securities and Exchange Board of India has mandated transfer of securities only in dematerialized form with effect from 1st April, 2019, baring certain instances. The shares lodged for transfer, transmission, issue of share certificates, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects. The Share Transfer Committee has been delegated the authority to approve the transfer, transmission, dematerialization of shares etc. A summary of approved transfers, transmissions, dematerialization of shares, etc. is placed before the Board of Directors from time to time as per the Listing Regulations.	
9	**Break-up of shareholding in physical and demat mode (as on 30th June, 2020)**	
	Type of Holding	**Percentage to Share Capital**
	Physical	0.61%
	Dematerialized	99.39%
	Total	100.00%
10	**Investor Complaints** The Company has set up a Stakeholders Relationship Committee, which monitors overall investor complaints in co-ordination with the Company Secretary and the Registrar & Share Transfer agents. During the year, the Company / R & T Agents have received 55 shareholder 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:	

11	**Distribution of Shareholding as on 30th June 2020**				
	Shareholding Range	**No. of Shareholders**	**Percentage**	**Shareholding**	**Percentage**
	1-500	18,685	96.87	1,023,580	6.86
	501- 1000	296	1.53	222,215	1.49
	1001- 2000	139	0.72	199,869	1.34
	2001- 3000	59	0.31	150,456	1.01
	3001- 4000	25	0.13	86,013	0.58
	4001- 5000	17	0.09	79,747	0.53
	5001- 10000	31	0.16	233,070	1.56
	10001& Above	36	0.19	12,931,311	86.63
	Total	**19,288**	**100.00**	**14,926,261**	**100.00**

12	**Credit ratings and any revisions thereto for debt instruments or any fixed deposit programme or Any scheme or proposal involving mobilization of funds, whether in India or abroad** The company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 30th June, 2020. ICRA has given A1+ rating for short-term borrowings and long-term borrowings of the Company.	
13	**No pending complaints letters received from stock exchanges** The details of 'no pending complaints' letters received from stock exchanges are provided below:	
	Name of Stock Exchange	**Date of Letter / Email**
	NSE	17th October, 2019 9th January, 2020 1st April, 2020 1st July, 2020
	BSE	4th October, 2019 10th January, 2020 15th July, 2020

Other Disclosures

1. 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.

2. 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.

3. 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 through an email or by a phone call to the Ombudsperson appointed under the Policy. Protected disclosures can be made by a whistle blower. We affirm that no personnel of the Company has been denied access to the audit committee.

4. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

   The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

   Non-Mandatory Requirements

   a) The non-executive Chairman does not maintain Chairperson's office at the listed entity's expense and does not receive reimbursement of expenses incurred in performance of his duties.

   b) The Company does not send half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders.

   c) During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

   d) The internal auditors reports to the audit committee. They participate in the meetings of the Audit Committee of the Board of Directors of the Company and presents his internal audit observations to the Audit Committee.

5. **Subsidiary Companies**

   The Company does not have any material non-listed subsidiary company in terms of Regulation 16 of the Listing Regulations. The policy for determining material subsidiaries can be accessed on the Company's website at the following link: https://w3.accelya.com/accelya-solutions-india-limited-policies.

6. **Related Party Transactions**

   The policy on dealing with related party transactions can be accessed on the Company's website at the following link: https://w3.accelya.com/accelya-solutions-india-limited-policies.

7. **Disclosure of commodity price risk and commodity hedging activities**

The Company does not deal in commodities and hence disclosure relating to commodity price risk and commodity hedging activities is not required. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

8. **Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations**

The Company has not raised funds through preferential allotment or Qualified Institutional Placement during the financial year 2019-20.

9. **Certificate from Company Secretary in practice**

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.

10. There was no instance during the financial year 2019-20 where the Board did not accept any recommendation of any committee of the Board which is mandatorily required.

11. **Total fees paid to statutory auditors of the Company**

Total fees of ₹ 8,437,500 (Rupees Eight Million Four Hundred and Thirty Seven Thousand Five Hundred only) for financial year 2019-20, for all services, was paid by the Company to the statutory auditors.

12. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company received 1 complaint of sexual harassment during the financial year 2019-20 which was resolved and there was no complaint pending at the end of the financial year.

13. The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

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 [Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
Accelya Solutions India Limited

We have examined the relevant registers, records, forms and returns maintained / filed by Accelya Solutions India Limited (CIN : L74140PN1986PLC041033) having its Registered Office at Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune-411037 ("hereinafter referred to as the Company") and notices and disclosures received from the Directors of the Company and produced before us electronically by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015.

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company as on June 30,2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Nilesh A. Pradhan
Partner
FCS No.: 5445
COP No.: 3659
PR :791/2020
UDIN: F005445B000596618

Place: Mumbai
Date: 20th August, 2020

Certificate of Corporate Governance

To
The Members
Accelya Solutions India Limited

We have examined the compliance of conditions of Corporate Governance by **Accelya Solutions India Limited** ("the Company"), for the year ended on June 30,2020 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**
Company Secretaries

Nilesh A. Pradhan
Partner
FCS No.: 5445
COP No.: 3659
PR :791/2020
UDIN: F005445B000596618

Place: Mumbai
Date: 20th August, 2020

INDUSTRY OUTLOOK:

The COVID-19 situation has impacted all industries globally, including aviation. While some markets are now opening up, most countries are still closed to international arrivals or have imposed quarantines, that have the same effect as an outright lockdown.

The International Air Transport Association (IATA) forecast says:

- Global passenger traffic and revenues will not return to 2019 levels until 2024, because of a COVID-19 resurgence in several countries, depressed corporate travel and weak consumer confidence.
- For 2020, global passenger numbers are expected to decline by 55% compared to 2019.
- The recovery in short haul travel is still expected to happen faster than for long haul travel.
- Corporate travel budgets are expected to be very constrained as companies continue to be under financial pressure even as the economy improves.
- Scientific advances in fighting COVID-19, including development of a successful vaccine, could allow a faster recovery.

These are challenging times and airlines and industry bodies are innovating to navigate the 'new normal'. IATA, in partnership with the Airports Council International, developed a roadmap recommending the best end-to-end practices for safely resuming flights. This includes contact tracing, use of personal protective equipment, and enabling contactless services at customs, among other measures. Some airlines have gone beyond that and have started their own campaign promoting over and above sanitization or leaving an empty seat. However, it will take time for passenger confidence to build again and we need to learn to manage the risks of living with COVID-19. The kind of measures that are implemented will decide how soon we see the recovery.

ACCELYA GROUP'S STRATEGY:

Accelya has been at the forefront of reducing industry complexity in financial settlement for over 40 years. It has been a leading provider of technology products and services to the travel and transport industry, partnering 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 vision lies in long-term product innovation and in expanding from primarily being a back-end service provider to one that offers solutions spanning end-to-end processes of airlines around the world. In December 2019, the Group was acquired by Vista Equity Partners, under its firm's permanent capital investment fund. This means that Accelya has a strong backing from Vista to engage in value creation opportunities and provide capital and expertise to accelerate the Group's success. Accelya also acquired Farelogix, a leading provider of SaaS solutions for airline retailing and New Distribution Capability-enabled commerce, during the year.

Farelogix solutions are a natural fit with Accelya's product portfolio - to extend Accelya's core offering to create the first independent, airline-focused platform to address the end-to-end retailing lifecycle - from offer creation to settlement. Accelya's leadership in financial, back-office settlement, and revenue management — together with Farelogix's proven solutions for NDC and Offer/Order Management — can realize the vision of this new airline commerce platform and accelerate innovation across the full spectrum of current and future industry processes. This will enable the Group to drive a change in the airline commercial landscape, and support industry transformation as we all look to recovery from COVID-19.

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 is indeed in the cockpit, guiding the airline strategy. Airline finance function has its backbone in the rigor that good accounting practices and compliances require, but it will not remain relegated to the back-office. It must span the entire passenger journey - from the time the offer is created, to the settlement.

With Accelya Group coming together with Farelogix, the Company is better positioned to partner with airline CFOs in this journey. The Company is adapting its solutions as a part of the Offer-to-Settlement cycle with the objective to add more value to airline finance function.

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.

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.

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:

- In the first half of the year, we moved into our new office premises in Mumbai. The project that began a year ago in FY 19, with the objective to consolidate our offices across Mumbai and Thane, was realized in FY 20, as planned. The new office is in line with international workplace standards to enhance employee experience and productivity
- The Company continued with new implementations, including Revenue Accounting V20 upgrades, albeit at a slower pace in the last quarter whilst airlines grappled with the challenges posed due to COVID-19.
- With respect to the COVID-19 situation, the Company focused on business continuity, customers and employees:
    - o The Company carried out a cost-rationalizing exercise across the organization to conserve cash to address any uncertainties in evolving situations. This includes reducing the cost of human resources (with the consent of relevant employees), travel, marketing and events, etc.
    - o The Company reached out to all its customers to support them during this crisis, with webinars and other content that helped them understand and respond better.
    - o The Company took immediate action to help the employees work safely from home. It adopted various business continuity measures from the beginning of the country-wide lockdown to ensure the safety and wellbeing of the employees. This includes providing IT infrastructure and connectivity wherever possible, to enable employees to work from home.

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 airline CFOs, placing them right next to the CEOs. The Company is in a unique position to impact the complete offer-to-settlement and procure-to-pay cycles of airlines.

A Strong Partner for Airlines, during Recovery from the Impact of COVID-19

COVID-19 has made cost reduction, new revenues and transformation paramount for airlines. Accelya Solutions has strong expertise in back-office financial solutions. Now, with the Group's Farelogix acquisition, we are able to enhance our capability to deliver an integrated Offer-to-Settlement platform. By dealing with traditional transactions and new retailing operations in one place, airlines will have a greater choice to transition at their own pace while coming out of COVID-19.

Ready for the Evolving Airline Distribution Landscape

The Company 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. With Farelogix's proven solutions for NDC and offer/order management, the Group (and the Company) can realize the vision of a new airline platform spanning the entire lifecycle from offer to settlement and play a larger role in the airline ecosystem.

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 strategic roadmap. 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 outsourcing 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. During the impact of the pandemic in the second half of FY 20, the Company supported the customers with webinars and other content that helped them understand and respond to the crisis. The Company also learned insights from the customers, understanding their problems, adapting and creating value that aligns with their current and future objectives.

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.

Financial Analysis

Shareholders' funds

Shareholders' funds increased from ₹ 1,904.53 million to ₹ 2,359.43 million during the year 2019-20.

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, 2020 amount to ₹ 1,644.49 million.

As at 30th June, 2020, Accelya Solutions book value per share increased to ₹ 158.07 per share as compared to ₹ 127.60 per share as at 30th June, 2019.

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, 2020 stands at ₹ 474.15 million. There is no change to this balance in the current year.

Fixed Assets

Product Development

During the year, product development cost amounting to ₹ 83.77 million has been capitalised as intangible assets.

Other Fixed Assets

Accelya Solutions added ₹ 373.91 million to the gross block comprising of ₹ 110.16 million in Plant and Machinery, ₹ 31.41 million in purchase of Software, ₹ 51.70 million in purchase of Furniture and fixtures and the balance ₹ 180.63 million in Leasehold improvements.

Sale / Disposal of Assets

During the year, Accelya Solutions sold/ disposed of assets with a Gross Book value of ₹ 59.79 million and a depreciated Net Value of ₹ 59.01 million. The sold assets included old plant & machinery, furniture & fixtures, leasehold improvement and vehicles.

Accelya Solutions Gross Block as at June 30, 2020 stood at ₹ 2,080.12 million as compared to ₹ 1,682.23 million as at June 30, 2019. The corresponding Net Block as at June 30, 2020 is ₹ 681.54 million as compared to ₹ 427.33 million as at June 30, 2019.

Trades Receivables

Accelya Solutions Net Receivables as at June 30, 2020 amounted to ₹ 568.3 million as compared to ₹ 745.64 million as at June 30, 2019. These debtors are considered good and realisable.

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 2020 stands at ₹ 28.03 million compared to ₹ 14.99 million as at 30th June, 2019.

Trade receivables as a percentage of total revenue is 15.33% as at 30th June 2020 as against 18.86% as at 30th June, 2019.

Non-current Liabilities

As at 30th June, 2020 Accelya Solutions non-current liabilities amount to ₹ 443.72 million as compared to ₹ 41.62 million as at 30th June, 2019.

Current Liabilities

As at 30th June, 2020 Accelya Solutions current liabilities amount to ₹ 663.71 million as compared to ₹ 571.97 million as at 30th June, 2019.

Result of Operations

Sale of services

For the year ended 30th June, 2020, Accelya Solutions recorded operating income of ₹ 3,549.78 million.

Operating Profit

Accelya Solutions reported profit before exceptional items and tax of ₹ 1,189.05 million for the year ended 30th June, 2020.

Profit after Tax

Accelya Solutions recorded a PAT of ₹ 886.39 million for the year ended 30th June, 2020.

Dividend

The Company had declared and paid an interim dividend of ₹ 10 per equity share during the year.

In view of the ongoing Covid 19 pandemic, the Company would like to conserve cash and accordingly the Board of Directors has decided not to recommend any final dividend for the year.

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	210.95
Additions	83.77
Deletions (Net)	54.00
Closing Net Block	240.72

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 it the partner of choice for airlines.

Impact of the COVID-19 Pandemic on the Business

The COVID-19 pandemic, the country-wide lockdown and the far-reaching travel restrictions in various geographies across the globe have affected the airline and travel industry in an unprecedented way. As the Company's business model is principally based on per transaction pricing, the Company's revenue which is linked to airline passenger transactions has been impacted. The Board and the management are closely overseeing the Company's efforts in navigating this global crisis, which include, amongst other initiatives, ensuring business continuity, extensive customer out-reach through webinars and video conferencing, managing costs and ensuring safety of our employees. A Special Oversight Committee (SOC) has been constituted to oversee the Company's COVID-19 planning and responses and report to the Board.

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.

Internal Financial Control Systems and their Adequacy

The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down.

The Company's management assessed the effectiveness of internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015) as of June 30, 2020.

B S R & Co. LLP, Chartered Accountants, the statutory auditors of the Company have audited the financial statements included in this annual report and have issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

The Company has appointed Grant Thornton India LLP to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year and approved by the audit committee. The conduct of internal audit is oriented towards the review of internal controls and risks in the company's operations such as operations review, , accounting and finance, treasury management, procurement, pre-sales & sales processes, statutory compliances, human resource, travel and cyber security & IT processes.

The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action.

Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015), the audit committee has concluded that, as of June 30, 2020, our internal financial controls were adequate and operating effectively.

Human Capital

We recognize that our people are one of our most important assets, and so we recruit the sharpest minds, provide quality training, carefully develop the right people and reward our employees in meaningful ways throughout their careers with us. We continuously track human capital metrics to make sure we attract, develop and retain the best talent. It is our endeavor to……

Attract qualified talent…

Educational Qualifications

Post Graduates	Engineering /Other Graduates	IATA Certified / Diploma holders	Undergraduates
18%	**67%**	**12%**	**3%**

…With deep experience in our domain & technology…

Total Experience

Less than 2 years	2-5 years	5-10 years	More than 10 years
11%	**14%**	**22%**	**52%**

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

Gender Diversity

Men	Women
59.7%	40.3%

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

Attrition

Attrition for FY 19-20: **13.49%**

Voluntary attrition for the last 2 years:

Year	ITS	BPO	Others
2019 (July 2018 to June 2019)	20.53%	8.83%	14.93%
2020 (July 2019 to June 2020)	16.75%	11.09%	20.21%

Building a productive and positive employee experience has been at the core of our programs and initiatives at Accelya. From creating an exciting new workplace to onboarding, learning & growth, the company has worked on improving many aspects of how employees feel about and experience Accelya, its leaders and its ways of working. Here are a few highlights from this past year.

- **Creating world class physical workspaces that reflect our global brand and enable a collaborative work environment –** In November 2019, we moved to our brand-new office in Vikhroli, Mumbai. This was in line with our desire to strengthen our employee experience, provide a modern workplace that gives our employees the freedom to work collaboratively, enhances their morale, creates flow of information among employees in spaces that are highly technology driven. Our new office reflects our global image and provides the best work environment, infrastructure and facilities to our employees. The new office spreads over 3 floors in a modern office building, is enthralled by sunlight, natural plants, biophilic partitions, has an open office concept along with a variety of functional spaces, breakout areas, casual seating.

- **Creating a Standard and Exciting Global Onboarding Experience –** It is proven that the first 60 days of a new hire are the most critical and a majority of new hires are prone to leave if they do not have a good experience or integrate well into the new company. With a mission to create an exciting, informative and globally standardized onboarding experience, we collaborated with all of our global offices and used technology to create a new global onboarding program and experience. This involved creating a fun and engaging first day at work experience, supported by a digital learning path offered through our online learning platform – ***Accelya Knowledge Circle Gateway (AKCG)*** to enable new hires to learn more about the company, its 'ways of working' and integrate well into Accelya. Now whether a new hire joins in Mexico or Madrid, Villepinte or Vikhroli, they experience the same great ***Welcome to Accelya!***

- **Accelya Knowledge Circle (AKC): Building a Learning Organization –** It was an exciting time for learning in Accelya this year. We took AKC a step further with the launch of our Learning Management System christened **Accelya Knowledge Circle Gateway (AKCG)**. With AKCG we have been able to offer a wider variety of internal and external learning content and new learning experiences to our employees. We launched specialisations that focus on building capabilities in our women employees and our managers. We launched Online learning communities where employees can come together, share and learn from each other. We also launched our knowledge sharing sessions called **LearnX** where internal experts share their expertise through online sessions with colleagues around the world. We improved the efficiency of our learning offerings and created a much larger adoption of our learning platforms through various actions like learning recommendations, organizing learning events, recognizing and rewarding active learners while continuing to enhance the catalogue of courses. Additionally, we also rolled out a survey to gather and apply learner inputs to continuously improving their learning experiences and building the skills we need to ensure Accelya's continued success.

- **Empowering Managers to Organize and Engage Teams:** As part of the Company's vision of strengthening management capabilities, a holistic, flexible and digitized managerial development program was launched for both first time managers and already existing managers. Through this foundational program, managers are given an understanding of people leadership at Accelya and provided with tools and resources that they can use for success in their roles. This year, given the unique situation of Covid-19, the company also developed learning resources to effectively manage teams and performance while remotely working.

- **Building a Resilient and Informed Workforce:** Given the unexpected shift to working remotely for most employees, the company curated physical, mental and emotional wellness resources and developed learning resources for employees on how to work remotely. While we navigated the first few months of COVID 19 and its impact on our company, leadership teams held townhalls and meeting were done at various levels within the organisation to ensure that employees were communicated to and well informed. 'One Accelya' a fortnightly e-bulletin, was also introduced to bring news and articles from across Accelya enabling employees to stay updated and motivated during this pandemic. A Special Oversight Committee (SOC) has been formed to keep a watch on the business scenario, COVID19 situation, its impact and actions taken for the workforce. The SOC includes India MD, CFO, VP - HR Operations and one India Board member.

- **Pulse – Integrated Global HRMS for Employees:** In our continued chase of achieving technological excellence for our employees, we have collaborated with the latest platforms for employee engagement. We have partnered with AI tools to allow for employee grievance redressals, employee query resolutions and timely tending to these queries. We shall be further focused on exploring this platform to have a bot enabled employee self service and manager self service.

  In the times to come our focus would also be shifted to having a mobile enabled HRIS experience for our employees. A recruiting platform which is state of the art technology and allows for easy handling and at the same time exploring the best talent markets across the world and integrated. We will strive for excellence and are hopeful of having the employee base feel the Pulse revolution with excitement and belongingness to One Accelya.

- **Leveraging new age technologies to provide the best employee experience:** We are always looking for ways to leverage technology to enhance employee experience, streamline, create efficiencies and provide quick access to information. This year, we were very happy to the enable all this through the launch and successful adoption of our AI powered HR chatbot christened ‘Celya’. It uses cutting edge AI technologies and is a digital HR assistant that provides immediate answers to employee queries - 24/7. Shortly, it will also enable employees to take certain HR actions directly without the need to log into Accelya’s HCMS system. With mobile and desktops apps, it is easy and fun to use. As our employee use it more, itself learns and creates even better experience over time.

Independent Auditors' Report

To the Members of

Accelya Solutions India 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 2020, 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.

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 2020, 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 on the standalone financial statements.

