Ph: +91 44 24963234 / 0333
+91 44 40464444
email: facility@uds.in
Website: www.uds.in

NOTICE TO MEMBERS

UPDATER SERVICES PRIVATE LIMITED

SHORTER NOTICE IS HEREBY GIVEN THAT THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UPDATER SERVICES PRIVATE LIMITED WILL BE HELD ON THURSDAY, THE 31ST DAY OF DECEMBER 2020 AT 04.00 PM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT NO.2/302-A, UDS SALAI, OFF OLD MAHABALIPURAM ROAD, THORAIPAKKAM, CHENNAI - 600097

TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

ITEM NO: 1

To receive, consider and adopt the Financial Statement along with the audited Balance Sheet as at 31 March 2020, the Profit and Loss Account along with the Cash Flow Statement for the year ended on that date and the Report of the Board of Directors and the Auditors thereon.

“**RESOLVED THAT** the audited Standalone and Consolidated Balance Sheet, the Profit and Loss Account along with the Cash Flow Statement and the notes thereto for the year ended 31st March 2020 together with the Directors’ Report and the Auditors’ Report thereon be and are hereby approved and adopted”

ITEM NO: 2

Regularization of Additional Director, Mr. Amit Choudhary

Ph: +91 44 24963234 / 0333
+91 44 40464444
email: facility@uds.in
Website: www.uds.in

"**RESOLVED THAT** pursuant to the provisions of Sections 160 & 161 of the Companies Act, 2013 and other applicable provisions of the Act, if any (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Amit Choudhary (DIN : 07415690), who was appointed as an Additional Director on 25th April 2020 be and is hereby appointed as an Independent Director of the Company"

RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby authorised to file relevant forms with the Registrar of companies, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATE: 31/12/2020
PLACE: CHENNAI

Jayaram

L B JAYARAM
PAN ABDPJ3094P
COMPANY SECRETARY

Ph: +91 44 24963234 / 0333
+91 44 40464444
email: facility@uds.in
Website: www.uds.in

NOTES

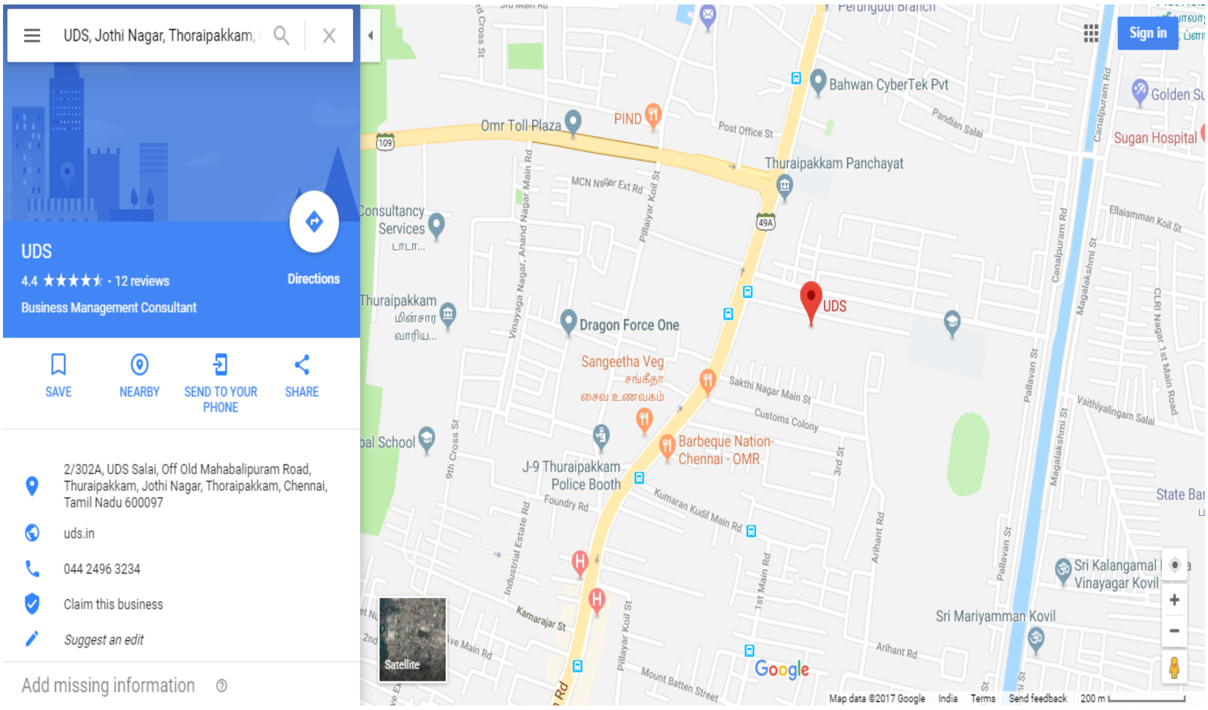
1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company.