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

Key audit matters	How our audit addressed the key audit matter
Revenue recognition– Fixed price contracts (Refer note 2(c)(v) and 27 of standalone financial statements	
The Company inter alia engages in Fixed-price contracts, wherein, revenue is recognized using the percentage of completion method based on Company’s estimates of contract efforts. We identified revenue recognition for fixed price development contracts as a key audit matter since:	Our audit procedures on revenue recognized from fixed price 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 efforts incurred.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>- application of revenue recognition accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves a number of key judgments and estimates mainly identifying performance obligations, related transaction price and estimating the future efforts-to-complete these contracts, which is used to determine the percentage of completion of the relevant performance obligation;
- 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.
- these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Company.</td><td>On selected specific samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard -
- Evaluated the identification of performance obligation and the ascribed transaction price;
- Tested Company’s computation of the estimation of efforts required to complete the contract and onerous obligation, if any.
- Assessed that the estimates of time required to complete were reviewed and approved by appropriate levels in the Company; and
- Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and assess whether those variations are required to be considered in estimating the remaining efforts to complete the contract.</td></tr>
<tr><td colspan="2">Valuation of trade receivable in view of risk of credit losses (refer note 2(c)(iii) and 12 of standalone financial statements</td></tr>
<tr><td>The Company determines allowances for credit losses on historical loss experience adjusted to reflect the current and estimated future economic conditions.
As at 30 June 2020, the Company's trade receivables accounted for 16 % of the Company's total assets as at that date.
The Company measures expected credit loss on trade receivables based on a provision matrix which is based on significant judgement and estimates i.e.:
- historical default rate;
- age analysis of the receivables;
- loss rate in provisioning matrix depending on days past due;
- adjustments to historical experience based on future economic and market conditions;
- relevant current customer specific conditions; and
- other relevant factors including forward-looking information at the reporting date such as subsequent settlement and future collectability.
Further, the outstanding of customers could be impacted by the economic conditions consequent to the pandemic relating to Covid-19.
We have considered assessment of expected credit loss for receivables as a key audit matter because of the significance of balance of trade receivables to the balance sheet and because of the significant judgement involved in its estimation particularly in the context of pandemic relating to Covid – 19.</td><td>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence.
- Assessed the appropriateness of accounting policy for expected credit loss as per the relevant accounting standard;
- Obtained an understanding of and assessed the design, implementation and operating effectiveness of key controls relating to collection monitoring process;
- Tested the IT controls relating to classification of the receivable balances included in the receivables ageing report, by involving the IT specialists;
- For samples selected using statistical sampling, circularized independent confirmations for balance outstanding at year-end and where confirmations were not received, performed alternate testing procedures. This includes testing, on a sample basis, subsequent collections for the outstanding receivables;
- Enquired with management and obtained comments and recovery plans for trade receivables outstanding for more than 180 days;
- Assessed the reasonableness of methodology used by the Company to estimate expected credit loss provision;
- Assessed the reasonableness of estimate of expected credit losses by obtaining an understanding of the key assumptions used in estimating the expected credit losses such as payment trends, current economic conditions, industry analysis reports and forward-looking information etc.
- Assessed the adequacy of disclosures relating to trade receivables and related credit risk.</td></tr>
</table>

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 and Board of Directors' 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 standalone 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 30 June 2020 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 standalone 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 2020 on its financial position in its standalone financial statements - Refer Note 40 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 45 to the standalone financial statements.

iii. The Company has delayed in transferring amounts of Rs 1,336,850, required to be transferred to the Investor Education and Protection Fund. Refer note 23 to the standalone financial statements.

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 2020.

(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: 20112878AAAAAR1860

Place : Mumbai
Date : 20 August 2020

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 2020, 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 in a phased manner over a period of two years. 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, certain 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) In our opinion and 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 of 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, Professional tax, 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, Professional Tax, Income-tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues were in arrears as at 30 June 2020 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	56,904,734*	April 2011 to March 2015	Customs Excise and Service Tax Appellate Tribunal (CESTAT), Maharashtra
The Finance Act, 1994	Service tax on Mutual Fund transactions	39,951,742**	June 2012 to June 2017	Commissioner of Central Excise (Appeals)

* Net of amount deposited with authorities amounting to ₹ 3,886,325.
** Net of amount deposited with authorities amounting to ₹ 1,669,255.

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, bank or Government nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(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: 20112878AAAAAR1860

Place : Mumbai
Date : 20 August 2020

Annexure B to the Independent Auditors’ report on the standalone financial statements of Accelya Solutions India Limited

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

(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 2020 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 standalone financial statements and such internal financial controls were operating effectively as at 30 June 2020, 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 Companies Act, 2013 (hereinafter referred to as “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 Standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Standalone 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: 20112878AAAAAR1860

Place : Mumbai
Date : 20 August 2020

Balance sheet
as at 30 June 2020

	Note	30 June 2020 ₹	30 June 2019 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3	**404,573,746**	195,001,022
Capital work-in-progress	3	**46,606,812**	7,993,988
Right-of-use assets	35	**385,990,530**	-
Other intangible assets	4	**276,967,271**	232,332,622
Intangible assets under development	4	**10,263,691**	1,760,000
Financial assets			
Investments	5	**474,154,544**	474,154,544
Loans	6	**45,028,266**	38,554,998
Other financial assets	7	**11,874,646**	26,986,136
Income tax assets (net)	8	**26,581,809**	10,505,612
Deferred tax assets (net)	9	**79,263,432**	51,587,436
Other assets	10	**58,699,370**	65,615,982
Total non-current assets		**1,820,004,117**	1,104,492,340
Current assets			
Financial assets			
Investments	11	**101,764,793**	123,633,803
Trade receivables	12	**568,295,362**	745,643,523
Unbilled receivables		**144,988,816**	83,395,296
Cash and cash equivalents	13	**265,435,567**	25,696,985
Other bank balances	14	**217,088,426**	41,267,467
Loans	15	**1,935,536**	20,801,920
Other financial assets	16	**68,739,175**	17,262,813
Other assets	17	**278,603,549**	355,923,167
Total current assets		**1,646,851,224**	1,413,624,974
TOTAL ASSETS		**3,466,855,341**	2,518,117,314
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	**149,268,660**	149,268,660
Other equity	19	**2,210,159,699**	1,755,262,691
Total equity		**2,359,428,359**	1,904,531,351
Non-current liabilities			
Financial liabilities			
Lease liabilities		**395,624,238**	-
Other financial liabilities	20	**9,145,130**	880,797
Provisions	21	**38,947,152**	40,738,311
Total non-current liabilities		**443,716,520**	41,619,108
Current liabilities			
Financial liabilities			
Lease liabilities		**94,652,400**	-
Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	22	**1,235,186**	4,009,587
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	**234,592,235**	167,185,824
Other financial liabilities	23	**191,317,809**	200,593,888
Deferred revenue		**67,293,418**	34,434,272
Provisions	24	**50,634,543**	31,800,041
Income tax liabilities (net)	25	**5,549,384**	49,151,446
Other liabilities	26	**18,435,487**	84,791,797
Total current liabilities		**663,710,462**	571,966,855
TOTAL EQUITY & LIABILITIES		**3,466,855,341**	2,518,117,314
Significant accounting policies	2		

The accompanying notes referred to above form an integral part of the financial statements 3 - 48

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

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201
Pune

Place : Mumbai
Date : 20 August 2020

Date : 20 August 2020

Statement of Profit and Loss ***for the year ended 30 June 2020***	Note	30 June 2020 ₹	30 June 2019 ₹
Revenue			
Revenue from operations	*27*	**3,549,777,076**	3,784,767,732
Other income	*28*	**156,657,036**	167,968,380
Total income		**3,706,434,112**	3,952,736,112
Expenses			
Employee benefits expense	*29*	**1,261,695,148**	1,319,176,223
Depreciation and amortisation expense	*30*	**321,115,151**	166,804,177
Operating and other expense	*31*	**879,711,699**	906,648,948
Finance costs		**54,863,102**	-
Total expenses		**2,517,385,100**	2,392,629,348
Profit before tax		**1,189,049,012**	1,560,106,764
Tax expense:			
Current tax	*33*	**328,481,805**	522,739,398
Deferred tax	*33*	**(25,816,901)**	(1,124,015)
Total tax expense		**302,664,904**	521,615,383
Profit for the year		**886,384,108**	1,038,491,381
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligation		**(7,386,742)**	(9,076,805)
Income tax related to items that will not be reclassified to profit or loss		**1,859,095**	-
Total Other comprehensive income		**(5,527,647)**	(9,076,805)
Total comprehensive income for the year (net of tax)		**880,856,461**	1,029,414,576
Earnings per equity share (face value of ₹ 10 each)			
Basic and diluted	*32*	59.38	69.57
Weighted average number of equity shares	*32*	14,926,261	14,926,261
Significant accounting policies	*2*		

The accompanying notes referred to above form an integral part of the financial statements 3 - 48
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

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai
Date : 20 August 2020

Pune
Date : 20 August 2020

Statement of Changes in Equity
for the year ended 30 June 2020

A Equity share capital

(Amount in ₹)

	Note	Number of shares	Amount
Balance as at 1 July 2018		14,926,866	149,268,660
Changes in equity share capital during 2018-19		-	-
Balance as at 30 June 2019	**18**	**14,926,866**	**149,268,660**
Changes in equity share capital during 2019-20		-	-
Balance as at 30 June 2020	**18**	**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, 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**
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**
Balance at 1 July, 2019	**9,538,260**	**316,984,098**	**239,151,558**	**1,197,641,416**	**(8,052,641)**	**1,755,262,691**
Profit for the year	-	-	-	886,384,108	-	886,384,108
Other comprehensive income/(loss) for the year	-	-	-	-	(5,527,647)	(5,527,647)
Total comprehensive income for the year	**-**	**-**	**-**	**886,384,108**	**(5,527,647)**	**880,856,461**

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	-	-	-	(149,262,610)	-	(149,262,610)
Dividend distribution tax on interim dividend	-	-	-	(27,691,982)	-	(27,691,982)
Dividend distribution tax credit	-	-	-	20,911,108	-	20,911,108
Final equity dividend	-	-	-	(223,893,915)	-	(223,893,915)
Dividend distribution tax on final dividend	-	-	-	(46,022,054)	-	(46,022,054)
Balance at 30 June, 2020	**9,538,260**	**316,984,098**	**239,151,558**	**1,658,066,071**	**(13,580,288)**	**2,210,159,699**

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 appropriation purposes.

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

Significant accounting policies - Refer note no. 2

The accompanying notes referred to above form an integral part of the financial statements (refer note no. 3 to 48)
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

Place : Mumbai
Date : 20 August 2020

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Pune
Date : 20 August 2020

Statement of cash flows *for the year ended 30 June 2020*	**30 June 2020** ₹	**30 June 2019** ₹
Cash flows from operating activities		
Net profit before tax	**1,189,049,012**	1,560,106,764
Adjustments for:		
Depreciation and amortization expense	**321,115,151**	166,804,177
Net (Gain)/ Loss on sale of property, plant and equipment	**(2,906,666)**	4,596,618
Provision for doubtful debts	**13,042,115**	557,882
Write off of unbilled receivables	**45,982,602**	-
Credit balances written back	**(16,376,312)**	(16,368,333)
Unrealised exchange loss/ (gain)	**42,316,028**	(35,517,926)
Interest expense	**54,863,102**	-
Net gain on lease modification	**(9,617,660)**	-
Interest income	**(7,902,072)**	(1,286,271)
Dividend income	**(108,849,755)**	(98,725,879)
Operation profit before working capital changes	**1,520,715,545**	1,580,167,032
Working capital changes:		
Decrease/ (Increase) in trade receivables	**166,278,217**	(228,274,058)
(Increase) in financial assets	**(38,672,031)**	(16,994,553)
Decrease/ (Increase) in other assets	**84,541,873**	(250,705,623)
(Increase)/ Decrease in unbilled receivables	**(107,576,122)**	223,501,559
Increase in trade payables	**78,725,885**	13,784,346
(Decrease)/ Increase in financial liabilities	**(69,216,811)**	10,840,697
Increase in other liabilities	**31,648,300**	29,647,520
Cash generated from operations	**1,666,444,856**	1,361,966,920
Taxes paid (net of refunds)	**(388,160,064)**	(549,875,073)
Net cash flow generated from operating activities (A)	**1,278,284,792**	812,091,847
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	**(471,737,783)**	(250,354,340)
Proceeds from sale of property, plant and equipment	**3,681,129**	593,118
Interest received on bank deposits	**2,365,598**	1,344,572
Dividend received	**108,849,755**	98,725,879
Purchase of mutual fund	**(2,228,123,212)**	(2,676,710,295)
Proceeds from sale of mutual fund	**2,249,992,222**	2,880,500,005
Investment in bank deposits having maturity more than 3 months	**(179,837,783)**	(4,476,054)
Margin money deposits matured	**4,454,329**	4,120,718
Net cash flow (used in)/ generated from investing activities (B)	**(510,355,745)**	53,743,603

Statement of cash flows ***(Continued)*** ***for the year ended 30 June 2020***	**30 June 2020** **₹**	**30 June 2019** **₹**
Cash flow from financing activities		
Dividend paid (including dividend distribution tax thereon)	**(425,959,453)**	(863,633,635)
Repayment of lease liabilities	**(46,127,964)**	-
Interest paid	**(54,863,102)**	-
Net cash flow used in financing activities (C)	**(526,950,519)**	(863,633,635)
Net increase in cash and cash equivalents (A+B+C)	**240,978,528**	2,201,815
Effect of exchange differences on cash and cash equivalents held in foreign currency	**(1,239,946)**	9,175
Cash and cash equivalents at the beginning of the year	**25,696,985**	23,485,995
Cash and cash equivalents at the end of the year (refer note no. 13)	**265,435,567**	25,696,985
Note to Cash flow statement:		
(a) Components of cash and cash equivalents		
Balance with banks		
in current accounts	**58,941,708**	8,610,372
in EEFC accounts	**83,993,859**	1,213,180
Bank deposit with maturity less than 3 months	**122,500,000**	15,873,433
Total cash and cash equivalents	**265,435,567**	25,696,985

Significant accounting policies - Refer note no. 2

The accompanying notes referred to above form an integral part of the financial statements (refer note no. 3 to 48)

As per our report of even date attached.

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

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

Rajiv Shah
Partner
Membership No: 112878

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai
Date : 20 August 2020

Pune
Date : 20 August 2020

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 standalone financial statements for the year ended 30 June 2020 and authorized for issue on 20 August 2020.

2. Significant accounting policies

a) *Statement of compliance with Ind AS*

These standalone financial statements ('the 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. 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. Fair value is the price that would be received to sell an asset or paid to transfer/ settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116, 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 (including contingent 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 include determination of discount rates, future salary increases 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.

(v) Revenue Recognition

Revenue for fixed-price contract 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 completion of the performance obligation.

(vi) Leases

The Company evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the Option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

d) Property, plant and equipment (PPE)

Property, plant and equipment 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.

Notes to the financial statements *(Continued)*

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.

Depreciation on PPE has been provided on the straight-line method over the estimated useful life of it's the respective 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 which 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.

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
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 charged 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.

Estimated useful life of software acquired/ developed has been taken at 3 to 5 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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.

.

Notes to the financial statements *(Continued)*

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 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

Notes to the financial statements *(Continued)*

application (i.e. 1 July 2018). The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, and the parties to contract are committed to perform their respective obligations. 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. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

- 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.
- 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. 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 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.

Notes to the financial statements *(Continued)*

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.

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

Dividend is 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

Policy applicable before 1 July 2019

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

Policy applicable with effect from 1 July 2019

The Company as a lessee

"The Company's lease asset classes primarily consist of leases for buildings.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset."

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

Notes to the financial statements *(Continued)*

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in Company’s assessment of whether it will exercise a purchase, extension or termination option.

Lease liability is further bifurcated into current and non-current portion; and the right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in the Statement of Cash Flow.

Further the company has applied the practical expedient pertaining to COVID 19 related rent concessions, wherein the rent concessions are accounted as if it were not a lease modification i.e as a negative variable lease payment

Transition to Ind AS 116

"Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The standard includes two recognition exemptions for lessees — leases of 'low value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Company has adopted Ind AS 116, effective annual reporting period beginning July 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (July 1, 2019). Accordingly, the Company has not restated comparative information.

The Company has recorded the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate as at July 1, 2019 and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized. For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-bylease basis.

Notes to the financial statements *(Continued)*

The Company has also used the practical expedient provided by the standard and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The Company does not have any lease contracts wherein it acts as a lessor.

On transition, the adoption of the new standard resulted in recognition of right-of-use asset of ₹ 5,044.1 lakhs and a lease liability of ₹ 5,460.4 lakhs. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments

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.

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.

Notes to the financial statements *(Continued)*

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.

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 other than investments in subsidiaries 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 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.

Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

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.

Notes to the financial statements *(Continued)*

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.

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

Notes to the financial statements *(Continued)*

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 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.

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 India.

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.

Notes to the financial statements *(Continued)*

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.

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. travel and transportation vertical.

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, 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 Indian Accounting Standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

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 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
Additions during the year	-	110,158,872	51,700,151	-	180,633,588	342,492,611
Deletions/ disposals	-	34,138,805	14,600,341	1,381,356	9,667,357	59,787,859
As at 30 June 2020	**63,259,128**	**629,319,399**	**104,148,877**	**4,484,385**	**195,497,599**	**996,709,388**
Accumulated depreciation						
As at 1 July 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
Charge for the year	2,108,638	95,809,012	10,390,201	529,235	23,308,339	132,145,425
Deletions/ disposals	-	33,973,399	13,991,285	1,381,356	9,667,357	59,013,397
As at 30 June 2020	**45,157,012**	**450,036,633**	**55,950,151**	**4,260,253**	**36,731,593**	**592,135,642**
Net carrying amount						
As at 30 June 2019	20,210,754	165,098,312	7,497,832	753,367	1,440,757	195,001,022
As at 30 June 2020	**18,102,116**	**179,282,766**	**48,198,726**	**224,132**	**158,766,006**	**404,573,746**

	Capital work in progress
As at 1 July 2018	4,357,652
Additions	7,993,988
Assets capitalisation during the year	(4,357,652)
As at 30 June 2019	7,993,988
Additions	46,606,812
Assets capitalisation during the year	(7,993,988)
As at 30 June 2020	**46,606,812**

Notes to the financial statements *(Continued)*

4 Other intangible assets

	Internally developed software ₹	Acquired software ₹	Total ₹
Gross carrying amount			
As at 1 July 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
Purchase/ internal development	83,767,820	31,414,794	115,182,614
Deletions/ disposals	-	-	-
As at 30 June 2020	**682,903,116**	**400,505,010**	**1,083,408,126**
Accumulated amortisation			
As at 1 July 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
Charge for the year	54,001,280	16,546,685	70,547,965
Deletions/ disposals	-	-	-
As at 30 June 2020	**442,189,066**	**364,251,789**	**806,440,855**
Net carrying amount			
As at 30 June 2019	210,947,510	21,385,112	232,332,622
As at 30 June 2020	**240,714,050**	**36,253,221**	**276,967,271**

	Intangible assets under development
As at 1 July 2018	-
Additions	107,462,741
Capitalisation during the year	(105,702,741)
As at 30 June 2019	1,760,000
Additions	92,271,511
Capitalisation during the year	(83,767,820)
As at 30 June 2020	**10,263,691**

Notes to the financial statements *(Continued)*

The estimated amortisation for the year subsequent to 30 June 2020 is as follows:

	Amortisation expenses ₹
Year ending 30th June	
2021	82,183,471
2022	74,238,662
2023	67,119,271
2024	37,836,193
2025	15,589,674
Total	**276,967,271**

5 Non-current investments
Unquoted investments

	30 June 2020 ₹	30 June 2019 ₹
Investment in equity instruments of subsidiaries		
1,300,000 (30 June 2019: 1,300,000) Class A voting common stock of Accelya Solutions Americas Inc. of USD 0.01 each fully paid up	**57,979,585**	57,979,585
111,000 (30 June 2019: 111,000) ordinary shares of Accelya Solutions UK Limited 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 2019: 5,000) equity shares of ₹ 10 each fully paid up	**50,000**	50,000
Saraswat Co-operative Bank Limited (unquoted)		
1,000 (30 June 2019: 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 (Unsecured, considered good)

	30 June 2020 ₹	30 June 2019 ₹
Lease deposits	**45,028,266**	38,554,998
	45,028,266	38,554,998

Notes to the financial statements *(Continued)*

7 Other non-current financial assets

	30 June 2020 ₹	30 June 2019 ₹
Margin money deposit	**869,263**	391,800
Interest accrued on bank deposits	**56,145**	20,243
Derivative asset - forward contracts	**1,350,015**	14,118,150
Other deposits	**9,599,223**	12,455,943
	11,874,646	26,986,136

Margin money deposits

Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 869,263 (30 June 2019: ₹ 391,800) which are due to mature after twelve months of the reporting date.

8 Income tax assets (net)

	30 June 2020 ₹	30 June 2019 ₹
Advance income-tax (net of provision for tax of ₹ 535,010,023, 30 June 2019: ₹ 991,458,306)	**26,581,809**	10,505,612
	26,581,809	10,505,612

9 Deferred tax assets

	30 June 2020 ₹	30 June 2019 ₹
Deferred tax assets		
Provision for compensated absences	**14,566,260**	15,374,149
Provision for doubtful debts	**7,055,136**	4,365,103
Difference between tax and book value of Property, plant and equipment	**9,509,490**	8,445,976
Mark to market loss on derivative instruments	**9,998,690**	-
Deferred Rent	**-**	17,526,676
Lease liability (net of right-of-use assets)	**26,246,727**	-
Others	**13,770,264**	17,197,865
	81,146,567	62,909,769
Deferred tax liabilities		
Mark to market gain on derivative instruments	**(821,421)**	(7,387,319)
Others	**(1,061,714)**	(3,935,014)
	(1,883,135)	(11,322,333)
Total	**79,263,432**	51,587,436

Note: For movement of deferred tax assets/ (liabilities), please refer to note no. 33

Notes to the financial statements *(Continued)*

10 Other non-current assets

	30 June 2020	30 June 2019
	₹	₹
Service tax refund receivable	**30,540,534**	32,024,985
Goods and Service tax refund receivable	**23,897,967**	21,985,028
Prepaid expenses	**4,260,869**	11,605,969
	58,699,370	65,615,982

11 Current investments
Non-trade, unquoted investments

	30 June 2020	30 June 2019
	₹	₹
Investments in Mutual Fund carried at fair value through profit or loss		
HDFC		
33,858.799 Liquid Fund Div Reinvest of ₹ 1,019.82 (30 June 2019: 6,564.958 Liquid Fund Div Reinvest of ₹ 1,019.82) (net asset value of unquoted investment)	**34,529,880**	6,695,075
ICICI Prudential		
483,203.881 Liquid Fund Div Reinvest of ₹ 100.1482 (30 June 2019: 661,765.889 Liquid Fund Div Reinvest of ₹ 100.1482) (net asset value of unquoted investment)	**48,391,999**	66,274,663
Birla Sun Life		
69,573.485 Liquid fund Div reinvest of ₹ 100.1950 (30 June 2019: 262,956.149 Liquid fund Div reinvest of ₹ 100.1950) (net asset value of unquoted investment)	**6,970,915**	26,346,891
SBI Premier		
11,699.353 Liquid fund Div reinvest of ₹ 1,014.7569 (30 June 2019: 24,238.399 Liquid fund Div reinvest of ₹ 1003.25) (net asset value of unquoted investment)	**11,871,999**	24,317,174
Total	**101,764,793**	123,633,803
All units are in absolute numbers		
Aggregate value of unquoted investments	**101,764,793**	123,633,803

Notes to the financial statements *(Continued)*

12 Trade receivables (unsecured)

	30 June 2020 ₹	30 June 2019 ₹
Trade receivables		
a. Considered good	**568,295,362**	745,643,523
b. Credit impaired	**28,032,167**	14,990,052
Less: Allowance for bad and doubtful trade receivables (refer note no. 36)	**(28,032,167)**	(14,990,052)
Net trade receivables	**568,295,362**	745,643,523
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note no. 38)	**128,342,402**	314,874,489
Allowance for bad and doubtful trade receivables	**-**	-
Net trade receivables	**128,342,402**	314,874,489

13 Cash and cash equivalents

	30 June 2020 ₹	30 June 2019 ₹
Cash and cash equivalents		
Balances with bank		
On current accounts	**58,941,708**	8,610,372
In EEFC accounts	**83,993,859**	1,213,180
Bank deposit with maturity less than 3 months	**122,500,000**	15,873,433
	265,435,567	25,696,985

14 Other bank balances

	30 June 2020 ₹	30 June 2019 ₹
Margin money deposits	**4,360,321**	4,454,329
Unclaimed dividend *	**37,728,105**	36,813,138
Bank deposit with maturity more than 3 months but less than 12 months	**175,000,000**	-
	217,088,426	41,267,467

*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 ₹ 4,360,321 (30 June 2019: ₹ 4,454,329) which are due to mature within twelve months of the reporting date.

Due after 12 months (refer note 7)	**869,263**	391,800

Notes to the financial statements *(Continued)*

15 Loans (Unsecured, considered good)

	30 June 2020 ₹	30 June 2019 ₹
Lease deposits	**1,935,536**	20,801,920
	1,935,536	20,801,920

16 Other current financial assets

	30 June 2020 ₹	30 June 2019 ₹
Deposits	**4,026,702**	-
Interest accrued on bank deposits	**1,074,429**	520,773
Accrued service export incentive	**61,724,306**	-
Derivative asset - forward contracts	**1,913,738**	16,742,040
	68,739,175	17,262,813

17 Other current assets

	30 June 2020 ₹	30 June 2019 ₹
Indirect taxes recoverable	**60,463,398**	23,156,395
Contract asset	**57,353,065**	161,646,093
Goods and Service tax refund receivable	**91,789,855**	68,492,707
Service tax refund receivable	**-**	796,402
VAT Refund receivable	**-**	111,782
Prepaid expenses	**60,373,928**	89,594,880
Other advances recoverable	**8,623,303**	12,124,908
	278,603,549	355,923,167

Notes to the financial statements *(Continued)*

18 Equity share capital

	30 June 2020 ₹	30 June 2019 ₹
Authorised share capital		
20,200,000 (30 June 2019: 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 2019: 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

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

Equity shares

	30 June 2020		30 June 2019	
	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 2020 ₹	30 June 2019 ₹
Accelya Holding World S.L.U		
11,143,295 (30 June 2019: 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 2020		30 June 2019	
	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)*

19 Other equity

	30 June 2020 ₹	30 June 2019 ₹
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	**1,644,485,783**	1,189,588,775
	2,210,159,699	1,755,262,691
(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	**1,189,588,775**	1,023,807,834
Add: Net profit for the year	**886,384,108**	1,038,491,381
Items that will not be reclassified to profit or loss:		
- Remeasurement of defined benefit obligation	**(7,386,742)**	(9,076,805)
- Income tax related to items that will not be reclassified to profit or loss	**1,859,095**	-
Less: Appropriations		
Dividend on equity shares	**373,156,525**	731,386,789
Dividend distribution tax (net of dividend distribution tax credit)	**52,802,928**	132,246,846
Total appropriations	**425,959,453**	863,633,635
Balance at the end of the year	**1,644,485,783**	1,189,588,775
Total reserve and surplus	**2,210,159,699**	1,755,262,691

Notes to the financial statements *(Continued)*

20 Other non-current financial liabilities

	30 June 2020 ₹	30 June 2019 ₹
Derivative liability - forward contracts	**8,680,380**	-
Deposit received	**464,750**	880,797
	9,145,130	880,797

21 Provisions

	30 June 2020 ₹	30 June 2019 ₹
Provision for employee benefits		
- Compensated absences (refer to note 34)	**38,947,152**	40,738,311
	38,947,152	40,738,311

22 Trade payables

	30 June 2020 ₹	30 June 2019 ₹
- Total outstanding dues of micro and small enterprises (refer to note 42)	**1,235,186**	4,009,587
- Total outstanding dues of creditors other than micro and small enterprises	**234,592,235**	167,185,824
	235,827,421	171,195,411
Total trade payables from related parties (refer note no. 38)	**116,571,705**	74,629,768

23 Other current financial liabilities

	30 June 2020 ₹	30 June 2019 ₹
Creditors for capital goods	**37,344,778**	4,290,820
Unclaimed dividends #	**37,728,105**	36,813,138
Provision for salaries and incentives	**85,197,516**	153,998,280
Derivative liability - forward contracts	**31,047,410**	5,491,650
	191,317,809	200,593,888

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

During the year, there has been a delay in payment of amount required to be transferred to Investor Education and Protection Fund. The delay was due to technical issues on Ministry of Corporate Affairs (MCA) portal. The issue has been resolved and payment has been made thereafter.

Notes to the financial statements *(Continued)*

24 Provisions

	30 June 2020 ₹	30 June 2019 ₹
Provision for employee benefits		
- Compensated absences (refer to note 34)	**18,928,970**	12,057,542
- Gratuity (refer to note 34)	**31,705,573**	19,742,499
	50,634,543	31,800,041

25 Income tax liabilities (net)

	30 June 2020 ₹	30 June 2019 ₹
Provision for income tax (net of advance tax ₹ 955,644,154 30 June 2019: ₹ 590,319,321)	**5,549,384**	49,151,446
	5,549,384	49,151,446

26 Other current liabilities

	30 June 2020 ₹	30 June 2019 ₹
Advances from customers	**663,139**	-
Provident fund contribution payable	**5,238,558**	6,617,443
Tax deducted at source payable	**10,548,236**	14,612,730
Goods and Service Tax payable	**1,600,519**	2,848,599
Deferred rent liability *	**-**	60,187,761
Statutory dues others	**385,035**	525,264
	18,435,487	84,791,797

* Deferred rent liability of ₹ 60,187,761 has been adjusted to Right-of-use assets pursuant to transition to Ind AS 116.

Notes to the financial statements *(Continued)*

27 Revenue from operations

	30 June 2020 ₹	30 June 2019 ₹
Sale of services	**3,366,963,858**	3,758,032,897
Other operating revenue	**182,813,218**	26,734,835
	3,549,777,076	3,784,767,732

Disaggregate revenue information

Disaggregation of revenue by geography

Continent	30 June 2020 ₹	30 June 2019 ₹
Asia Pacific	1,249,726,255	1,310,488,421
Middle East and Africa	483,553,480	593,935,408
Americas	927,711,604	1,120,638,716
Europe	705,972,519	732,970,352
Total	**3,366,963,858**	**3,758,032,897**

Disaggregation of revenue by service lines

Service lines	30 June 2020 ₹	30 June 2019 ₹
Finance Solutions	2,778,490,959	3,162,564,140
Industry & Audit Solutions	84,755,472	484,272,711
Commercial Solutions	486,929,247	102,527,209
Cargo & Logistics	16,788,180	8,668,837
Total	**3,366,963,858**	**3,758,032,897**

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 ₹ 533,044,663 out of which approx. 52% 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 2020, the Company recognized revenue of ₹ 37,935,180 out of opening gross deferred revenue of ₹ 73,165,352 (deferred revenue as of 01 July 2019, net of debtor balance is ₹ 34,434,272)

Notes to the financial statements *(Continued)*

During the year ended 30 June 2020, ₹ 115,663,492 of unbilled revenue (Contract assets) which had an amount of ₹ 161,646,093 as at 01 July 2019, has been reclassified to trade receivables on completion of milestones and services.

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

	30 June 2020 ₹	30 June 2019 ₹
Contracted price	3,367,145,898	3,765,340,362
Reductions towards variable consideration components	182,040	7,307,465
Revenue recognised	**3,366,963,858**	**3,758,032,897**

The reduction towards variable consideration comprises of volume discounts.

28 Other income

	30 June 2020 ₹	30 June 2019 ₹
Foreign exchange gain (net)	-	45,938,143
Credit balances written back	**25,993,972**	16,368,333
Dividend from subsidiaries	**101,731,005**	88,015,594
Dividend from mutual funds	**7,118,750**	10,710,285
Profit on sale of property, plant and equipment, net	**2,906,666**	-
Interest income	**7,902,072**	4,155,631
Miscellaneous income	**11,004,571**	2,780,394
	156,657,036	167,968,380

29 Employee benefits expenses

	30 June 2020 ₹	30 June 2019 ₹
Salaries, wages and bonus	**1,250,282,756**	1,315,877,048
Contribution to Provident and other fund (refer to note 34)	**43,949,615**	42,597,108
Staff welfare expenses	**38,820,626**	49,535,212
Gratuity (refer to note 34)	**14,234,897**	11,801,661
Less: Product development cost capitalised	**(85,592,746)**	(100,634,806)
	1,261,695,148	1,319,176,223

Notes to the financial statements *(Continued)*

30 Depreciation and amortisation expense

	30 June 2020 ₹	30 June 2019 ₹
Depreciation on tangible fixed assets	**132,145,425**	88,790,998
Depreciation on right-of-use assets (Refer note no. 35)	**118,421,761**	-
Amortisation on intangible fixed assets	**70,547,965**	78,013,179
	321,115,151	166,804,177

31 Operating and other expenses

	30 June 2020 ₹	30 June 2019 ₹
Advertisement and sales promotion	**56,547,304**	62,845,852
Payment to auditors (refer below)	**8,437,500**	7,590,094
Communication and connectivity charges	**48,337,249**	47,453,325
Director's commission	**300,000**	400,000
Director's sitting and committee fees	**2,370,000**	1,825,000
Contribution to corporate social responsibility (refer to note 43)	**29,100,000**	27,200,000
Insurance	**4,161,912**	2,886,637
Legal and professional fees	**43,688,671**	27,935,735
Management fees	**68,395,540**	65,113,987
Foreign exchange loss (net)	**40,799,297**	-
Power, fuel and water charges	**30,705,784**	32,930,512
Printing and stationery	**1,434,421**	1,745,355
Provision for doubtful debts	**13,042,115**	557,882
Write off of unbilled receivables	**45,982,602**	-
Rates and taxes	**2,202,124**	21,589,032
Loss on sale of property, plant and equipment, net	**-**	4,596,618
Rent (refer to note 35)	**31,639,975**	128,516,290
Repair and maintenance :		
- Machinery	**3,630,349**	5,283,515
- Others	**34,426,381**	24,908,907
Software and maintenance	**126,681,428**	110,362,901
Technical consultants charges	**188,120,246**	191,985,840
Travelling and conveyance	**53,501,791**	80,835,593
Miscellaneous expenses	**52,845,776**	66,913,809
Less: Product development cost capitalized	**(6,638,766)**	(6,827,936)
	879,711,699	906,648,948
Payment to auditors		
For services as auditor	**7,000,000**	6,600,000
For other services (including certification)	**900,000**	600,000
Reimbursement of expenses	**537,500**	390,094
	8,437,500	7,590,094

Notes to the financial statements *(Continued)*

32 Earning per equity share (EPS)

	30 June 2020 ₹	30 June 2019 ₹
Profit after tax attributable to equity shareholders (A)	**886,384,108**	1,038,491,381
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)	**59.38**	69.57
Diluted earnings per share (A / B)	**59.38**	69.57
Face value per share (₹)	**10.00**	10.00

33 Income taxes

	30 June 2020 ₹	30 June 2019 ₹
A. Amounts recognised in statement of profit or loss		
Current tax		
a) Current tax	**281,856,863**	517,694,523
b) Changes in estimates related to prior years ##	**46,624,942**	5,044,875
Deferred tax:		
Attributable to:		
c) Origination and reversal of temporary difference	**(25,816,901)**	(1,124,015)
	302,664,904	521,615,383

Changes in estimates related to prior years in current year is on account of additional tax provision made for FY 2018-19.

Changes in estimates related to prior years in previous year is on account of additional tax provision made for FY 2017-18.

	30 June 2020	30 June 2019
B. Income tax recognised in other comprehensive income	**1,859,095**	Nil

Notes to the financial statements *(Continued)*

33 Income taxes *(Continued)*

C. Reconciliation of effective tax rate

	30 June 2020 ₹	30 June 2019 ₹
Profit before tax	**1,189,049,012**	1,560,106,764
Tax Rate	**25.168%**	33.492%
Tax using the Company's domestic tax rate	**269,885,876**	524,321,715
Changes in estimates related to prior years	**46,624,942**	5,044,875
Tax exempt income	**(1,695,633)**	(3,630,645)
Non-deductible expenses	**3,687,604**	3,156,028
Income chargeable at lower rate of tax	**(7,829,218)**	(15,378,085)
Others	**(8,008,667)**	8,101,495
Effective tax	**302,664,904**	521,615,383
Current tax	**281,856,863**	517,694,523
Current tax relating to previous years	**46,624,942**	5,044,875
Deferred tax	**(25,816,901)**	(1,124,015)
Tax expense reported in the statement of comprehensive income	**302,664,904**	521,615,383

D. Recognised deferred tax assets and liabilities
Movement in temporary differences: **(Amount in ₹)**

	Balance as at 1 July 2018	Recognised in OCI during 2018-19	Recognised in profit or loss during 2018-19	Balance as at 30 June 2019	Recognised in OCI during 2019-20 ###	Recognised in profit or loss during 2019-20 ###	Balance as at 30 June 2020
Deferred tax assets arising on account of:							
Provision for compensated absences	17,255,560	-	(1,881,411)	15,374,149	-	**(807,889)**	**14,566,260**
Allowance for doubtful debts	5,043,748	-	(678,645)	4,365,103	-	**2,690,033**	**7,055,136**
Difference between tax and book value of Property, plant and equipment	770,487	-	7,675,489	8,445,976	**-**	**1,063,514**	**9,509,490**
Mark to market loss on derivative instruments	12,694,030	-	(12,694,030)	-	**-**	**9,998,690**	**9,998,690**
Deferred Rent	3,885,744	-	13,640,932	17,526,676	**-**	**(17,526,676)**	**-**
Lease liability (net of right-of-use assets)	-	-	-	-	**-**	**26,246,727**	**26,246,727**
Others	14,533,199	-	2,664,666	17,197,865	**1,859,095**	**(5,286,696)**	**13,770,264**
Less: Deferred tax liability arising on account of:							
Mark to market gain on derivative instruments	-	-	(7,387,319)	(7,387,319)	**-**	**6,565,898**	**(821,421)**
Others	(3,719,347)	-	(215,667)	(3,935,014)	-	**2,873,300**	**(1,061,714)**
Total	50,463,421	-	1,124,015	51,587,436	1,859,095	**25,816,901**	**79,263,432**

Note on change in Tax rate:
During the year the Company has opted for the lower corporate tax rate as per the Taxation Laws (Amendment) Bill, 2019. Domestic tax rate of 22% i.e. effective tax rate of 25.17% (including of surcharge and cess) is applicable from 1 April 2019 onwards without claiming tax incentives. Accordingly, the Company has remeasured its deferred tax assets and the relevant impact has been provided through Statement of Profit and Loss for the year ended 30 June 2020.

Notes to the financial statements *(Continued)*

33 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 2020		30 June 2019	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	**192,559,395**	**38,511,879**	192,559,395	38,511,879
Total	**192,559,395**	**38,511,879**	192,559,395	38,511,879

F. Tax losses carried forward

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

(Amount in ₹)

	30 June 2020	Expiry date	30 June 2019	Expiry date
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

34 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 2020	30 June 2019
	₹	₹
Changes in present value of obligations		
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	**107,471,988**	85,880,290
Current service cost	**12,859,880**	10,878,026
Interest cost	**7,485,162**	7,037,171
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	**(738,982)**	(17,174)
- change in financial assumptions	**6,453,487**	7,223,827
- experience variance (i.e. Actual experiences assumptions)	**2,132,520**	2,072,092
Benefits paid	**(5,717,362)**	(5,602,244)
Closing balance (i)	**129,946,693**	107,471,988

Notes to the financial statements *(Continued)*

34 Employee benefits *(Continued)*

Gratuity *(Continued)*	30 June 2020 ₹	30 June 2019 ₹
ii) Fair value of plan assets		
Opening balance	**87,729,489**	74,608,426
Investment Income	**6,110,145**	6,113,536
Employer's contributions	**9,658,565**	12,407,832
Return on plan assets	**460,283**	201,940
Benefits paid	**(5,717,362)**	(5,602,245)
Closing balance (ii)	**98,241,120**	87,729,489
Net liability recognised in the balance sheet (i-ii)	**31,705,573**	19,742,499
b) Expenses recognised in statement of profit and loss		
Current service cost	**12,859,880**	10,878,026
Net interest cost/ (income) on the net defined benefit liability/ (asset)	**1,375,017**	923,635
Expenses recognised in statement of profit and loss	**14,234,897**	11,801,661
c) Expenses recognised in other comprehensive income		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	**(738,982)**	(17,174)
- change in financial assumptions	**6,453,487**	7,223,827
- experience variance (i.e. Actual experience vs assumptions)	**2,132,520**	2,072,092
Return on plan assets	**(460,283)**	(201,940)
Total	**7,386,742**	9,076,805
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	**40,797,656**	18,206,356
Year 2	**11,987,856**	15,287,197
Year 3	**10,536,181**	13,704,350
Year 4	**9,973,080**	12,598,081
Year 5	**9,200,704**	12,418,715

Notes to the financial statements *(Continued)*

34 Employee benefits *(Continued)*

Gratuity (Continued)	30 June 2020 ₹	30 June 2019 ₹
f) Principal actuarial assumptions		
Rate of discounting	**5.30%**	6.95%
Expected return on plan assets	**5.30%**	6.95%
Rate of increase in basic salary	**0% for next year and 5% thereafter**	5.00%
Attrition rate	**Voluntary - 13% Involuntary - 17% for next year**	Voluntary - 13%
Weighted average duration (based on discounted cashflows)	**5 years**	6 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2012-14) 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 2020-21 will be ₹ 42,647,577.

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 2020		30 June 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	**137,103,065**	**123,526,976**	113,977,342	101,617,092
Salary Growth Rate (- / + 1%)	**123,565,877**	**136,907,219**	101,641,466	113,819,367
Attrition Rate (- / + 50%)	**129,936,373**	**129,403,817**	101,679,471	110,348,146
Mortality Rate (- / + 10%)	**129,942,057**	**129,951,318**	107,452,818	107,491,106

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 2020 ₹	30 June 2019 ₹
Current provisions (refer note 24)	**18,928,970**	12,057,542
Non-current provisions (refer note 21)	**38,947,152**	40,738,311
	57,876,122	52,795,853

The amount charged to the Statement of Profit and Loss is ₹ 8,884,180 (30 June 2019: ₹ 7,113,336)

Notes to the financial statements *(Continued)*

34 Employee benefits *(Continued)*

Compensated absences (Continued)	Year ended 30 June 2020	Year ended 30 June 2019
Principal actuarial assumptions		
Rate of discounting	**5.30%**	6.95%
Rate of increase in salary cost to company	**0% for next year and 10% thereafter**	10.00%
Attrition rate	**Voluntary - 13% Involuntary - 17% for next year**	Voluntary - 13%
Weighted average duration (based on discounted cashflows)	**4 years**	4 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2012-14) 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 ₹ 39,092,483 (30 June 2019: ₹ 36,853,850).