2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 hours before commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc, must be supported by appropriate resolutions/authority as applicable.

3. Pursuant to the Companies Act 2013, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholders.

4. The members are requested to notify immediately change of address, if any, to the company's registered office. While communicating to the Company, please quote the folio number.

5. Route map of the Annual General Meeting venue is as follows



S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th Floor - "A" Block
Tidel Park, No. 4
Rajiv Gandhi Salai
Taramani, Chennai - 600 113, India
Tel : +91 44 6117 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of Updater Services Private Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Updater Services Private Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated Ind AS financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of director's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these

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consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated Ind AS 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,

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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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 7 subsidiaries, whose Ind AS financial statements include total assets of INR 10,346.53 lakhs as at March 31, 2020, and total revenues of INR 21,563.53 lakhs and net cash outflows of INR 161.07 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 1" to this report, which is in respect of the Holding Company and 3 subsidiaries only, as all other subsidiaries are entities to which the requirements in this regard are not applicable basis the exemption available to the Company under MCA notification no. G.S.R. 583 (E) dated June 13, 2017 on reporting on internal financial controls over financial reporting.

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiaries, incorporated in India for the year ended March 31, 2020;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 42 to the consolidated Ind AS financial statements;

   ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2020.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Chirag Shah
Partner
Membership Number: 121648
UDIN: 21121648AAAAAI7452
Place of Signature: Chennai
Date: December 31, 2020

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Updater Services Private Limited

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

In conjunction with our audit of the consolidated financial statements of Updater Services Private Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Updater Services Private Limited (hereinafter referred to as the "Holding Company") and its three subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its three subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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)

Chennai

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 Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its three subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31,2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporing issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Chirag Shah
Partner
Membership Number: 121648
UDIN: 21121648AAAAAI7452
Place of Signature: Chennai
Date: December 31, 2020

Updater Services Private Limited
Consolidated Balance sheet as at March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31-Mar-2020	As at 31-Mar-2019
ASSETS			
Non- current assets			
Property plant and equipment	3	2,083.92	1,559.87
Goodwill on consolidation	3A	4,229.76	1,575.59
Right-of-use assets	3B	534.42	-
Other Intangible assets	3A	1,561.57	27.04
Financial assets			
Investments	4	1.00	1.00
Loans	5	692.10	637.35
Bank balances other than cash and cash equivalents	11	312.77	163.28
Other financial assets	6	1,239.46	734.80
Deferred tax asset (Net)	15A	2,903.86	2,791.06
Income tax asset (Net)	15	923.18	39.42
Other non-current assets	7	10.27	163.76
		14,492.31	7,698.17
Current assets			
Inventories	8	663.03	448.51
Financial assets			
Investments	4	153.39	75.39
Trade receivables	10	29,231.08	21,985.57
Cash and cash equivalents	11	1,743.45	1,040.33
Bank balances (Other than above)	11	722.79	1,335.86
Loans	12	490.44	360.27
Other financial assets	13	6,643.29	4,989.35
Current tax assets (net)	9	4,048.64	2,717.67
Other current assets	14	3,243.86	2,509.59
		46,939.97	35,462.54
Total Assets		61,432.28	43,155.71
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	5,281.75	5,281.75
Other equity	17	19,934.69	15,688.64
Equity attributable to equity holders of the parent		25,216.44	20,970.39
Non controlling interest		451.32	442.16
Total Equity		25,667.76	21,412.55
Non-current liabilities			
Financial liabilities			
Borrowings	18	0.91	16.81
Lease Liability	22A	394.54	-
Other Financial liabilities	22B	1,363.51	-
Long term provisions	19	3,625.75	1,923.77
		5,384.71	1,940.58
Current Liabilities			
Financial liabilities			
Borrowings	20	8,969.55	2,822.65
Lease Liability	22A	318.80	-
Trade payables			
Total outstanding dues of micro, small and medium enterprises	21	769.77	168.97
Total outstanding dues of creditors other than micro, small and medium enterprises	21	2,923.27	2,153.00
Other current financial liabilities	22	11,071.46	8,577.27
Short term provisions	23	2,019.41	2,030.40
Other current liabilities	24	4,307.55	4,050.29
		30,379.81	19,802.58
Total Liabilities		35,764.52	21,743.16
TOTAL EQUITY AND LIABLITIES		61,432.28	43,155.71

Summary of significant accounting policies	1 - 2
The accompanying notes form an integral part of the Financial Statements.	3 - 54

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag B Shah
Partner
Membership No. 121648