35 Leases

Operating lease

The company has entered into non cancellable operating leases for office premises. Effective 1 July 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective method. The Company has elected the practical expedients, which allows the Company not to reassess, its prior conclusions about lease identification, lease classification and initial direct costs. The comparative information is not restated in the financial results. In the statement of financial results for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous period to amortisation cost for the right-of-use assets and finance cost for interest accrued on lease liability. On transition, the adoption of the new standard resulted in recognition of Right-of-use asset of ₹ 504,412,292 and lease liability of ₹ 546,041,524.

Following are the changes in the carrying value of right of use assets for the year ended 30 June 2020:

Particulars	Leasehold premises ₹
Balance as of 1 July 2019	504,412,292
Deletions of right-of-use assets	-
Amortisation	(118,421,761)
Balance as of 30 June 2020	**385,990,530**

The aggregate depreciation expense on right of use assets of ₹ 118,421,761 is included under depreciation and amortization expense in the Statement of Profit and Loss.

Notes to the financial statements *(Continued)*

35 Leases *(Continued)*

The following is the break-up of current and non-current lease liabilities as at 30 June 2020:

Particulars	As at 30 June 2020 ₹
Current lease liabilities	94,652,400
Non-current lease liabilities	395,624,238
Total	**490,276,638**

The weighted average incremental borrowing rate of 10.25% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Interest on lease liabilities is ₹ 54,863,102 for the year ended 30 June 2020.

Amount recognized in Statement of Profit and Loss

FY 2019-2020 Lease under Ind AS 116

Particulars	As at 30 June 2020 ₹
Interest on lease liabilities	54,863,102
Depreciation on right-of-use assets	118,421,761
Total	**173,284,863**

Rental expense recorded for short-term leases was ₹ 31,639,975 for the year ended 30 June 2020.

For FY 2018-2019 Operating Lease under Ind AS 17 lease expenses was ₹ 128,516,290.

The total cash outflow for leases is ₹ 132,631,041 for the year ended 30 June 2020, including cash outflow of short-term leases.

The Company has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods as at 30 June 2020 is ₹ 586,755,415.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 30 June 2019 compared to the lease liability as accounted as at 1 July 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

Notes to the financial statements *(Continued)*

36 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 2020	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	-	-	45,028,266	45,028,266	-	-	-	-
Derivative financial assets - non current	7	1,350,015	-	-	1,350,015	-	1,350,015	-	1,350,015
Other non-current financial assets	7	-	-	925,408	925,408	-	-	-	-
Other deposits	7	-	-	9,599,223	9,599,223	-	-	-	-
Mutual fund investments	11	101,764,793	-	-	101,764,793	101,764,793	-	-	101,764,793
Trade receivables	12	-	-	568,295,362	568,295,362	-	-	-	-
Unbilled receivables		-	-	144,988,816	144,988,816				-
Current lease deposits	15	-	-	1,935,536	1,935,536	-	-	-	-
Cash and cash equivalents	13	-	-	265,435,567	265,435,567	-	-	-	-
Other bank balances	14	-	-	217,088,426	217,088,426	-	-	-	-
Derivative financial assets - current	16	1,913,738	-	-	1,913,738	-	1,913,738	-	1,913,738
Other current financial assets	16	-	-	66,825,437	66,825,437	-	-	-	-
		105,028,546	-	1,320,182,041	1,425,210,587	101,764,793	3,263,753	60,000	105,088,546
Financial liabilities									
Lease liabilities - non current ####		-	-	395,624,238	395,624,238	-	-	-	-
Derivative financial liabilities - non current	20	8,680,380	-	-	8,680,380	-	8,680,380	-	8,680,380
Other non-current financial liabilities	20	-	-	464,750	464,750	-	-	-	-
Trade payables	22	-	-	235,827,421	235,827,421	-	-	-	-
Lease liabilities - current ####		-	-	94,652,400	94,652,400	-	-	-	-
Derivative financial liabilities - current	23	31,047,410	-	-	31,047,410	-	31,047,410	-	31,047,410
Other current financial liabilities	23	-	-	160,270,399	160,270,399	-	-	-	-
		39,727,790	-	886,839,208	926,566,998	-	39,727,790	-	39,727,790

Fair value measurement of lease liabilities is not required.

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 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 deposit	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		-	-	83,395,296	83,395,296	-	-	-	-
Current lease deposits	15			20,801,920	20,801,920	-	-	-	-
Cash and cash equivalents	13	-	-	25,696,985	25,696,985	-	-	-	-
Other bank balances	14	-	-	41,267,467	41,267,467	-	-	-	-
Derivative financial assets - current	16	16,742,040	-	-	16,742,040	-	16,742,040	-	16,742,040
Other current financial assets	16	-	-	520,773	520,773	-	-	-	-
		154,493,993	-	968,808,948	1,123,302,941	123,633,803	30,860,190	60,000	154,553,993
Financial liabilities									
Other non-current financial liabilities	20	-	-	880,797	880,797	-	-	-	-
Trade payables	22	-	-	171,195,411	171,195,411	-	-	-	-
Derivative financial liabilities - current	23	5,491,650	-	-	5,491,650	-	5,491,650	-	5,491,650
Other current financial liabilities	23	-	-	195,102,238	195,102,238	-	-	-	-
		5,491,650	-	367,178,446	372,670,096	-	5,491,650	-	5,491,650

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 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, unbilled receivables 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.

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 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 2020	As at 30 June 2019
Neither past due nor impaired	**-**	-
Past due but not impaired	**210,382,544**	395,884,876
Past due 1–90 days	**183,915,421**	226,557,021
Past due 91–180 days	**98,573,234**	110,914,464
Past due 181–270 days	**75,424,163**	4,596,688
Past due 271–365 days	**-**	2,715,381
Past due more than 365 days	**-**	4,975,093
	568,295,362	745,643,523

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, 2020 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 2020
Balance as at 1 July 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**
Impairment loss recognised during the year	**13,042,115**
Amounts written off during year	**-**
Balance as at 30 June 2020	**28,032,167**

Unbilled receivables is Rs 144,988,816 and Rs 83,395,296 as at 30 June 2020 and 30 June 2019 respectively. The Company’s unbilled receivables generally ranges from 30 – 90 days.

Two customers accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2020 (30 June 2019: Two customers accounted for more than 10% of accounts receivable). Three customers accounted individually for more than 10% of the unbilled receivable and contract asset for the year ended 30 June 2020 (30 June 2019: Four customers 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 ₹ 265,435,567 as at 30 June 2020. 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 ₹)

	Contractual cash flows				
	1 year or less	1-2 years	2-5 years	More than 5 years	Total
As at 30 June 2020					
Non-derivative financial liabilities					
Trade and other payables	235,827,421	-	-	-	235,827,421
Lease liability - non current	-	137,643,375	331,974,263	-	469,617,638
Lease liability - current	144,269,356	-	-	-	144,269,356
Other current financial liabilities	160,270,399	-	-	-	160,270,399
Other non-current financial liabilities	-	-	-	464,750	464,750
Derivative financial liabilities					
Forward exchange contracts (gross settled)					
- Outflow	(983,168,418)	(264,664,755)	-	-	(1,247,833,173)
- Inflow	952,121,008	255,984,375	-	-	1,208,105,383
As at 30 June 2019					
Non-derivative financial liabilities					
Trade and other payables	171,195,411	-	-	-	171,195,411
Other current financial liabilities	195,102,238	-	-	-	195,102,238
Other non-current financial liabilities	-	-	-	880,797	880,797
Derivative financial liabilities					
Forward exchange contracts (gross settled)					
- Outflow	(350,033,400)	-	-	-	(350,033,400)
- Inflow	344,541,750	-	-	-	344,541,750

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 is as follows:

(Amount in ₹)

	EURO	AUD	GBP	USD	SGD	NZD	AED
As at 30 June 2020							
Trade receivables	**67,491,509**	**-**	**16,879,291**	**188,472,832**	**15,516,431**	**-**	**-**
Unbilled receivables	**28,632,659**	**-**	**24,394,385**	**82,703,200**	**4,604,223**	**-**	**-**
EEFC accounts	**60,830,186**	**-**	**22,931,825**	**231,848**	**-**	**-**	**-**
Trade payables	**(74,048,925)**	**-**	**(7,060,980)**	**(36,209,591)**	**(2,864,989)**	**(521,125)**	**-**
Net statement of financial position exposure	**82,905,429**	**-**	**57,144,521**	**235,198,289**	**17,255,665**	**(521,125)**	**-**
Forward exchange contracts	**68,134,269**	**-**	**17,576,476**	**310,928,623**	**-**	**-**	**-**
Net exposure	**14,771,160**	**-**	**39,568,045**	**(75,730,334)**	**17,255,665**	**(521,125)**	**-**
As at 30 June 2019							
Trade receivables	110,163,149	-	50,991,489	288,348,286	9,654,433	-	-
Unbilled receivables	28,892,214	-	26,155,389	13,156,247	1,143,640	-	-
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	93,690,157	(18,186)	73,564,871	271,582,477	8,603,778	(306,559)	-
Forward exchange contracts	61,223,770	-	57,747,475	302,104,364	-	-	-
Net exposure	32,466,387	(18,186)	15,817,396	(30,521,887)	8,603,778	(306,559)	-

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 2020				30 June 2019			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
EUR	**1,477,116**	**(1,477,116)**	-	-	3,246,639	(3,246,639)	-	-
AUD	**-**	**-**	-	-	(1,819)	1,819	-	-
GBP	**3,956,805**	**(3,956,805)**	-	-	1,581,740	(1,581,740)	-	-
USD	**(7,573,033)**	**7,573,033**	-	-	(3,052,189)	3,052,189	-	-
SGD	**1,725,567**	**(1,725,567)**	-	-	860,378	(860,378)	-	-
NZD	**(52,113)**	**52,113**	-	-	(30,656)	30,656	-	-

(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)*

Financial Instruments - Fair values and risk management *(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 no 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.

37 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 38 of consolidated financial statements).

38 Related party transactions

(A) Related parties disclosures

Related parties where control exists	Name	Holdings in %
Ultimate holding company	Accelya Topco Limited	
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.	
	Accelya Middle East FZE (*formerly known as Mercator Solutions FZE)*	
	Accelya Services India Private Limited	
Subsidiaries	Accelya Solutions Americas Inc.	100%
	Accelya Solutions 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	
	Jose Maria Hurtado - Director ***	

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

** Retired with effect from 24th September, 2019.

*** Appointed with effect from 27th November, 2019.

Notes to the financial statements *(Continued)*

38 Related party transactions *(Continued)*

(B) Transactions with related parties

(Amount in ₹)

Nature of transactions	Year ended	Intermediate holding	Holding	Fellow subsidiaries	Subsidiaries	Other related party	Key management personnel	Total
Services rendered by the Company	30 June 2020	**-**	**57,496,766**	**566,712,399**	**887,969,791**	**-**	**-**	**1,512,178,956**
	30 June 2019	44,652,496	(315,042)	597,251,986	1,040,045,366	-	-	1,681,634,806
Services received by the Company	30 June 2020	**-**	**99,132,234**	**129,153,134**	**-**	**-**	**-**	**228,285,368**
	30 June 2019	119,866,172	-	118,198,526	-	-	-	238,064,698
Claims raised for expenses	30 June 2020	**-**	**8,910,225**	**42,215,900**	**13,527,742**	**-**	**-**	**64,653,867**
	30 June 2019	14,290,984	(306,393)	41,343,000	8,649,569	-	-	63,977,160
Claims received for expenses	30 June 2020	**-**	**22,029,940**	**21,336,909**	**(4,392,757)**	**-**	**-**	**38,974,092**
	30 June 2019	15,662,701	(1,232,301)	22,612,788	51,835,963	-	-	88,879,151
Remuneration	30 June 2020	**-**	**-**	**-**	**-**	**-**	**34,343,957**	**34,343,957**
	30 June 2019	-	-	-	-	-	36,684,555	36,684,555
Sitting fees	30 June 2020	**-**	**-**	**-**	**-**	**2,370,000**	**-**	**2,370,000**
	30 June 2019	-	-	-	-	1,825,000	-	1,825,000
Commission	30 June 2020	**-**	**-**	**-**	**-**	**300,000**	**-**	**300,000**
	30 June 2019	-	-	-	-	400,000	-	400,000
Dividend received	30 June 2020	**-**	**-**	**-**	**101,731,005**	**-**	**-**	**101,731,005**
	30 June 2019	-	-	-	88,015,594	-	-	88,015,594
Dividend paid	30 June 2020	**-**	**278,582,375**	**-**	**-**	**-**	**221,225**	**278,803,600**
	30 June 2019	-	546,021,455	-	-	-	433,601	546,455,056
Balances outstanding	**As at:**							
Payable	30 June 2020	**-**	**50,223,068**	**66,348,637**	**-**	**-**	**-**	**116,571,705**
	30 June 2019	29,345,613	-	37,346,413	7,937,742	-	-	74,629,768
Trade receivables	30 June 2020	**-**	**12,864,093**	**82,499,846**	**32,978,463**	**-**	**-**	**128,342,402**
	30 June 2019	55,788,524	743,386	116,911,246	141,273,396	-	-	314,716,552
Unbilled receivables	30 June 2020	**-**	**2,421,756**	**54,043,119**	**66,048,612**	**-**	**-**	**122,513,487**
	30 June 2019	1,873,654	-	54,412,823	172,677	-	-	56,459,154
Investment in subsidiary	30 June 2020	**-**	**-**	**-**	**474,094,544**	**-**	**-**	**474,094,544**
	30 June 2019	-	-	-	474,094,544	-	-	474,094,544

Notes to the financial statements *(Continued)*

38 Related party transactions *(Continued)*

(C) Of the above items, details of related party transactions are as under:

Nature of transaction	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Services rendered by the Company		
Accelya Solutions Americas Inc.	**742,593,147**	893,025,752
Accelya Solutions UK Limited	**145,376,644**	147,019,614
Sky Bidco S.L.U.	**-**	44,652,496
Accelya Holding World S.L.U.	**57,496,766**	(315,042)
Accelya World S.L.U.	**249,378,324**	271,976,700
Accelya France SAS	**44,131,457**	34,415,662
Accelya UK Ltd	**102,737,434**	111,836,897
Accelya America, S.A. de C.V.	**7,727,434**	8,619,688
Accelya Portugal Unipessoal Ltda.	**12,871,816**	13,579,387
Accelya Middle East FZE	**140,941,971**	156,823,652
Accelya Services India Private Limited	**8,923,963**	-
Services received by the Company		
Accelya Holding World S.L.U.	**99,132,234**	-
Sky Bidco S.L.U.	**-**	119,866,172
Accelya World S.L.U.	**54,955,943**	37,917,306
Accelya UK Ltd	**16,350,436**	22,856,172
Accelya Middle East FZE	**57,846,755**	57,425,048
Claims raised for expenses		
Accelya Solutions Americas Inc.	**12,770,978**	6,289,939
Accelya Solutions UK Limited	**756,764**	2,359,630
Accelya Holding World S.L.U.	**8,910,225**	(306,393)
Sky Bidco S.L.U.	**-**	14,290,984
Accelya World S.L.U.	**10,209,094**	12,759,485
Accelya France SAS	**588,376**	2,299,775
Accelya UK Ltd	**1,182,004**	4,853,677
Accelya America, S.A. de C.V.	**422,156**	-
Accelya Portugal Unipessoal Ltda.	**85,208**	86,048
Accelya Middle East FZE	**13,185,663**	20,547,290
Accelya Services India Private Limited	**16,543,399**	796,725

Notes to the financial statements *(Continued)*

38 Related party transactions *(Continued)*

(C) Of the above items, details of related party transactions are as under: *(Continued)*

(Amount in ₹)

Nature of transaction	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Claims received for expenses		
Accelya Solutions Americas Inc.	**-**	51,835,963
Accelya Solutions UK Limited	**(4,392,757)**	-
Accelya Holding World S.L.U.	**22,029,940**	(1,232,301)
Sky Bidco S.L.U.	**-**	15,662,701
Accelya World S.L.U.	**3,001,029**	7,496,935
Accelya UK Ltd	**3,608,778**	7,237,587
Accelya Middle East FZE	**6,585,558**	7,878,266
Accelya Services India Private Limited	**8,141,544**	-
Dividend received		
Accelya Solutions Americas Inc.	**64,107,000**	43,110,000
Accelya Solutions UK Limited	**37,624,005**	44,905,594
Dividend paid		
Accelya Holding World S.L.U.	**278,582,375**	546,021,455
Gurudas Shenoy	**54,125**	106,085
Neela Bhattacherjee	**52,225**	102,361
Ninad Umranikar	**114,875**	225,155
Remuneration		
Neela Bhattacherjee	**20,142,599**	18,050,905
Gurudas Shenoy	**9,925,624**	14,410,903
Ninad Umranikar	**4,275,734**	4,222,747
Sitting fees		
K.K. Nohria	**120,000**	370,000
Sekhar Natarajan	**720,000**	520,000
Nani Javeri	**720,000**	455,000
Sangeeta Singh	**810,000**	480,000

Notes to the financial statements *(Continued)*

38 Related party transactions *(Continued)*

(C) Of the above items, details of related party transactions are as under: *(Continued)*

(Amount in ₹)

Nature of transaction	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Commission		
K.K. Nohria	**-**	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 2020**	**As at 30 June 2019**
Payable		
Accelya Solutions Americas Inc.	**-**	3,544,985
Accelya Solutions UK Limited	**-**	4,392,757
Accelya Holding World S.L.U.	**50,223,068**	-
Sky Bidco S.L.U.	**-**	29,345,613
Accelya World S.L.U.	**23,331,309**	17,884,768
Accelya UK Ltd	**7,060,980**	3,898,843
Accelya Middle East FZE	**35,956,348**	15,562,802
Trade receivables		
Accelya Solutions Americas Inc.	**6,398,720**	109,926,714
Accelya Solutions UK Limited	**26,579,743**	31,346,682
Accelya Holding World S.L.U.	**12,864,093**	743,386
Sky Bidco S.L.U.	**-**	55,788,524
Accelya World S.L.U.	**37,656,851**	43,133,833
Accelya UK Ltd	**6,104,677**	21,340,701
Accelya France SAS	**3,564,676**	8,511,867
Accelya America, S.A. de C.V.	**1,963,326**	2,935,572
Accelya Portugal Unipessoal Ltda.	**3,163,883**	3,135,542
Accelya Middle East FZE	**25,234,783**	37,708,122
Accelya Services India Private Limited	**4,811,650**	145,609

Notes to the financial statements *(Continued)*

38 Related party transactions *(Continued)*

(C) Of the above items, details of related party transactions are as under: (Continued)

(Amount in ₹)

Balances outstanding	As at 30 June 2020	As at 30 June 2019
Unbilled receivables		
Accelya Solutions Americas Inc.	66,048,612	126,944
Accelya Solutions UK Limited	-	45,733
Accelya Holding World S.L.U.	2,421,756	-
Sky Bidco S.L.U.	-	1,873,654
Accelya World S.L.U.	23,044,236	26,990,233
Accelya UK Ltd	24,353,014	26,461,709
Accelya France SAS	6,560,629	-
Accelya Portugal Unipessoal Ltda.	-	86,048
Accelya Middle East FZE	85,240	874,833
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 2020 ₹	Year ended 30 June 2019 ₹
Managerial remuneration ****		
Short-term employment benefits	33,382,285	35,754,487
Post-employment benefits	961,672	930,068
Total compensation	34,343,957	36,684,555

**** The above figures do not include provisions for encashable leave as separate actuarial valuations are not available.

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)*

39 Capital and other commitments

	30 June 2020 ₹	30 June 2019 ₹
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	**55,137,024**	26,072,234

40 Contingent liabilities

	30 June 2020 ₹	30 June 2019 ₹
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed (net of provision)	**25,468,955**	27,749,808
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 period April 2011to March 2015. The Company has filed an appeal against the same with CESTAT.	**59,121,804**	59,121,804
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards reversal of CENVAT credit on Mutual Fund transactions pertaining to period July 2012 to March 2015 and April 2015 to June 2017. The Company has filed an appeal against the same with Commissioner (Appeals).	**41,620,997**	-

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)*

41 Net dividend remitted in foreign exchange

Year of remittance (ending on)

Period to which the dividend relates	2018-19 (Final dividend)	2017-18 (Final dividend)
Numbers of non-resident shareholders	**12**	15
Numbers of equity shares held on which dividend was due	**11,156,636**	11,158,289
Amount remitted (₹)	**167,349,540**	357,065,248
Period to which the dividend relates	**2019-20 (Interim dividend)**	**2018-19 (Interim dividend)**
Numbers of non-resident shareholders	**12**	14
Numbers of equity shares held on which dividend was due	**11,156,636**	11,159,786
Amount remitted (₹)	**111,566,360**	189,716,362

42 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 2020 and 30 June 2019 and as at 30 June 2020 and 30 June 2019.

Particulars	As at 30 June 2020 ₹	As at 30 June 2019 ₹
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	**1,235,186**	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)*

43 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 following organizations:

- Catalysts for Social Action ("CSA"), a Not-For-Profit organization dedicated to the cause of child welfare and rehabilitation for children living in orphanages

- Seva Sadan Society, a Not-for-profit organization dedicated to provide care, education and vocational training to empower underprivileged girls and women to be self sufficient.

The total amount spent by the Company through CSA is ₹ 23,300,000 (previous year: ₹ 27,200,000)

The total amount spent by the Company through Seva Sadan Society is ₹ 5,800,000 (previous year: nil).

(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	29,100,000	-	29,100,000

44 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 2020.

45 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.

46 Subsequent events

Dividends paid during the year ended 30 June, 2020 include an amount of ₹ 15 per equity share towards final dividend for the year ended 30 June, 2019 and an amount of ₹ 10 per equity share towards interim dividends for the year ending 30 June, 2020. 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 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.

47 Impact of COVID 19

The COVID 19 pandemic, the country-wide lockdown and the far-reaching travel restrictions in various geographies across the globe have affected the airline and travel industry in an unprecedented way. As the Company's business model is principally based on per transaction pricing, the Company's revenue which is linked to airline passenger transactions has been impacted.

Notes to the financial statements *(Continued)*

The Company had adopted various business continuity measures from the beginning of lockdown to ensure the safety and wellbeing of all its employees, including providing IT infrastructure and connectivity wherever possible, to enable employees to work from home. As a result of this, the Company has been able to service its customers and ensure that the operations are minimally affected.

The Company is closely monitoring the impact on its customers on account of the COVID 19 Pandemic and the impact of external factors. As the Company's revenues are linked to airline passenger transactions a reduction in revenues in the ensuing quarters is assessed. However, in many contracts with the customers, the Company's revenue stands protected to the extent of the agreed minimum billing. As and when the restrictions are eased across geographies and there is a revival of the economy, the Company expects to see demand revival in the airline and travel industry, and accordingly in the revenues of the Company. At present, the Company does not foresee any material adverse impact in the demand for the software solutions and the Company is well positioned to fulfil its obligations relating to existing contracts / arrangements. The management has taken into consideration internal and external sources of information including economic forecasts and industry reports in determining the impact on various elements on its financial results.

Management continuously monitors the market dynamics and keeps evaluating events that have impact on the airline and travel industry. Management has used the principle of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Management expects to fully recover the carrying amount of trade receivables including unbilled receivables and other current and non-current assets.

Management believes that it has taken into account all possible impact of known events arising from COVID 19 pandemic in the preparation of these financial results. The eventual outcome of impact of the global pandemic may be different from those estimated as on the date of approval of these financial results. Management has assessed the impact of existing and anticipated effects of COVID 19 pandemic on the future cash flow projections considering various scenarios. The Company believes that it shall be able to meet its commitments and in addition, the funds are expected to be generated from its operating activities. To manage the impact on profitability resulting from reduced revenues due to COVID 19, the Company has implemented and continues to implement various cost control measures across the organization including reducing the cost of human resources (with the consent of relevant employees), travel, marketing and events, etc. to conserve cash to address any uncertainties in evolving situations.

Based on the aforesaid assessment the Management strongly believes that as per estimates made conservatively, it will continue as a going concern.

48 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

Place : Mumbai
Date : 20 August 2020

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Pune
Date : 20 August 2020

Independent Auditors' Report

To the Members of

Accelya Solutions India 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 2020, 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 2020, 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Matters

Key audit matters	**How our audit addressed the key audit matter**
Revenue recognition – Fixed price contracts (Refer Note 2(d)(vi) and 28 to the consolidated financial statements)	
The Group inter alia engages in Fixed-price contracts, wherein, revenue is recognized using the percentage of completion method based on Group's estimates of contract efforts. We identified revenue recognition for fixed price development contracts as a key audit matter since:	Our audit procedures on revenue recognized from fixed price 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 efforts incurred.

Key audit matters	How our audit addressed the key audit matter
- application of revenue recognition accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves a number of key judgments and estimates mainly identifying performance obligations, related transaction price and estimating the future efforts-to-complete these contracts, which is used to determine the percentage of completion of the relevant performance obligation; - 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. - these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Group.	On selected specific samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard - - Evaluated the identification of performance obligation and the ascribed transaction price; - Tested Group's computation of the estimation of efforts required to complete the contract and onerous obligation, if any. - Assessed that the estimates of time required to complete were reviewed and approved by appropriate levels in the Group; and - Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and assess whether those variations are required to be considered in estimating the remaining efforts to complete the contract.
Valuation of trade receivable in view of risk of credit losses (Refer Note 2(d)(iii) and 12 to the consolidated financial statements)	
The Group determines allowances for credit losses on historical loss experience adjusted to reflect the current and estimated future economic conditions. As at 30 June 2020, the Group's trade receivables accounted for 21 % of the Group's total assets as at that date. The Group measures expected credit loss on trade receivables based on a provision matrix which is based on significant judgement and estimates i.e.: - historical default rate; - age analysis of the receivables; - loss rate in provisioning matrix depending on days past due; - adjustments to historical experience based on future economic and market conditions; - relevant current customer specific conditions; and - other relevant factors including forward-looking information at the reporting date such as subsequent settlement and future collectability. Further, the outstanding of customers could be impacted by the economic conditions consequent to the pandemic relating to Covid-19. We have considered assessment of expected credit loss for receivables as a key audit matter because of the significance of balance of trade receivables to the balance sheet and because of the significant judgement involved in its estimation particularly in the context of pandemic relating to Covid – 19.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence. - Assessed the appropriateness of accounting policy for expected credit loss as per the relevant accounting standard; - Obtained an understanding of and assessed the design, implementation and operating effectiveness of key controls relating to collection monitoring process; - Tested the IT controls relating to classification of the receivable balances included in the receivables ageing report, by involving the IT specialists; - For samples selected using statistical sampling, circularized independent confirmations for balances outstanding at year-end and where confirmations were not received, performed alternate testing procedures. This includes testing, on a sample basis, subsequent collections for the outstanding receivables; - Enquired with management and obtained comments and recovery plans for trade receivables outstanding for more than 180 days; - Assessed the reasonableness of methodology used by the Group to estimate expected credit loss provision; - Assessed the reasonableness of estimate of expected credit losses by obtaining an understanding of the key assumptions used in estimating the expected credit losses such as payment trends, current economic conditions, industry analysis reports and forward-looking information etc. - Assessed the adequacy of disclosures relating to trade receivables and related credit risk.

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.

Management's and Board of Directors' Responsibilities 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 Management and 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 Management and 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 the respective Board of Directors 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 is 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors 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 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, 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 (which is a Company incorporated in India) as on 30 June 2020 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 2020 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 consolidated financial statements of the Holding Company, which is a Company incorporated in India, and 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 2020 on the consolidated financial position of the Group. Refer Note 41 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 48 to the consolidated financial statements in respect of such items as it relates to the Group.

iii. The Holding Company has delayed in transferring amounts of Rs 1,336,850, required to be transferred to the Investor Education and Protection Fund. Refer Note 24 to the consolidated financial statements.

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 2020.

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 (which is incorporated in India), 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: 20112878AAAAAO4093

Place : Mumbai
Date : 20 August 2020

Annexure A to the Independent Auditors' report on the consolidated financial statements of Accelya Solutions India Limited

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 A(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 2020, 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"), which is a company incorporated in India, 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 2020, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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: 20112878AAAAAO4093

Place : Mumbai
Date : 20 August 2020

Consolidated balance sheet
as at 30 June 2020

	Note	30 June 2020 ₹	30 June 2019 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3	**405,022,995**	195,186,525
Capital work-in-progress	3	**46,606,812**	7,993,988
Right-of-use assets	36	**390,288,818**	-
Goodwill		**296,099,834**	279,633,162
Other intangible assets	4	**276,967,252**	232,332,603
Intangible assets under development	4	**10,263,693**	1,760,000
Financial assets			
Investments	5	**60,000**	60,000
Loans	6	**45,562,765**	39,010,507
Other financial assets	7	**12,622,946**	27,681,396
Income tax assets (net)	8	**26,585,819**	10,510,791
Deferred tax assets (net)	9	**78,380,997**	50,948,788
Other assets	10	**63,833,969**	74,181,911
Total non-current assets		**1,652,295,900**	919,299,671
Current assets			
Financial assets			
Investments	11	**147,599,146**	167,030,286
Trade receivables	12	**761,554,086**	787,717,239
Unbilled receivables		**119,056,651**	96,705,245
Cash and cash equivalents	13	**387,781,516**	214,544,964
Other bank balances	14	**217,129,422**	41,306,140
Loans	15	**1,935,536**	20,801,920
Other financial assets	16	**68,739,491**	17,263,204
Income tax assets (net)	17	**1,652,260**	3,331,612
Other assets	18	**340,060,521**	469,715,971
Total current assets		**2,045,508,629**	1,818,416,581
TOTAL ASSETS		**3,697,804,529**	2,737,716,252
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	**149,268,660**	149,268,660
Other equity	20	**2,298,283,726**	1,826,343,644
Total equity		**2,447,552,386**	1,975,612,304
Non-current liabilities			
Financial liabilities			
Lease liabilities		**398,742,712**	-
Other financial liabilities	21	**9,145,130**	880,797
Provisions	22	**38,947,152**	40,738,311
Total non-current liabilities		**446,834,994**	41,619,108
Current liabilities			
Financial liabilities			
Lease liabilities		**95,848,314**	-
Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	23	**1,235,186**	4,009,587
b. Total outstanding dues of creditors other than micro enterprises and small enterprise	23	**351,710,290**	263,193,759
Other financial liabilities	24	**200,770,136**	211,145,453
Deferred revenue		**55,727,866**	61,754,915
Provisions	25	**73,352,245**	44,602,015
Income tax liabilities (net)	26	**6,035,122**	50,885,848
Other liabilities	27	**18,737,990**	84,893,263
Total current liabilities		**803,417,149**	720,484,840
TOTAL EQUITY AND LIABILITIES		**3,697,804,529**	2,737,716,252
Significant accounting policies	2		

The accompanying notes referred to above form an integral part of the financial statements 3 - 51

As per our report of even date attached

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

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

Rajiv Shah
Partner
Membership No: 112878

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai
Date : 20 August 2020

Place : Mumbai

Pune
Date : 20 August 2020

Consolidated Statement of Profit and Loss *for the year ended 30 June 2020*	Note	30 June 2020 ₹	30 June 2019 ₹
Revenue			
Revenue from operations	*28*	**4,120,281,542**	4,330,246,845
Other income	*29*	**58,312,987**	89,654,204
Total income		**4,178,594,529**	4,419,901,049
Expenses			
Employee benefits expense	*30*	**1,329,309,456**	1,392,589,659
Depreciation and amortisation expense	*31*	**324,465,176**	167,002,250
Operating and other expense	*32*	**1,265,987,512**	1,240,367,427
Finance costs		**55,469,192**	-
Total expenses		**2,975,231,336**	2,799,959,336
Profit before tax		**1,203,363,193**	1,619,941,713
Tax expense:			
Current tax	*34*	**360,841,731**	556,646,943
Deferred tax	*34*	**(25,573,114)**	(485,367)
Total tax expense		**335,268,617**	556,161,576
Profit for the year		**868,094,576**	1,063,780,137
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligation		**(7,386,742)**	(9,076,805)
Income tax related to items that will not be reclassified to profit or loss		**1,859,095**	-
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**35,332,606**	(11,355,595)
Income tax related to items that will be reclassified to profit or loss		**-**	-
Total Other comprehensive income		**29,804,959**	(20,432,400)
Total comprehensive income for the year		**897,899,535**	1,043,347,737
Earnings per equity share (face value of ₹ 10 each)			
Basic and diluted	*33*	**58.16**	71.27
Weighted average number of equity shares	*33*	**14,926,261**	14,926,261
Significant accounting policies	*2*		

The accompanying notes referred to above form an integral part of the financial statements 3 - 51
As per our report of even date attached

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

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

Rajiv Shah
Partner
Membership No: 112878

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai
Date : 20 August 2020

Place : Mumbai

Pune
Date : 20 August 2020

Consolidated Statement of Changes in Equity
for the year ended 30 June 2020

A. Equity share capital

(Amount in ₹)

	Note	Number of shares	Amount
Balance as at 1 July 2018		14,926,866	149,268,660
Changes in equity share capital during 2018-19		-	-
Balance as at 30 June 2019	**19**	**14,926,866**	**149,268,660**
Changes in equity share capital during 2019-20		-	-
Balance as at 30 June 2020	**19**	**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, 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**
Balance at 1 July, 2019	**9,538,260**	**316,984,098**	**236,953,435**	**1,287,025,496**	**(16,105,004)**	**(8,052,641)**	**1,826,343,644**
Profit for the year	-	-	-	868,094,576	-	-	868,094,576
Other comprehensive income/(loss) for the year	-	-	-	-	35,332,606	(5,527,647)	29,804,959
Total comprehensive income for the year	**-**	**-**	**-**	**868,094,576**	**35,332,606**	**(5,527,647)**	**897,899,535**

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)	
Other changes							
Interim dividend	-	-	-	(149,262,610)	-	-	(149,262,610)
Dividend distribution tax on interim dividend	-	-	-	(27,691,982)	-	-	(27,691,982)
Dividend distribution tax credit	-	-	-	20,911,108	-	-	20,911,108
Final equity dividend	-	-	-	(223,893,915)	-	-	(223,893,915)
Dividend distribution tax on final dividend	-	-	-	(46,022,054)	-	-	(46,022,054)
Balance at 30 June, 2020	**9,538,260**	**316,984,098**	**236,953,435**	**1,729,160,619**	**19,227,602**	**(13,580,288)**	**2,298,283,726**

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 appropriation purposes.

(iv) Retained earnings

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

Significant accounting policies - Refer note no. 2

The accompanying notes referred to above form an integral part of the financial statements (refer note no. 3 to 51)

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

Place : Mumbai
Date : 20 August 2020

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai

Pune
Date : 20 August 2020

Consolidated statement of cash flows *for the year ended 30 June 2020*	**30 June 2020** ₹	**30 June 2019** ₹
Cash flows from operating activities		
Net profit before tax	**1,203,363,193**	1,619,941,713
Adjustments for:		
Depreciation and amortization expense	**324,465,176**	167,002,250
Net (Gain)/ Loss on sale of property, plant and equipment	**(2,906,666)**	4,596,618
Provision/ (Reversal) for doubtful debts	**37,690,917**	(665,844)
Write off of unbilled receivables	**45,982,602**	-
Credit balances written back	**(17,287,924)**	(17,143,082)
Effect of exchange difference on translation of subsidiaries	**-**	(3,507,174)
Unrealised exchange loss/ (gain)	**43,296,552**	(36,236,340)
Interest expense	**55,469,192**	-
Net gain on lease modification	**(9,617,660)**	-
Interest income	**(7,939,477)**	(1,289,087)
Gain on fair valuation of investments	**(2,437,870)**	(6,386,483)
Dividend income from mutual fund	**(7,118,750)**	(10,712,035)
Operation profit before working capital changes	**1,662,959,285**	1,715,600,536
Working capital changes:		
(Increase) in trade receivables	**(6,314,249)**	(235,576,605)
(Increase) in financial assets	**(38,768,904)**	(16,921,005)
Decrease/ (Increase) in other assets	**138,713,637**	(366,682,712)
(Increase)/ Decrease in unbilled revenue	**(68,334,008)**	230,736,081
Increase in trade payables	**106,025,191**	65,225,374
(Decrease)/ Increase in financial liabilities	**(68,645,347)**	9,684,910
Increase in other liabilities	**3,604,184**	51,888,508
Cash generated from operations	**1,729,239,789**	1,453,955,087
Taxes paid (net of refunds)	**(420,088,133)**	(584,653,512)
Net cash flow generated from operating activities (A)	**1,309,151,656**	869,301,575
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	**(472,181,948)**	(250,486,604)
Proceeds from sale of property, plant and equipment	**3,681,129**	593,118
Interest received on bank deposits	**2,367,921**	1,347,351
Dividend received on mutual fund investments	**7,118,750**	10,712,035
Purchase of mutual fund	**(2,228,123,212)**	(2,676,710,295)
Proceeds from sale of mutual fund	**2,249,992,222**	2,880,500,005
Investment in bank deposits having maturity more than 3 months	**(179,840,107)**	(4,478,290)
Margin money deposits matured	**4,454,329**	4,120,718
Net cash flow used in investing activities (B)	**(612,530,916)**	(34,401,962)

Consolidated statement of cash flows *for the year ended 30 June 2020*	30 June 2020 ₹	30 June 2019 ₹
Cash flow from financing activities		
Dividend paid (including dividend distribution tax thereon)	**(425,959,453)**	(863,633,635)
Repayment of lease liabilities	**(48,976,774)**	-
Interest paid	**(55,469,192)**	-
Net cash flow used in financing activities (C)	**(530,405,419)**	(863,633,635)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**166,215,321**	(28,734,022)
Effect of exchange differences on cash and cash equivalents held in foreign currency	**7,021,231**	827,623
Cash and cash equivalents at the beginning of the year	**214,544,964**	242,451,363
Cash and cash equivalents at the end of the year	**387,781,516**	214,544,964
Note to Cash flow statement:		
(a) Components of cash and cash equivalents		
Balance with banks		
in current accounts	**181,287,657**	197,458,351
in EEFC accounts	**83,993,859**	1,213,180
Bank deposit with maturity less than 3 months	**122,500,000**	15,873,433
Total cash and cash equivalents	**387,781,516**	214,544,964

Significant accounting policies - Refer note no. 2

The accompanying notes referred to above form an integral part of the financial statements (refer note no. 3 to 51)

As per our report of even date attached.

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

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

Rajiv Shah
Partner
Membership No: 112878

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Place : Mumbai
Date : 20 August 2020

Pune
Date : 20 August 2020

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 consolidated financial statements for the year ended 30 June 2020 and authorized for issue on 20 August 2020.

The list of subsidiaries considered in these consolidated financial statements as at 30 June 2020 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., USA	A Subsidiary of Accelya incorporated under the laws of United States of America	100%	1998-99
Accelya Solutions 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 ('the 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. 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. Fair value is the price that would be received to sell an asset or paid to transfer/ settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116, 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, (including contingent 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 lifetime 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) Impairment of goodwill

The Company estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts.

(vi) Revenue Recognition

Revenue for fixed-price contract 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 completion of the performance obligation.

(vii) Leases

The Group evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the Option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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.

Notes to the consolidated financial statements *(Continued)*

f) ***Property, plant and equipment***

Property, plant and equipment 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.

Depreciation on PPE has been provided on the straight-line method over the estimated useful life of it’s the respective 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 which 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.

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
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 charged 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.

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.

Notes to the consolidated financial statements *(Continued)*

Useful life of Software acquired/ developed is estimated to be 3 to 5 years.

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;
- 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.

Notes to the consolidated financial statements *(Continued)*

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 impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, and the parties to contract are committed to perform their respective obligations. 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. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

- 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.
- 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.

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 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.

Notes to the consolidated financial statements *(Continued)*

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.

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 is 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

Policy applicable before 1 July 2019

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

Policy applicable with effect from 1 July 2019

The Company as a lessee

"The Company's lease asset classes primarily consist of leases for buildings.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset."

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU")and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term

Notes to the consolidated financial statements *(Continued)*

of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in Company's assessment of whether it will exercise a purchase, extension or termination option.

Lease liability is further bifurcated into current and non-current portion; and the right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in the Statement of Cash Flow.

Further the company has applied the practical expedient pertaining to COVID 19 related rent concessions, wherein the rent concessions are accounted as if it were not a lease modification i.e as a negative variable lease payment

Transition to Ind AS 116

"Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The standard includes two recognition exemptions for lessees — leases of 'low value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Company has adopted Ind AS 116, effective annual reporting period beginning July 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (July 1, 2019). Accordingly, the Company has not restated comparative information.

The Company has recorded the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate as at July 1, 2019 and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to

Notes to the consolidated financial statements *(Continued)*

that lease recognized. For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-bylease basis

The Company has also used the practical expedient provided by the standard and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The Company does not have any lease contracts wherein it acts as a lessor.

On transition, the adoption of the new standard resulted in recognition of right-of-use asset of ₹ 5,113.3 lakhs and a lease liability of ₹ 5,529.3 lakhs. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

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.

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.

l) ***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.

Notes to the consolidated financial statements *(Continued)*

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.

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 other than investments in subsidiaries 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.

Notes to the consolidated financial statements *(Continued)*

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.

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

Notes to the consolidated financial statements *(Continued)*

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.

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.

Notes to the consolidated financial statements *(Continued)*

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

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.

Notes to the consolidated financial statements *(Continued)*

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.

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. travel and transportation vertical.