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

R Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000919218

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary

Updater Services Pvt Ltd Chennai 600 097

Place: Chennai
Date : December 31, 2020

Updater Services Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Note No.	Year Ended 31-Mar-2020	Year Ended 31-Mar-2019
Income			
Revenue from contracts with customers	25	1,32,396.04	1,08,557.55
Other income	26	87.95	58.22
Finance income	27	101.20	77.12
Total Income		**1,32,585.19**	**1,08,692.89**
Expenses			
Cost of materials consumed	28	2,246.45	1,888.29
Purchases of traded goods	29	2,398.38	1,509.27
Changes in inventories of Finished goods and traded goods	30	(126.74)	(35.26)
Employee benefits expense	31	1,05,425.71	89,118.17
Depreciation and amortization expense	33	1,499.23	841.27
Finance costs	32	1,054.26	371.33
Other expenses	34	15,145.38	11,109.17
Total Expense		**1,27,642.67**	**1,04,802.24**
Profit/(Loss) before tax		**4,942.52**	**3,890.65**
Tax Expense :			
Current tax	35	675.79	1,148.33
Tax related to earlier years	35	2.94	(14.92)
Deferred Tax :			
Deferred tax (Net)	35	5.75	(839.31)
Income tax expense		**684.48**	**294.10**
Profit/(Loss) for the year		**4,258.04**	**3,596.55**
Other Comprehensive Income:			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit obligations (net)		(129.79)	99.72
Income tax effect		15.41	(36.01)
Other comprehensive income/(loss) for the year, net of tax		**(114.38)**	**63.71**
Total comprehensive Income/(Loss) for the year, net of tax attributable to:		**4,143.66**	**3,660.26**
Profit for the year			
Attributable to:			
Equity holders of the parent		**4,271.25**	**3,536.97**
Non-controlling interests		**(13.21)**	**59.56**
Total comprehensive income for the year			
Attributable to:			
Equity holders of the parent		**4,134.50**	**3,606.26**
Non-controlling interests		**9.16**	**53.97**
Earnings per equity share			
Basic and diluted (Amount in ₹)	36	8.06	6.81
Summary of significant accounting policies	1 - 2		
The accompanying notes form an integral part of the Financial Statements.	3 - 54		

As per report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag B Shah
Partner
Membership No. 121648

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

Updater Services Private Limited
Consolidated Statement of Cash flows for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars		Year ended 31-Mar-20	Year ended 31-Mar-19
Profit before tax		4,942.52	3,890.65
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		1,499.23	813.49
Impairment of Intangible Asset		-	25.77
Interest expenses		1,054.26	371.33
Interest (income)		(101.20)	(76.97)
Dividend (income)		(0.60)	(0.15)
Provision for expected credit loss		442.11	77.66
Provision for doubtful advances		61.40	144.26
Provision for doubtful litigations		-	40.79
Liability no longer required written back		(45.60)	(23.35)
(Profit)/Loss on sale of investments		(4.15)	-
(Profit)/Loss on sale of asset		7.88	(1.83)
Employer stock option expenses		325.64	-
Unrealised exchange differences (net)		6.45	-
Bad debts and advances written off		258.12	91.13
Operating cash flow before working capital changes		**8,446.06**	**5,355.60**
Movements in working capital :			
(Increase)/decrease in trade receivables		(5,690.24)	(3,630.18)
(Increase)/decrease in other financial assets		(2,159.57)	(290.89)
(Increase)/decrease in non - financial assets		(591.36)	(819.82)
(Increase)/decrease in Loans		(107.31)	(227.67)
(Increase)/decrease in Inventory		(183.52)	(46.14)
Increase/ (decrease) in Provision		1,619.50	972.75
Increase/(decrease) in trade payables		611.67	44.97
Increase/ (decrease) in financial liabilities		1,700.06	1,599.02
Increase/ (decrease) in other liabilities		(574.78)	210.63
Cash generated from /(used in) operations		**3,070.51**	**3,169.06**
Direct taxes paid (net of refunds)		(2,448.91)	(2,244.90)
Net cash flow from/ (used in) operating activities		**621.60**	**924.16**
Cash flow from investing activities			
Purchase of property, plant and equipment		(1,434.36)	(1,086.29)
Purchase of Investments		(73.85)	(276.39)
Investments in bank deposits (having original maturity of more than three months)		463.58	(954.94)
Proceeds from sale of fixed asset		17.54	22.88
Interest received		102.17	76.97
Dividend received		0.60	0.15
Proceeds from Sale of investment		-	200.00
Acquisition of subsidiary		(5,435.15)	41.47
Net cash flow from/ (used in) investing activities		**(6,359.50)**	**(1,976.98)**
Cash flow from financing activities			
Proceeds from long-term borrowings		(18.90)	1.92
Proceeds from short-term borrowings		6,146.91	1,256.73
Payment of principal portion of lease liabilities		253.46	-
Interest paid		(749.44)	(371.33)
Dividend paid		-	(35.82)
Net cash flow from/ (used in) in financing activities	C	**5,632.02**	**851.50**
Net increase/(decrease) in cash and cash equivalents	A+B+C	**-105.88**	**-201.29**
Cash and cash equivalents at the beginning of the year		1,040.33	1,241.61
Additions on acquisition of Subsidiaries		809.00	-
Cash and cash equivalents at the end of the year		1,743.45	1,040.33
		-105.88	-201.29