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, 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 Indian Accounting Standards***

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

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 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
Additions during the year	-	110,570,126	51,700,151	-	180,633,584	342,903,861
Deletions/ disposals	-	34,138,805	14,600,341	1,381,356	9,667,357	59,787,859
Translation	-	337,858	164,023	-	-	501,881
As at 30 June 2020	**63,259,128**	**633,628,498**	**106,147,198**	**4,484,382**	**195,497,596**	**1,003,016,802**
Accumulated depreciation						
As at 1 July 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
Charge for the year	2,108,638	95,989,430	10,390,201	529,236	23,308,338	132,325,843
Deletions/ disposals	-	33,973,398	13,991,285	1,381,356	9,667,357	59,013,396
Translation	-	304,841	164,125	-	-	468,966
As at 30 June 2020	**45,157,012**	**453,861,611**	**57,980,527**	**4,260,254**	**36,734,403**	**597,993,807**
Net carrying amount						
As at 30 June 2019	20,210,754	165,318,581	7,465,879	753,364	1,437,947	195,186,525
As at 30 June 2020	**18,102,116**	**179,766,887**	**48,166,671**	**224,128**	**158,763,193**	**405,022,995**

	Capital work in progress ₹
As at 1 July 2018	4,357,652
Additions	7,993,988
Assets capitalisation during the year	(4,357,652)
As at 30 June 2019	7,993,988
Additions	46,606,812
Assets capitalisation during the year	(7,993,988)
As at 30 June 2020	**46,606,812**

Notes to the consolidated financial statements *(Continued)*

4 Other intangible assets

	Internally developed software ₹	Acquired software ₹	Total ₹
Gross carrying amount			
As at 1 July 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
Purchase/ internal development	83,767,820	31,414,794	115,182,614
Deletions/ disposals	-	-	-
As at 30 June 2020	**682,903,116**	**400,505,012**	**1,083,408,128**
Accumulated amortisation			
As at 1 July 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
Charge for the year	54,001,280	16,546,685	70,547,965
Deletions/ disposals	-	-	-
As at 30 June 2020	**442,189,066**	**364,251,810**	**806,440,876**
Net carrying amount			
As at 30 June 2019	210,947,510	21,385,093	232,332,603
As at 30 June 2020	**240,714,050**	**36,253,202**	**276,967,252**

	Intangible assets under development ₹
As at 1 July 2018	-
Additions	107,462,741
Capitalisation during the year	(105,702,741)
As at 30 June 2019	1,760,000
Additions	92,271,513
Capitalisation during the year	(83,767,820)
As at 30 June 2020	**10,263,693**

The estimated amortisation for the year subsequent to 30 June 2020 is as follows:

	Amortisation expenses ₹
Year ending 30th June	
2021	82,183,471
2022	74,238,662
2023	67,119,271
2024	37,836,193
2025	15,589,655
Total	**276,967,252**

Notes to the consolidated financial statements *(Continued)*

5 Non-current investments

	30 June 2020 ₹	30 June 2019 ₹
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 2019: 5,000) equity shares of ₹ 10 each fully paid up	**50,000**	50,000
Saraswat Co-operative Bank Limited (unquoted)		
1,000 (30 June 2019: 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 (Unsecured, considered good)

	30 June 2020 ₹	30 June 2019 ₹
Lease deposits	**45,562,765**	39,010,507
	45,562,765	39,010,507

7 Other non-current financial assets

	30 June 2020 ₹	30 June 2019 ₹
Margin money deposit	**869,263**	391,800
Interest accrued on bank deposits	**56,145**	20,243
Derivative asset - forward contracts	**1,350,015**	14,118,150
Other deposits	**10,347,523**	13,151,203
	12,622,946	27,681,396

Margin money deposits

Margin money deposit represents deposit with banks for issue of bank guarantees to various authorities amounting to ₹ 869,263 (30 June 2019: ₹ 391,800) which are due to mature after twelve months of the reporting date.

8 Income tax assets (net)

	30 June 2020 ₹	30 June 2019 ₹
Advance income-tax (net of provision for tax of ₹ 535,010,023, 30 June 2019: ₹ 992,204,668)	**26,585,819**	10,510,791
	26,585,819	10,510,791

Notes to the consolidated financial statements *(Continued)*

9 Deferred tax assets (net)

	30 June 2020 ₹	30 June 2019 ₹
Deferred tax assets		
Provision for compensated absences	**14,566,260**	15,374,149
Provision for doubtful debts	**7,055,136**	4,365,103
Difference between tax and book value of Property, plant and equipment	**9,509,490**	8,445,976
Mark to market loss on derivative instruments	**9,998,690**	-
Deferred Rent	**-**	17,526,676
Lease liability (net of right-of-use asset)	**26,246,727**	-
Others	**13,770,264**	17,197,865
	81,146,567	62,909,769
Deferred tax liabilities		
Mark to market gain on derivative instruments	**(821,421)**	(7,387,319)
Others	**(1,944,149)**	(4,573,662)
	(2,765,570)	(11,960,981)
Total	**78,380,997**	50,948,788

10 Other non-current assets

	30 June 2020 ₹	30 June 2019 ₹
Service tax refund receivable	**30,540,534**	32,024,985
Goods and Service tax refund receivable	**23,897,967**	21,985,028
Discount in advance	**5,134,599**	8,565,929
Prepaid expenses	**4,260,869**	11,605,969
	63,833,969	74,181,911

Notes to the consolidated financial statements *(Continued)*

11 Current investments

	30 June 2020 ₹	30 June 2019 ₹
Non-trade, unquoted investments		
Investments in Mutual Fund carried at fair value through profit or loss		
HDFC		
33,858.799 Liquid Fund Div Reinvest of ₹ 1019.82 (30 June 2019: 6,564.958 Liquid Fund Div Reinvest of ₹ 1019.82) (net asset value of unquoted investment)	**34,529,880**	6,695,075
ICICI Prudential		
483,203.881 Liquid Fund Div Reinvest of ₹ 100.1482 (30 June 2019: 661,765.889 Liquid Fund Div Reinvest of ₹ 100.1482) (net asset value of unquoted investment)	**48,391,999**	66,274,663
Birla Sun Life		
69,573.485 Liquid fund Div reinvest of ₹ 100.1950 (30 June 2019: 262,956.149 Liquid fund Div reinvest of ₹ 100.1950) (net asset value of unquoted investment)	**6,970,915**	26,346,891
SBI Premier		
11,699.353 Liquid fund Div reinvest of ₹ 1,014.7569 (30 June 2019: 24,238.399 Liquid fund Div reinvest of ₹ 1,003.25) (net asset value of unquoted investment)	**11,871,999**	24,317,174
ICICI Prudential		
154,835.535 Liquid fund - Growth of ₹ 296.0196 (30 June 2019: 154,835.535 Liquid fund Div reinvest of ₹ 280.2747) (net asset value of unquoted investment)	**45,834,353**	43,396,483
Total	**147,599,146**	167,030,286
All units are in absolute numbers		
Aggregate value of unquoted investments	**147,599,146**	167,030,286

12 Trade receivables (unsecured)

	30 June 2020 ₹	30 June 2019 ₹
Trade receivables		
a. Considered good	**761,554,086**	787,717,239
b. Credit impaired	**51,301,825**	13,590,077
Less: Allowance for bad and doubtful trade receivable (refer to note 37)	**(51,301,825)**	(13,590,077)
Net trade receivables	**761,554,086**	787,717,239
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note no. 39)	**136,914,999**	199,375,739
Allowance for bad and doubtful trade receivable	**-**	-
Net trade receivables	**136,914,999**	199,375,739

Notes to the consolidated financial statements *(Continued)*

13 Cash and cash equivalents

	30 June 2020 ₹	30 June 2019 ₹
Cash and cash equivalents		
Balances with bank		
On current accounts $	**181,287,657**	197,458,351
In EEFC accounts	**83,993,859**	1,213,180
Bank deposit with maturity less than 3 months	**122,500,000**	15,873,433
	387,781,516	214,544,964

$ Balances with banks in current accounts include ₹ 999,315 and ₹ 1,051,575 as at 30 June 2020 and 30 June 2019 respectively, pertaining to trusts held for specified purposes.

14 Other bank balances

	30 June 2020 ₹	30 June 2019 ₹
Margin money deposits	**4,360,321**	4,454,329
Unclaimed dividend *	**37,728,105**	36,813,138
Bank deposit with maturity more than 3 months but less than 12 months	**175,040,996**	38,673
	217,129,422	41,306,140

*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 ₹ 4,360,321 (30 June 2019: ₹ 4,454,329) which are due to mature within twelve months of the reporting date.

Due after 12 months (refer note 7)	**869,263**	391,800

15 Loans (Unsecured, considered good)

	30 June 2020 ₹	30 June 2019 ₹
Lease deposits	**1,935,536**	20,801,920
	1,935,536	20,801,920

16 Other current financial assets

	30 June 2020 ₹	30 June 2019 ₹
Deposits	**4,026,702**	-
Interest accrued on bank deposits	**1,074,745**	521,164
Accrued service export incentive	**61,724,306**	-
Derivative asset - forward contracts	**1,913,738**	16,742,040
	68,739,491	17,263,204

Notes to the consolidated financial statements *(Continued)*

17 Income tax assets (net)

	30 June 2020 ₹	30 June 2019 ₹
Advance income-tax (net of provision for tax of ₹ 53,587,409, 30 June 2019: ₹ 24,083,839)	**1,652,260**	3,331,612
	1,652,260	3,331,612

18 Other current assets

	30 June 2020 ₹	30 June 2019 ₹
Indirect taxes recoverable	**60,463,398**	23,156,395
Contract asset	**109,060,473**	268,855,358
Service tax refund receivable	**-**	796,402
Goods and Service tax refund receivable	**91,789,855**	68,492,707
VAT refund receivable	**-**	111,782
Prepaid expenses	**63,330,598**	93,364,324
Discount in advance	**3,986,400**	3,312,960
Other advances recoverable	**11,429,797**	11,626,043
	340,060,521	469,715,971

19 Equity share capital

	30 June 2020 ₹	30 June 2019 ₹
Authorised share capital		
20,200,000 (30 June 2019: 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 2019: 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

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

Equity shares

	30 June 2020		30 June 2019	
	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

Notes to the consolidated financial statements *(Continued)*

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 2020 ₹	30 June 2019 ₹
Accelya Holding World S.L.U		
11,143,295 (30 June 2019: 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 2020		30 June 2019	
	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)*

20 Other equity

	30 June 2020 ₹	30 June 2019 ₹
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	**1,734,807,933**	1,262,867,851
	2,298,283,726	1,826,343,644
(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	**1,262,867,851**	1,083,153,749
Add: Net profit for the year	**868,094,576**	1,063,780,137
Items that will not be reclassified to profit or loss:		
- Remeasurement of defined benefit obligation	**(7,386,742)**	(9,076,805)
- Income tax related to items that will not be reclassified to profit or loss	**1,859,095**	-
Items that will be reclassified to profit or loss:		
- Exchange differences on translation of foreign operations	**35,332,606**	(11,355,595)
Less: Appropriations		
Dividend on equity shares	**373,156,525**	731,386,789
Dividend distribution tax (net of dividend distribution tax credit)	**52,802,928**	132,246,846
Total appropriations	**425,959,453**	863,633,635
Balance at the end of the year	**1,734,807,933**	1,262,867,851
Total reserve and surplus	**2,298,283,726**	1,826,343,644

21 Other non-current financial liabilities

	30 June 2020 ₹	30 June 2019 ₹
Derivative liability - forward contracts	**8,680,380**	-
Deposit received	**464,750**	880,797
	9,145,130	880,797

Notes to the consolidated financial statements *(Continued)*

22 Provisions

	30 June 2020 ₹	30 June 2019 ₹
Provision for employees benefits		
- Compensated absences (refer to note 35)	**38,947,152**	40,738,311
	38,947,152	40,738,311

23 Trade payables

	30 June 2020 ₹	30 June 2019 ₹
- Total outstanding dues of micro enterprises and small enterprises (refer to note 43)	**1,235,186**	4,009,587
- Total outstanding dues of creditors other than micro enterprises and small enterprises	**351,710,290**	263,193,759
	352,945,476	267,203,346
Total trade payables from related parties (refer note no. 39)	**218,776,850**	158,993,124

24 Other current financial liabilities

	30 June 2020 ₹	30 June 2019 ₹
Creditors for capital goods	**37,344,778**	4,290,820
Unclaimed dividends #	**37,728,105**	36,813,138
Provision for salaries and incentives	**94,649,843**	164,549,845
Derivative liability - forward contracts	**31,047,410**	5,491,650
	200,770,136	211,145,453

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

During the year, there has been a delay in payment of amount required to be transferred to Investor Education and Protection Fund. The delay was due to technical issues on Ministry of Corporate Affairs (MCA) portal. The issue has been resolved and payment has been made thereafter.

25 Provisions

	30 June 2020 ₹	30 June 2019 ₹
Provision for employee benefits		
- Compensated absences (refer to note 35)	**20,978,102**	12,057,542
- Gratuity (refer to note 35)	**31,705,573**	19,742,499
Provision for claims	**20,668,570**	12,801,974
	73,352,245	44,602,015

Notes to the consolidated financial statements *(Continued)*

26 Income tax liabilities (net)

	30 June 2020 ₹	30 June 2019 ₹
Provision for income tax (net of advance tax ₹ 976,801,113, 30 June 2019: ₹ 600,376,129)	**6,035,122**	50,885,848
	6,035,122	50,885,848

27 Other current liabilities

	30 June 2020 ₹	30 June 2019 ₹
Advances from customers	**910,000**	-
Provident fund contribution payable	**5,238,558**	6,617,443
Tax deducted at source payable	**10,547,623**	14,612,122
Goods and Service tax payable	**1,600,519**	2,848,599
Deferred rent liability *	**-**	60,233,956
Statutory dues others	**441,290**	581,143
	18,737,990	84,893,263

* Deferred rent liability of ₹ 60,233,956 has been adjusted to Right-of-use assets pursuant to transition to Ind AS 116.

28 Revenue from operations

	30 June 2020 ₹	30 June 2019 ₹
Sale of services	**3,929,127,979**	4,292,665,528
Other operating revenue	**191,153,563**	37,581,317
	4,120,281,542	4,330,246,845

Disaggregate Revenue Information

For disaggregation of revenue by geography wise, please refer to note no. 38 - Segment reporting.

Disaggregation of revenue by service lines

Service lines	30 June 2020 ₹	30 June 2019 ₹
Finance Solutions	3,041,880,977	3,420,182,791
Commercial Solutions	100,308,771	110,791,552
Industry & Audit Solutions	720,963,908	738,220,521
Cargo & Logistics	65,974,323	23,470,664
Total	**3,929,127,979**	**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.

Notes to the consolidated financial statements *(Continued)*

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. ₹ 553,936,574 out of which approx. 53% 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 2020, the Company recognized revenue of ₹ 81,257,683 out of opening gross deferred revenue of ₹ 97,548,896 (deferred revenue as of 1 July 2019, net of debtor balance is ₹ 61,754,915).

During the year ended 30 June 2020, ₹ 197,433,973 of unbilled revenue (contract assets) which had an amount of ₹ 268,855,359 as at 01 July 2019, has been reclassified to trade receivables on completion of milestones and services.

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

	30 June 2020 ₹	30 June 2019 ₹
Contracted price	3,929,310,019	4,301,067,124
Reductions towards variable consideration components	182,040	8,401,596
Revenue recognised	**3,929,127,979**	**4,292,665,528**

The reduction towards variable consideration comprises of volume discounts.

29 Other income

	30 June 2020 ₹	30 June 2019 ₹
Foreign exchange gain (net)	**-**	47,703,651
Credit balances written back	**26,905,584**	17,143,082
Dividend from mutual funds	**7,118,750**	10,712,035
Gain on fair valuation of Investments	**2,437,870**	6,386,483
Provision for doubtful debts, net of bad debt written off	**-**	665,844
Profit on sale of property, plant and equipment, net	**2,906,666**	-
Interest income	**7,939,477**	4,190,043
Miscellaneous income	**11,004,640**	2,853,066
	58,312,987	89,654,204

30 Employee benefits expense

	30 June 2020 ₹	30 June 2019 ₹
Salaries, wages and bonus	**1,312,227,036**	1,381,214,814
Contribution to Provident and other fund (refer to note 35)	**44,080,514**	42,724,054
Staff welfare expenses	**44,359,755**	57,483,936
Gratuity (refer to note 35)	**14,234,897**	11,801,661
Less: Product development cost capitalised	**(85,592,746)**	(100,634,806)
	1,329,309,456	1,392,589,659

Notes to the consolidated financial statements *(Continued)*

31 Depreciation and amortisation expense

	30 June 2020 ₹	30 June 2019 ₹
Depreciation on tangible fixed assets	**132,325,843**	88,989,071
Depreciation on right-of-use assets (Refer note no. 36)	**121,591,368**	-
Amortisation on intangible fixed assets	**70,547,965**	78,013,179
	324,465,176	167,002,250

32 Operating and other expenses

	30 June 2020 ₹	30 June 2019 ₹
Advertisement and sales promotion	**106,462,141**	101,874,348
Payment to auditors (refer below)	**8,437,500**	8,136,534
Communication and connectivity charges	**55,698,918**	49,303,513
Director's commission	**300,000**	400,000
Director's sitting and committee fees	**2,370,000**	1,825,000
Contribution to corporate social responsibility (refer to note 44)	**29,100,000**	27,200,000
Insurance	**7,259,855**	6,703,470
Legal and professional fees	**45,518,866**	29,783,113
Management fees	**127,686,414**	123,034,501
Foreign exchange loss (net)	**41,923,324**	-
Power, fuel and water charges	**30,980,818**	32,930,512
Printing and stationery	**1,434,421**	1,747,636
Provision for doubtful debts	**37,690,917**	-
Write off of unbilled receivables	**45,982,602**	-
Rates and taxes	**2,257,664**	21,635,789
Loss on sale of property, plant and equipment, net	**-**	4,596,618
Rent (refer to note 36)	**31,639,975**	132,025,942
Repair and maintenance :		
- Machinery	**3,630,349**	5,283,515
- Others	**34,440,258**	24,938,167
Software and maintenance	**282,479,375**	238,251,967
Technical consultants charges	**253,592,712**	257,115,557
Travelling and conveyance	**63,023,702**	101,740,107
Miscellaneous expenses	**60,716,467**	78,669,074
Less: Product development cost capitalised	**(6,638,766)**	(6,827,936)
	1,265,987,512	1,240,367,427
Payment to auditors		
For services as auditor	**7,000,000**	7,146,440
For other services (including certification)	**900,000**	600,000
Reimbursement of expenses	**537,500**	390,094
	8,437,500	8,136,534

Notes to the consolidated financial statements *(Continued)*

33 Earning per equity share (EPS)

	30 June 2020 ₹	30 June 2019 ₹
Profit after tax attributable to equity shareholders (A)	**868,094,576**	1,063,780,137
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)	**58.16**	71.27
Diluted earnings per share (A / B)	**58.16**	71.27
Face value per share (₹)	**10.00**	10.00

34 Income taxes

	30 June 2020 ₹	30 June 2019 ₹
A. Amounts recognised in statement of profit or loss		
Current tax		
a) Current tax	**313,016,578**	551,602,068
b) Changes in estimates related to prior years #	**47,825,153**	5,044,875
Deferred tax:		
Attributable to:		
c) Origination and reversal of temporary difference	**(25,573,114)**	(485,367)
	335,268,617	556,161,576

Changes in estimates related to prior years in current year is on account of additional tax provision made for FY 2018-19. Changes in estimates related to prior years in previous year is on account of additional tax provision made for FY 2017-18.

	30 June 2020 ₹	30 June 2019 ₹
B. Income tax recognised in other comprehensive income	**1,859,095**	Nil
C. Reconciliation of effective tax rate		
Profit before tax	**1,203,363,193**	1,619,941,713
Tax Rate	**25.168%**	33.492%
Tax using the Company's domestic tax rate	**273,450,240**	543,973,983
Changes in estimates related to prior years	**47,825,153**	5,044,875
Tax exempt income	**(1,695,633)**	(3,631,407)
Non-deductible expenses	**3,660,790**	3,156,028
Income chargeable at lower rate of tax	**(7,829,218)**	(15,378,085)
Differences in tax rates in foreign jurisdictions	**29,166,796**	17,453,949
Others	**(9,309,511)**	5,542,233
Effective tax charge	**335,268,617**	556,161,576
Current tax	**313,016,578**	551,602,068
Current tax relating to previous years	**47,825,153**	5,044,875
Deferred tax	**(25,573,114)**	(485,367)
Tax expense reported in the statement of comprehensive income	**335,268,617**	556,161,576

Notes to the consolidated financial statements *(Continued)*

D. Recognised deferred tax assets and liabilities

Movement in temporary differences:

(Amount in ₹)

	Balance as at 1 July 2018	Recognised in OCI during 2018-19	Recognised in profit or loss during 2018-19	Balance as at 30 June 2019	Recognised in OCI during 2019-20	Recognised in profit or loss during 2019-20 ###	Balance as at 30 June 2020
Deferred tax assets arising on account of:							
Provision for compensated absences	17,255,560	-	(1,881,411)	15,374,149	-	**(807,889)**	**14,566,260**
Allowance for doubtful debts	5,043,748	-	(678,645)	4,365,103	-	**2,690,033**	**7,055,136**
Difference between tax and book value of Property, plant and equipment	770,487	-	7,675,489	8,445,976	-	**1,063,514**	**9,509,490**
Mark to market loss on derivative instruments	12,694,030	-	(12,694,030)	-	-	**9,998,690**	**9,998,690**
Deferred Rent	3,885,744	-	13,640,932	17,526,676	-	**(17,526,676)**	**-**
Lease liability (net of right-of-use asset)	-	-	-	-	-	**26,246,727**	**26,246,727**
Others	14,533,199	-	2,664,666	17,197,865	**1,859,095**	**(5,286,696)**	**13,770,264**
Less: Deferred tax liability arising on account of:							
Mark to market gain on derivative instruments	-	-	(7,387,319)	(7,387,319)	-	**6,565,898**	**(821,421)**
Others	(3,719,347)	-	(854,315)	(4,573,662)	-	**2,629,513**	**(1,944,149)**
Total	**50,463,421**	**-**	**485,367**	**50,948,788**	**1,859,095**	**25,573,114**	**78,380,997**

During the year, the Holding Company has opted for the lower corporate tax rate as per the Taxation Laws (Amendment) Bill, 2019. Domestic tax rate of 22% i.e. effective tax rate of 25.17% (including of surcharge and cess) is applicable from 1 April 2019 onwards without claiming tax incentives. Accordingly, the Holding Company has remeasured its deferred tax assets and the relevant impact has been provided through Statement of Profit and Loss for the year ended 30 June 2020.

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 2020		30 June 2019	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	**192,559,395**	**38,511,879**	192,559,395	38,511,879
Total	**192,559,395**	**38,511,879**	192,559,395	38,511,879

F. Tax losses carried forward

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

(Amount in ₹)

	30 June 2020	Expiry date	30 June 2019	Expiry date
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

Notes to the consolidated financial statements *(Continued)*

35 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 2020 ₹	30 June 2019 ₹
Changes in present value of obligations		
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	**107,471,988**	85,880,290
Current service cost	**12,859,880**	10,878,026
Interest cost	**7,485,162**	7,037,171
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	**(738,982)**	(17,174)
- change in financial assumptions	**6,453,487**	7,223,827
- experience variance (i.e. Actual experience vs assumptions)	**2,132,520**	2,072,092
Benefits paid	**(5,717,362)**	(5,602,244)
Closing balance (i)	**129,946,693**	107,471,988
ii) Fair value of plan assets		
Opening balance	**87,729,489**	74,608,426
Investment Income	**6,110,145**	6,113,536
Employer's contributions	**9,658,565**	12,407,832
Return on plan assets	**460,283**	201,940
Benefits paid	**(5,717,362)**	(5,602,245)
Closing balance (ii)	**98,241,120**	87,729,489
Net liability recognised in the balance sheet (i-ii)	**31,705,573**	19,742,499
b) Expenses recognised in statement of profit and loss		
Current service cost	**12,859,880**	10,878,026
Net interest cost/ (income) on the net defined benefit liability/ (asset)	**1,375,017**	923,635
Expenses recognised in statement of profit and loss	**14,234,897**	11,801,661
c) Expenses recognised in other comprehensive income		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	**(738,982)**	(17,174)
- change in financial assumptions	**6,453,487**	7,223,827
- experience variance (i.e. Actual experiences assumptions)	**2,132,520**	2,072,092
Return on plan assets	**(460,283)**	(201,940)
Total	**7,386,742**	9,076,805
d) Break up of Plan assets		
LIC of India - Insurer Managed Fund	**100.00%**	100.00%

Notes to the consolidated financial statements *(Continued)*

(Amount in ₹)

	30 June 2020 ₹	30 June 2019 ₹
e) Maturity Profile of Defined Benefit Obligation		
Expected cash flows over the next 5 years:		
Year 1	**40,797,656**	18,206,356
Year 2	**11,987,856**	15,287,197
Year 3	**10,536,181**	13,704,350
Year 4	**9,973,080**	12,598,081
Year 5	**9,200,704**	12,418,715
f) Principal actuarial assumptions		
Rate of discounting	**5.30%**	6.95%
Expected return on plan assets	**5.30%**	6.95%
Rate of increase in basic salary	**0% for next year and 5% thereafter**	5.00%
Attrition rate	**Voluntary - 13% Involuntary - 17% for next year**	Voluntary - 13%
Weighted average duration (based on discounted cashflows)	**5 years**	6 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2012-14) 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 2020-21 will be ₹ 42,647,577.

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 2020		30 June 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	**137,103,065**	**123,526,976**	113,977,342	101,617,092
Salary Growth Rate (- / + 1%)	**123,565,877**	**136,907,219**	101,641,466	113,819,367
Attrition Rate (- / + 50%)	**129,936,373**	**129,403,817**	101,679,471	110,348,146
Mortality Rate (- / + 10%)	**129,942,057**	**129,951,318**	107,452,818	107,491,106

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.

Notes to the consolidated financial statements *(Continued)*

(Amount in ₹)

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 2020 ₹	30 June 2019 ₹
Current provisions (refer note 25)	**20,978,102**	12,057,542
Non-current provisions (refer note 22)	**38,947,152**	40,738,311
	59,925,254	52,795,853

The amount charged to the Statement of Profit and Loss is ₹ 10,933,322 (30 June 2019: ₹ 69,31,171)

	Year ended 30 June 2020	Year ended 30 June 2019
Principal actuarial assumptions		
Rate of discounting	**5.30%**	6.95%
Rate of increase in salary cost to company	**0% for next year and 10% thereafter**	10.00%
Attrition rate	**Voluntary - 13% Involuntary - 17% for next year**	Voluntary - 13%
Weighted average duration (based on discounted cashflows)	**4 years**	4 years
Mortality	**Indian Assured Lives Mortality (2012-14) ultimate**	Indian Assured Lives Mortality (2012-14) 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 ₹ 39,092,483 (30 June 2019: ₹ 36,853,850).

Notes to the consolidated financial statements *(Continued)*

36 Leases

Operating lease

The company has entered into non cancellable operating leases for office premises. Effective 1 July 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective method. The Company has elected the practical expedients, which allows the Company not to reassess, its prior conclusions about lease identification, lease classification and initial direct costs. The comparative information is not restated in the financial results. In the statement of financial results for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous period to amortisation cost for the right-of-use assets and finance cost for interest accrued on lease liability. On transition, the adoption of the new standard resulted in recognition of Right-of-use asset of ₹ 511,334,155 and lease liability of ₹ 552,930,430.

Following are the changes in the carrying value of right of use assets for the year ended 30 June 2020:

Particulars	**Leasehold premises ₹**
Balance as of 1 July 2019	511,880,186
Deletions of right-of-use assets	-
Depreciation charge for the year	(121,591,368)
Balance as of 30 June 2020	**390,288,818**

The aggregate depreciation expense on right-of-use assets of ₹ 121,591,368 is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at 30 June 2020:

Particulars	**As at 30 June 2020 ₹**
Current lease liabilities	95,848,314
Non-current lease liabilities	398,742,712
Total	**494,591,026**

The weighted average incremental borrowing rate of 10.25% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Interest on lease liabilities is ₹ 55,469,192 for the year ended 30 June 2020.

Amount recognized in Statement of Profit and Loss

FY 2019-2020 Lease under Ind AS 116

Particulars	**As at 30 June 2020 ₹**
Interest on lease liabilities	55,469,192
Depreciation on right-of-use assets	121,591,368
Total	**177,060,560**

Notes to the consolidated financial statements *(Continued)*

Rental expense recorded for short-term leases was ₹ 31,639,975 for the year ended 30 June 2020.

For FY 2018-2019 Operating Lease under Ind AS 17 lease expenses was ₹ 132,025,942.

The total cash outflow for leases is ₹ 136,085,941 for the year ended 30 June 2020, including cash outflow of short-term leases.

The Company has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods as at 30 June 2020 is ₹ 586,755,415.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 30 June 2019 compared to the lease liability as accounted as at 1 July 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

37 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 2020	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	-	-	-	-
Non current lease deposits	6	-	-	45,562,765	45,562,765	-	-	-	-
Derivative financial assets - non current	7	1,350,015	-	-	1,350,015	-	1,350,015	-	1,350,015
Other non-current financial assets	7	-	-	925,408	925,408	-	-	-	-
Other deposits	7	-	-	10,347,523	10,347,523	-	-	-	-
Current investments	11	147,599,146	-	-	147,599,146	147,599,146	-	-	147,599,146
Trade receivables	12	-	-	761,554,086	761,554,086	-	-	-	-
Unbilled receivables		-	-	119,056,651	119,056,651	-	-	-	-
Current lease deposits	15	-	-	1,935,536	1,935,536	-	-	-	-
Cash and cash equivalents	13	-	-	387,781,516	387,781,516	-	-	-	-
Other bank balances	14	-	-	217,129,422	217,129,422	-	-	-	-
Derivative financial assets - current	16	1,913,738	-	-	1,913,738	-	1,913,738	-	1,913,738
Other current financial assets	16	-	-	66,825,753	66,825,753	-	-	-	-
		150,862,899	**-**	**1,611,178,660**	**1,762,041,559**	**147,599,146**	**3,263,753**	**-**	**150,862,899**

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management *(Continued)*

30 June 2020	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities									
Lease Liability - non current ####		-	-	398,742,712	398,742,712	-	-	-	-
Derivative financial liabilities - non current	21	8,680,380	-	-	8,680,380	-	8,680,380	-	8,680,380
Other non-current financial liabilities	21	-	-	464,750	464,750	-	-	-	-
Trade payables	23	-	-	352,945,476	352,945,476	-	-	-	-
Lease Liability - current ####		-	-	95,848,314	95,848,314	-	-	-	-
Derivative financial liabilities – current	24	31,047,410	-	-	31,047,410	-	31,047,410	-	31,047,410
Other current financial liabilities	24	-	-	169,722,726	169,722,726	-	-	-	-
		39,727,790	**-**	**1,017,723,978**	**1,057,451,768**	**-**	**39,727,790**	**-**	**39,727,790**

Fair value measurement of lease liabilities is not required.

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	-	-	-	-
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	-	-	-	-
Mutual fund 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		-	-	96,705,245	96,705,245	-	-	-	-
Current lease deposits	15	-	-	20,801,920	20,801,920	-	-	-	-
Cash and cash equivalents	13	-	-	214,544,964	214,544,964	-	-	-	-
Other bank balances	14	-	-	41,306,140	41,306,140	-	-	-	-
Derivative financial assets - current	16	16,742,040	-	-	16,742,040	-	16,742,040	-	16,742,040
Other current financial assets	16	-	-	521,164	521,164	-	-	-	-
		197,890,476	**-**	**1,214,230,425**	**1,412,120,901**	**167,030,286**	**30,860,190**	**-**	**197,890,476**
Financial assets									
Other non-current financial liabilities	21	-	-	880,797	880,797	-	-	-	-
Trade payables	23	-	-	267,203,346	267,203,346	-	-	-	-
Derivative financial liabilities – current	24	5,491,650	-	-	5,491,650	-	5,491,650	-	5,491,650
Other current financial liabilities	24	-	-	205,653,803	205,653,803	-	-	-	-
		5,491,650	**-**	**473,737,946**	**479,229,596**	**-**	**5,491,650**	**-**	**5,491,650**

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 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, unbilled receivables and investment securities. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

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 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 2020	As at 30 June 2019
Neither past due nor impaired	**-**	-
Past due but not impaired	**361,705,967**	324,622,406
Past due 1–90 days	**209,432,658**	329,161,634
Past due 91–180 days	**115,124,668**	117,997,653
Past due 181–270 days	**75,290,793**	6,962,665
Past due 271–365 days	**-**	3,370,849
Past due more than 365 days	**-**	5,602,032
	761,554,086	787,717,239

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, 2020 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 2020
Balance as at 1 July 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**
Impairment loss recognised during the year	**37,711,748**
Amounts written off during year	**-**
Balance as at 30 June 2020	**51,301,825**

Unbilled receivables is ₹ 119,056,651 and ₹ 96,705,245 as at 30 June 2020 and 30 June 2019 respectively. The Company’s unbilled receivables generally ranges from 30 – 90 days.

Two customer accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2020 (30 June 2019: one customer accounted for more than 10% of accounts receivable). Two customer accounted individually for more than 10% of the unbilled receivable and contract asset for the year ended 30 June 2020 (30 June 2019: 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 ₹ 387,781,516 as at 30 June 2020. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Notes to the consolidated financial statements *(Continued)*

Financial instruments – Fair values and risk management *(Continued)*

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.

(Amount in ₹)

	Contractual cash flows				
	1 year or less	1-2 years	2-5 years	More than 5 years	Total
As at 30 June 2020					
Non-derivative financial liabilities					
Trade and other payables	352,945,476	-	-	-	352,945,476
Lease liability - non current	-	138,872,055	331,974,263	-	470,846,318
Lease liability - current	147,629,305	-	-	-	147,629,305
Other current financial liabilities	169,722,726	-	-	-	169,722,726
Other non-current financial liabilities	-	-	-	464,750	464,750
Derivative financial liabilities					
Forward exchange contracts (gross settled)					
- Outflow	(983,168,418)	(264,664,755)	-	-	(1,247,833,173)
- Inflow	952,121,008	255,984,375	-	-	1,208,105,383
As at 30 June 2019					
Non-derivative financial liabilities					
Trade and other payables	267,203,346	-	-	-	267,203,346
Other current financial liabilities	205,653,803	-	-	-	205,653,803
Other non-current financial liabilities	-	-	-	880,797	880,797
Derivative financial liabilities					
Forward exchange contracts (gross settled)					
- Outflow	(350,033,400)	-	-	-	(350,033,400)
- Inflow	344,541,750	-	-	-	344,541,750

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 is as follows:

(Amount in ₹)

	EURO	AUD	GBP	USD	SGD	NZD	AED	MXN
As at 30 June 2020								
Trade receivables	**68,823,343**	-	**94,707,025**	**301,960,038**	**15,516,431**	-	-	-
Unbilled receivables	**28,632,659**	-	**30,040,818**	**49,911,283**	**4,604,223**	-	-	-
EEFC accounts	**60,830,186**	-	**22,931,825**	**231,848**	-	-	-	-
Trade payables	**(121,595,802)**	-	**(7,060,980)**	**(36,219,029)**	**(2,864,989)**	**(521,125)**	-	**(2,713,066)**
Net statement of financial position exposure	**36,690,386**	-	**140,618,688**	**315,884,140**	**17,255,665**	**(521,125)**	-	**(2,713,066)**
Forward exchange contracts	**68,134,269**	-	**17,576,476**	**310,928,623**	-	-	-	-
Net exposure	**(31,443,883)**	-	**123,042,212**	**4,955,517**	**17,255,665**	**(521,125)**	-	**(2,713,066)**
As at 30 June 2019								
Trade receivables	109,557,340	-	77,532,894	302,547,188	9,256,928	-	-	-
Unbilled receivables	28,892,214	-	35,278,675	16,275,951	1,143,640	-	-	-
EEFC accounts	-	-	316,836	896,344	-	-	-	-
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	5,191,789	(18,186)	109,229,562	292,532,258	8,206,273	(306,559)	-	(307,072)
Forward exchange contracts	61,223,770	-	57,747,475	302,104,364	-	-	-	-
Net exposure	(56,031,981)	(18,186)	51,482,087	(9,572,106)	8,206,273	(306,559)	-	(307,072)

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 2020				30 June 2019			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthe-ning	Weakening	Strengthe-ning	Weakening	Strengthe-ning	Weakening	Strengthe-ning	Weakening
EUR	**(3,144,388)**	**3,144,388**	-	-	(5,603,198)	5,603,198	-	-
AUD	**-**	**-**	-	-	(1,819)	1,819	-	-
GBP	**12,304,221**	**(12,304,221)**	-	-	5,148,209	(5,148,209)	-	-
USD	**495,552**	**(495,552)**	-	-	(957,211)	957,211	-	-
SGD	**1,725,567**	**(1,725,567)**	-	-	820,627	(820,627)	-	-
NZD	**(52,113)**	**52,113**	-	-	(30,656)	30,656	-	-
AED	**-**	**-**	-	-	-	-	-	-
MXN	**(271,307)**	**271,307**	-	-	(30,707)	30,707	-	-

(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 no 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)*

38 Segmental reporting

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company'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, Israel, Afghanistan and Oman
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 2020	For the year ended 30 June 2019	As at 30 June 2020	As at 30 June 2019
Asia Pacific	**1,416,166,810**	**1,494,602,517**	1,345,031,132	629,764,278
Middle East and Africa	**555,851,183**	**661,950,828**	-	-
Americas	**1,238,690,226**	**1,440,295,429**	10,794,134	9,552,071
Europe	**718,419,760**	**695,816,754**	296,470,634	279,983,322
Total	**3,929,127,979**	**4,292,665,528**	1,652,295,900	919,299,671

Major customer:

None of the customers accounted for more than 10% of the revenue for the year ended 30 June 2020 (30 June 2019: None of the customers accounted for more than 10% of the total revenue)

Notes to the consolidated financial statements *(Continued)*

39 Related party transactions

A. Related party disclosures

Related parties where control exists	Name
Ultimate holding company	Accelya Topco Limited
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.
	Accelya Middle East FZE (formerly known as Mercator Solutions FZE)
	Accelya Services India Private Limited
	Accelya US, Inc (formerly known as 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
	Jose Maria Hurtado - Director ***

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.

** Retired with effect from 24th September, 2019.

*** Appointed with effect from 27th November, 2019.

Notes to the consolidated financial statements *(Continued)*

39 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 2020	**-**	**-**	**73,495,855**	**676,483,214**	**-**	**-**	**749,979,069**
	30 June 2019	-	44,652,496	(315,042)	680,760,097	-	-	725,097,551
Services received by the Company	30 June 2020	**-**	**-**	**181,382,595**	**315,279,474**	**-**	**-**	**496,662,069**
	30 June 2019	-	208,670,655	-	296,713,033	-	-	505,383,688
Claims raised for expenses	30 June 2020	**26,975,716**	**-**	**10,247,232**	**48,975,997**	**-**	**-**	**86,198,945**
	30 June 2019	-	14,290,984	(306,393)	53,046,757	-	-	67,031,348
Claims received for expenses	30 June 2020	**-**	**-**	**35,325,006**	**22,772,518**	**-**	**-**	**58,097,524**
	30 June 2019	-	24,416,909	1,682,434	27,664,935	-	-	53,764,278
Remuneration	30 June 2020	**-**	**-**	**-**	**-**	**-**	**34,343,957**	**34,343,957**
	30 June 2019	-	-	-	-	-	36,684,555	36,684,555
Sitting fees	30 June 2020	**-**	**-**	**-**	**-**	**2,370,000**	**-**	**2,370,000**
	30 June 2019	-	-	-	-	1,825,000	-	1,825,000
Commission	30 June 2020	**-**	**-**	**-**	**-**	**300,000**	**-**	**300,000**
	30 June 2019	-	-	-	-	400,000	-	400,000
Dividend paid	30 June 2020	**-**	**-**	**278,582,375**	**-**	**-**	**221,225**	**278,803,600**
	30 June 2019	-	-	546,021,455	-	-	433,601	546,455,056
Balances outstanding	**As at:**							
Payable	30 June 2020	**-**	**-**	**98,826,396**	**119,950,454**	**-**	**-**	**218,776,850**
	30 June 2019	-	59,157,905	377,705	99,457,514	-	-	158,993,124
Trade receivables	30 June 2020	**-**	**-**	**30,762,425**	**106,152,574**	**-**	**-**	**136,914,999**
	30 June 2019	-	55,788,524	901,323	142,685,892	-	-	199,375,739
Unbilled receivables	30 June 2020	**-**	**-**	**2,421,756**	**53,262,384**	**-**	**-**	**55,684,140**
	30 June 2019	-	1,873,654	-	54,113,972	-	-	55,987,626

Notes to the consolidated financial statements *(Continued)*

39 Related party transactions *(Continued)*

C. Of the above items, details of related party transactions are as under:

Nature of transaction	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Services rendered by the Company		
Sky Bidco S.L.U.	-	44,652,496
Accelya Holding World S.L.U.	**73,495,855**	(315,042)
Accelya World S.L.U.	**298,211,470**	315,548,783
Accelya France SAS	**53,974,127**	42,593,648
Accelya UK Ltd	**102,737,434**	111,836,897
Accelya America, S.A. de C.V.	**16,863,801**	16,321,733
Accelya Portugal Unipessoal Ltda.	**12,871,816**	13,579,387
Accelya Middle East FZE	**182,900,603**	180,879,649
Accelya Services India Private Limited	**8,923,963**	-
Services received by the Company		
Sky Bidco S.L.U.	-	208,670,655
Accelya Holding World S.L.U.	**181,382,595**	-
Accelya World S.L.U.	**203,636,144**	189,430,565
Accelya France SAS	**7,673,251**	8,492,304
Accelya UK Ltd	**16,350,436**	22,847,288
Accelya America, S.A. de C.V.	**5,771,974**	5,433,399
Accelya Middle East FZE	**57,846,755**	57,425,048
Accelya US, Inc	**24,000,914**	13,084,429
Claims raised for expenses		
Sky Bidco S.L.U.	-	14,290,984
Accelya Topco Ltd	**26,975,716**	-
Accelya Holding World S.L.U.	**10,247,232**	(306,393)
Accelya World S.L.U.	**13,002,419**	17,929,216
Accelya France SAS	**1,206,192**	3,384,096
Accelya UK Ltd	**1,182,004**	4,853,677
Accelya America, S.A. de C.V.	**1,070,670**	1,726,961
Accelya Portugal Unipessoal Ltda.	**85,208**	86,048
Accelya Middle East FZE	**15,886,105**	24,270,034
Accelya Services India Private Limited	**16,543,399**	796,725
Claims received for expenses		
Sky Bidco S.L.U.	-	24,416,909
Accelya Holding World S.L.U.	**35,325,006**	1,682,434
Accelya World S.L.U.	**3,001,029**	7,496,935
Accelya France SAS	**40,019**	55,373
Accelya UK Ltd	**3,608,778**	7,598,631
Accelya America, S.A. de C.V.	-	17,215
Accelya Middle East FZE	**6,585,558**	7,878,266
Accelya Services India Private Limited	**8,141,544**	-
Accelya US, Inc	**1,395,590**	4,618,515

Notes to the consolidated financial statements *(Continued)*

39 Related party transactions *(Continued)*

Nature of transaction	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Dividend paid		
Accelya Holding World S.L.U.	**278,582,375**	546,021,455
Gurudas Shenoy	**54,125**	106,085
Neela Bhattacherjee	**52,225**	102,361
Ninad Umranikar	**114,875**	225,155
Remuneration		
Neela Bhattacherjee	**20,142,599**	18,050,905
Gurudas Shenoy	**9,925,624**	14,410,903
Ninad Umranikar	**4,275,734**	4,222,747
Sitting fees		
K.K. Nohria	**120,000**	370,000
Sekhar Natarajan	**720,000**	520,000
Nani Javeri	**720,000**	455,000
Sangeeta Singh	**810,000**	480,000
Commission		
K.K. Nohria	**-**	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)*

39 Related party transactions *(Continued)*

Balances outstanding:	As at 30 June 2020	As at 30 June 2019
Payable		
Sky Bidco S.L.U.	-	59,157,905
Accelya Holding World S.L.U.	**98,826,396**	377,705
Accelya World S.L.U.	**62,320,606**	73,114,403
Accelya France SAS	**3,083,634**	2,108,577
Accelya UK Ltd	**7,045,268**	4,150,540
Accelya America, S.A. de C.V.	**3,021,629**	1,806,359
Accelya Middle East FZE	**35,956,348**	13,949,529
Accelya US, Inc	**8,522,969**	4,328,106
Trade receivables		
Sky Bidco S.L.U.	-	55,788,524
Accelya Holding World S.L.U.	**30,762,425**	901,323
Accelya World S.L.U.	**49,035,696**	56,141,916
Accelya France SAS	**6,732,665**	10,876,311
Accelya UK Ltd	**6,104,677**	21,340,701
Accelya America, S.A. de C.V.	**4,037,519**	5,874,636
Accelya Portugal Unipessoal Ltda.	**3,163,883**	3,135,542
Accelya Middle East FZE	**32,266,484**	45,171,177
Accelya Services India Private Limited	**4,811,650**	145,609
Unbilled receivables		
Sky Bidco S.L.U.	-	1,873,654
Accelya Holding World S.L.U.	**2,421,756**	-
Accelya World S.L.U.	**22,263,501**	26,691,382
Accelya France SAS	**6,560,629**	-
Accelya UK Ltd	**24,353,014**	26,461,709
Accelya Portugal Unipessoal Ltda.	-	86,048
Accelya Middle East FZE	**85,240**	874,833

Key management personnel

	Year ended 30 June 2020 ₹	Year ended 30 June 2019 ₹
Managerial remuneration ***		
Short-term employment benefits	**33,382,285**	35,754,487
Post-employment benefits	**961,672**	930,068
Total compensation	**34,343,957**	36,684,555

**** The above figures do not include provisions for encashable leave as separate actuarial valuations are not available.

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)*

40 Capital and other commitments

	30 June 2020 ₹	30 June 2019 ₹
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	**55,137,024**	26,072,234

41 Contingent liabilities

	30 June 2020 ₹	30 June 2019 ₹
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed (net of provision)	**25,468,955**	27,749,808
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 period April 2011 to March 2015. The Company has filed an appeal against the same with CESTAT.	**59,121,804**	59,121,804
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards reversal of CENVAT credit on Mutual Fund transactions pertaining to period July 2012 to March 2015 and April 2015 to June 2017. The Company has filed an appeal against the same with Commissioner (Appeals).	**41,620,997**	-

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)*

42 Net dividend remitted in foreign exchange

Year of remittance (ending on)		
Period to which the dividend relates	**2018-19 (Final dividend)**	2017-18 (Final dividend)
Numbers of non-resident shareholders	**12**	15
Numbers of equity shares held on which dividend was due	**11,156,636**	11,158,289
Amount remitted (₹)	**167,349,540**	357,065,248
Period to which the dividend relates	**2019-20 (Interim dividend)**	2018-19 (Interim dividend)
Numbers of non-resident shareholders	**12**	14
Numbers of equity shares held on which dividend was due	**11,156,636**	11,159,786
Amount remitted (₹)	**111,566,360**	189,716,362

43 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 2020 and 30 June 2019 and as at 30 June 2020 and 30 June 2019

Particulars	**As at 30 June 2020 ₹**	As at 30 June 2019 ₹
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	**1,235,186**	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	-	-

44 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 following organizations:

- Catalysts for Social Action ("CSA"), a Not-For-Profit organization dedicated to the cause of child welfare and rehabilitation for children living in orphanages
- Seva Sadan Society, a Not-for-profit organization dedicated to provide care, education and vocational training to empower underprivileged girls and women to be self sufficient.

The total amount spent by the Company through CSA is ₹ 23,300,000 (previous year: ₹ 27,200,000)

The total amount spent by the Company through Seva Sadan Society is ₹ 5,800,000 (previous year: nil)

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	29,100,000	-	29,100,000

45 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 2020:								
Parent Company								
Accelya Solutions India Limited	96.40%	2,359,428,357	102.11%	886,384,107	-18.55%	(5,527,647)	98.10%	880,856,460
Subsidiaries								
Accelya Solutions Americas Inc	6.92%	169,448,401	6.31%	54,770,180	60.36%	17,990,607	8.10%	72,760,787
Accelya Solutions UK Limited	2.04%	50,017,073	3.06%	26,528,286	2.94%	875,326	3.05%	27,403,612
Kale Employee Welfare Trust	1.88%	45,985,645	0.25%	2,143,012	0.00%	-	0.24%	2,143,012
Eliminations	-7.25%	(177,327,090)	-11.72%	(101,731,009)	55.25%	16,466,673	-9.50%	(85,264,336)
Total	**100.00%**	**2,447,552,386**	**100.00%**	**868,094,576**	**100.00%**	**29,804,959**	**100.00%**	**897,899,535**
30 June 2019:								
Parent Company								
Accelya Solutions India 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	8.17%	161,374,422	5.89%	62,642,002	-8.69%	1,774,960	6.17%	64,416,962
Accelya Solutions 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**

Notes to the consolidated financial statements *(Continued)*

46 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.

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 is 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 10.40%.

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.

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 2020.

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, 2020 include an amount of ₹ 15 per equity share towards final dividend for the year ended 30 June, 2019 and an amount of ₹ 10 per equity share towards interim dividends for the year ending 30 June, 2020. 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 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.

50 Impact of COVID 19

The COVID 19 pandemic, the country-wide lockdown and the far-reaching travel restrictions in various geographies across the globe have affected the airline and travel industry in an unprecedented way. As the Company's business model is principally based on per transaction pricing, the Company's revenue which is linked to airline passenger transactions has been impacted.

The Company had adopted various business continuity measures from the beginning of lockdown to ensure the safety and wellbeing of all its employees, including providing IT infrastructure and connectivity wherever

Notes to the consolidated financial statements *(Continued)*

possible, to enable employees to work from home. As a result of this, the Company has been able to service its customers and ensure that the operations are minimally affected.

The Company is closely monitoring the impact on its customers on account of the COVID 19 Pandemic and the impact of external factors. As the Company's revenues are linked to airline passenger transactions a reduction in revenues in the ensuing quarters is assessed. However, in many contracts with the customers, the Company's revenue stands protected to the extent of the agreed minimum billing. As and when the restrictions are eased across geographies and there is a revival of the economy, the Company expects to see demand revival in the airline and travel industry, and accordingly in the revenues of the Company. At present, the Company does not foresee any material adverse impact in the demand for the software solutions and the Company is well positioned to fulfil its obligations relating to existing contracts / arrangements. The management has taken into consideration internal and external sources of information including economic forecasts and industry reports in determining the impact on various elements on its financial results.

Management continuously monitors the market dynamics and keeps evaluating events that have impact on the airline and travel industry. Management has used the principle of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Management expects to fully recover the carrying amount of trade receivables including unbilled receivables and other current and non-current assets.

Management believes that it has taken into account all possible impact of known events arising from COVID 19 pandemic in the preparation of these financial results. The eventual outcome of impact of the global pandemic may be different from those estimated as on the date of approval of these financial results. Management has assessed the impact of existing and anticipated effects of COVID 19 pandemic on the future cash flow projections considering various scenarios. The Company believes that it shall be able to meet its commitments and in addition, the funds are expected to be generated from its operating activities. To manage the impact on profitability resulting from reduced revenues due to COVID 19, the Company has implemented and continues to implement various cost control measures across the organization including reducing the cost of human resources (with the consent of relevant employees), travel, marketing and events, etc. to conserve cash to address any uncertainties in evolving situations.

Based on the aforesaid assessment the Management strongly believes that as per estimates made conservatively, it will continue as a going concern.

51 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

Place : Mumbai
Date : 20 August 2020

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

John Johnston
Chairman
DIN: 07258586
London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Mumbai

Gurudas Shenoy
Chief Financial Officer
Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201

Pune
Date : 20 August 2020

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	Accelya Solutions UK Limited
1	Reporting currency	USD	GBP
2	Exchange rate on the last date of the financial year	75.500	92.696
3	Financial year end on	30th June 2020	30th June 2020
4	Share capital	981,500	102,893
5	Reserves and surplus	169,046,954	50,000,222
6	Total assets	342,301,976	123,023,536
7	Total Liabilities	172,273,522	72,920,421
8	Investments	-	-
9	Turnover	1,179,925,250	337,003,446
10	Profit before taxation	90,531,824	30,680,244
11	Provision for taxation	29,078,599	5,046,741
12	Profit after taxation	61,453,225	25,633,503
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
Place : London

Neela Bhattacherjee
Managing Director
DIN: 01912483
Place : Mumbai

Gurudas Shenoy
Chief Financial Officer
Place : Mumbai

Ninad Umranikar
Company Secretary
Membership No: ACS14201
Pune
Date : 20 August, 2020

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 fourth Annual General Meeting (AGM) of the members of Accelya Solutions India Limited (CIN: L74140PN1986PLC041033) will be held on Wednesday, the 28th day of October, 2020 at 2.30 p.m. through Video Conferencing / Other Audio Visual Means, 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, 2020, together with the Reports of the Directors' and Auditors' thereon.

2. To confirm payment of interim 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 the following resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to sections 139, 142 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, under the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W - 100018), be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of thirty ninth Annual General Meeting at a remuneration of ₹ 5,810,000 for the financial year 2020-21, payable in one or more instalments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred."

SPECIAL BUSINESS:

5. Appointment of Mr. Jose Maria Hurtado as Non-Executive Non-Independent Director.

   To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT Mr. Jose Maria Hurtado (DIN: 08621867) who was appointed as an Additional Director of the Company w.e.f. 27th November, 2019, by the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of section 161 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and being eligible, offer himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Jose Maria Hurtado's candidature for the office of the Director, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation, with effect from the date of this Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) and / or the Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. Commission to Independent Directors

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 197 and any other applicable provisions of the Companies Act, 2013 ('the Act') and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for payment of commission to Independent Directors of the Company for each financial year and distributed between such Independent Directors in such a manner as the Board of Directors may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard."

"RESOLVED FURTHER THAT the above remuneration shall be in addition to fees payable to the Independent Directors for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses, if any, for participation in the Board and other meetings."

By the Order of the Board of Directors

Ninad Umranikar
Company Secretary
ACS : 14201

Place: Pune
Date: 20th August, 2020

Notes:

1. In view of the lockdown restrictions on the movement of people at several places in the country, due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020, and General Circular No. 17/2020 dated 13th April, 2020, and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020.

2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

3. Corporate members intending to authorise their authorised representatives to attend the AGM pursuant to section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution / Authority Letter etc. authorising its representatives to attend the AGM, by e-mail to **info@napco.com** with a copy marked to **evoting@karvy.com**.

4. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report for 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participant. Members may note that the Notice and Annual Report for 2019-20 will also be available on the Company's website w3.accelya.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Private Limited ("KFinTech") at **https://evoting.karvy.com**.

5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of businesses to be transacted at the Annual General Meeting ("AGM"), as set out under Item Nos. 5 & 6 of the Notice is annexed hereto. The relevant details of the Directors as mentioned under Item Nos. 3 and 5 in the Notice as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in the Directors Report and the Annexure thereto.

6. The Board of Directors have considered and decided to include the Item nos. 5 & 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

7. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company, KFinTech by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.

8. **Members are requested to notify change to their address or particulars of their bank account, if any, to KFinTech or in case of demat holding to their respective depository participants**.

9. **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 KFINTECH FOR ASSISTANCE IN THIS REGARD**.

10. In terms of section 124(5) of the Act, final dividend amount for FY 2012-13 and interim dividend amount for FY 2013-14 remaining unclaimed for a period of 7 years shall become due for transfer in December 2020 and April 2021 respectively to the Investor Education and Protection Fund (IEPF) established by the Central Government.

    Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of 7 years, the corresponding shares shall be transferred to the IEPF demat account.

Members wishing to claim dividends, which remain unclaimed, are requested to correspond with KFinTech for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account.

11. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or KFinTech.

12. Members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance by visiting URL https://emeetings.kfintech.com/ and clicking on the tab 'Post your Queries' during the period starting from Saturday, 24th October, 2020 (9.00 a.m.) to Monday, 26th October, 2020 (5.00 p.m.) mentioning their name, demat account no./Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.

13. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register / update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with KFinTech by clicking on the link **https://ris.kfintech.com/email_registration/**.

14. **Instructions for remote e-voting and joining the e-AGM are as follows:**

    A. **Voting through electronic means:**

    Pursuant to the provisions of section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting''). Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll. The Company has engaged the services of KFinTech as the agency to provide e-voting facility. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below. The remote e-voting facility will be available during the following voting period: **Sunday, 25th October, 2020 (9.00 a.m.) till Tuesday, 27th October, 2020 (5.00 p.m.)**

    Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

    Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Wednesday, 21st October, 2020.

    Information and instructions for remote e-voting are as under:

    I. **In case a member receives an e-mail from the Company / KFinTech [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:**

       (a) Use the following URL: **https://evoting.karvy.com**

       (b) Enter the login credentials i.e. user id and password mentioned in the email. Your Folio No. / DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use the existing password for logging in. If required, please visit **https://evoting.karvy.com** or contact toll-free numbers 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.) for your existing password.

(c) After entering these details appropriately, click on "LOGIN".

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for **Accelya Solutions India Limited**.

(g) On the voting page, enter the number of shares as on the cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(i) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(j) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(k) **Once you confirm, you will not be allowed to modify your vote.**

(l) Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id: **info@napco.in** with a copy marked to **evoting@karvy.com**. It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."

II. In case of a member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to WRITE to the Company with details of folio number and attaching a self-attested copy of PAN card at accelyaindia.investors@accelya.com or to KFinTech at **einward.ris@kfintech.com**

(b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.

(d) Follow the instructions at (A). (a) to (l) above to cast your vote.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

In case of any query pertaining to e-voting, members may refer to the “Help” and “FAQs” sections / E-voting user manual available through a dropdown menu in the “Downloads” section of KFinTech’s website for e-voting: **https://evoting.karvy.com** or contact KFinTech as per the details given below:

Mr. Mohd. Mohsinuddin, KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Phone No.: +91 40 6716 2222 Toll-free No.: 1800-345-4001 E-mail: **Mohsin.mohd@kfintech.com**

B. Voting at e-AGM

a) Members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

b) A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”.

c) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Wednesday, 21st October, 2020 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

d) 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@kfintech.com**. However, if you are already registered with KFinTech for remote e-Voting then you can use your existing user ID and password for casting your vote.

e) Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

f) The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

C. Procedure for attending / joining e-AGM

a) Members will be able to attend the AGM through VC / OAVM or view the live webcast at https://emeetings.kfintech.com by using their e-voting login credentials. Members are requested to follow the procedure given below:

   i. Log on to the URL: https://emeetings.kfintech.com

   ii. Enter the login credentials (i.e., User ID and password for e-voting).

   iii. After logging in, click on “Video Conference” option

   iv. Then click on camera icon appearing against AGM event of Accelya Solutions India Limited, to attend the Meeting.

b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

c) Upon declaration by the Chairman about the commencement of e-voting at e-AGM, members shall click on the thumb sign on the left bottom corner of the video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.

d) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during Saturday, 24th October, 2020 to Monday, 26th October, 2020. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

e) Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.

f) Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

g) Members who need assistance before or during the AGM, can contact KFinTech on **emeetings@kfintech.com** or call on toll free numbers 1800-345-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications. 10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

D. General Instructions

a) Nilesh A. Pradhan & Co. LLP, Practicing Company Secretaries (FCS No. 5445 CP No. 3659) has been appointed as the Scrutinizer for conducting the voting process in a fair and transparent manner.

b) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or the Managing Director. The result of e-voting will be declared within forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: w3.accelya.com and on the website of KFinTech at: **https://evoting.karvy.com**. The result will simultaneously be communicated to the stock exchanges.

c) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Wednesday, 28th October, 2020.

E. PROCEDURE FOR INSPECTION OF DOCUMENTS

a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to accelyaindia.investors@accelya.com.

b) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Tuesday, 20th October, 2020 through email on accelyaindia.investors@accelya.com. The same will be replied by the Company suitably.

By the Order of the Board of Directors

Ninad Umranikar
Company Secretary
ACS : 14201

Place: Pune
Date: 20th August, 2020

Explanatory 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. 4

The present statutory auditors of the Company B S R & Co., LLP (Firm Registration No. 101248W/W-100022), will complete their term as statutory auditors on conclusion of this AGM. The present remuneration of B S R & Co., LLP for conducting the audit for the financial year 2019-20 is Rs. 7,000,000 plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of Deloitte Haskins and Sells, LLP, Chartered Accountants (Firm Registration No. 117366W/W - 100018) ("Deloitte"), as the statutory auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 39th AGM. On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration payable to Deloitte for the financial year 2020-21 as set out in the Resolution relating to their appointment. The Audit Committee considered various parameters like audit experience, clientele served, technical knowledge etc., and found Deloitte to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

Deloitte Haskins & Sells LLP is situated at Indiabulls Finance Centre Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013 and is a part of global network, delivering services in audit & assurance, tax, consulting, financial advisory, risk advisory, and related services.

Deloitte have given their consent to act as the statutory auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors, Key Managerial Personnel or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Jose Maria Hurtado (DIN: 08621867) as an Additional Director with effect from 27th November, 2019.

In terms of section 161(1) of the Companies Act, 2013, Mr. Jose Maria Hurtado holds office as an Additional Director only up to the date of the forthcoming Annual General Meeting. Mr. Jose Maria Hurtado, being eligible has offered himself for appointment as a Director. The Company received a notice from a member of the Company under section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Jose Maria Hurtado for the office of Director of the Company.

Mr. Jose Maria Hurtado does not hold any share in the Company.

Mr. Jose Maria Hurtado and his relatives are not interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution at Item No. 5 of the Notice for your approval.

Item No. 6

The members had, at the AGM held on 30th September, 2015, in accordance with the provisions of section 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), approved payment of remuneration by way of commission to Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of section 198 of the Act, for a period of five years commencing 1st July, 2015.

The Board of Directors at its meeting held on 20th August, 2020 recommended and approved payment of commission not exceeding 1% of the net profits of the Company for financial year 2019-20 and onwards, in terms of section 197 of the Act, computed in accordance with the provisions of section 198 of the Act or such other percentage as may be specified from time to time. Regulation 17(6) of the SEBI Listing Regulations authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of members in general meeting. This commission will be distributed amongst all or some of the Independent Directors, taking into consideration parameters such as the Board may determine from time to time.

The above commission shall be in addition to fees payable to the Director(s) for attending meetings of the Board / Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, members' approval is sought by way of an Ordinary Resolution for payment of commission to the Independent Directors as set out in the said resolution.

None of the Directors, Key Managerial Personnel or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice, except the Independent Directors, to the extent of the commission that may be received by them, including for financial year 2019-20.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

REGISTRATION OF E – MAIL ADDRESS FORM

As per Rule 18 of the Companies (Management and Administration) Rules, 2014

KFin Technologies Private Limited
Unit: Accelya Solutions India Limited
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)	

____
(Signature of shareholder)

Place:

Date :

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

accelya

Registered Office: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411037, India.
Tel: +91 20 66083777 Fax: +91 20 24231639 E-mail: accelyaindia.investors@accelya.com
Website : w3.accelya.com CIN: L74140PN1986PLC041033