The accompanying notes form an integral part of the Financial Statements. 3 - 54

As per our report of even date

For S R Batliboi & Associates LLP
Chartered Accountants
Firm Registration no. 101049W/E300004

per Chirag B Shah
Partner
Membership No. 121648

Place: Chennai
Date : December 31, 2020

for and on behalf of Board of Directors of
Updater Services Private Limited

P.Raghunandana
Managing Director
DIN : 00006280914

T.Shanthi
Director
DIN : 00000909218

Balaji Swaminathan
Chief Financial Officer
Place: Chennai
Date : December 31, 2020

L.B. Jayaram
Company Secretary

Updater Services Private Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

(a) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as on March 31, 2018	528.17	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2019	528.17	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2020	528.17	5,281.75

(b) Other equity

Particulars	Retained Earnings	Capital redemption reserve	General reserve	Securities Premium	Employee Stock Options Reserve	Minority Interest	Total
As at April 1, 2018	6,165.44	207.50	135.55	5,594.28	-	396.14	12,498.90
Profit for the year	3,536.97	-	-	-	-	59.56	3,596.53
Other Comprehensive Income	69.29	-	-	-	-	(5.59)	63.70
Total comprehensive Income	3,606.26	-	-	-	-	53.97	3,660.23
Acquisition of Subsidiary	15.45	-	-	-	-	(7.95)	7.49
Transfer to general reserve	(14.88)	-	14.88	-	-	-	-
Dividend Paid	(35.83)	-	-	-	-	-	(35.83)
As at March 31, 2019	9,736.44	207.50	150.43	5,594.28	-	442.16	16,130.80
Profit for the year	4,271.25	-	-	-	-	(13.21)	4,258.04
Other Comprehensive Income	(136.74)	-	-	-	-	22.37	(114.37)
Total comprehensive Income	4,134.51	-	-	-	-	9.16	4,143.67
Effect of adoption of Ind AS 116	(214.12)	-	-	-	-	-	(214.12)
Transfer to general reserve	(22.26)	-	22.26	-	-	-	-
Employee stock options provided	-	-	-	-	325.64	-	325.64
As at March 31, 2020	13,634.57	207.50	172.69	5,594.28	325.64	451.32	20,385.99

The accompanying notes form an integral part of the Financial Statements. 3 - 54

As per our report of even date
For S R Batliboi & Associates LLP
Chartered Accountants
Firm Registration no. 101049W/E300004

per Chirag B.Shah
Partner
Membership No. 121648

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T.Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000593218

Balaji Swaminathan
Chief Financial Officer

L.R. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

1. Corporate information

The consolidated financial statements comprise financial statements of Updater Services Private Limited ('UDS'/ 'Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2020. The group is engaged in providing facility management services like integrated facility management services to various industries such as information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts.

Facility management services includes housekeeping, janitorial, garden management, pest control, waste management, vendor management, cleaning and mail room services, mechanical and electrical services, water management, hygiene management, plumbing, energy/safety audit, design erection, installation, testing and commissioning and catering solutions. Information on the Group's structure is provided in Note 50 Group Information. Information on other related party relationships of the Group is provided in Note 44 Related party transactions.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on December 31, 2020.

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

i. Compliance with Ind-AS

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All values are rounded to nearest lakhs except when otherwise stated.

The consolidated financial statements have been prepared on a historical cost basis, except for the following:
a) Certain financial assets and liabilities measured at fair value as explained in the accounting policies; and
b) Defined benefit plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

ii. Basis of consolidation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

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- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

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2.2 Summary of Significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the

Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

c. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

For depreciation purposes, the group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation

The group, based on technical assessment made by experts and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The group has used the following rates to provide depreciation on its property, plant and equipment.

Asset Classification	Estimated Useful Life (Years)
Plant and machinery*	5 to 15
Furniture and fittings	10
Office equipment	5 to 6
Vehicles	8
Computer and accessories	3
Land and building	30 to 60
Leasehold improvements**	3

*The group is using useful life different from the life prescribed in Schedule II of the Companies act based on technical estimates by experts.

** Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

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

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to mo

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dify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

Asset Classification	**Useful Life (Years)**	**Amortisation method**	**Internally generated or acquired**
Software	Finite – 3 to 10 years	Amortised on a straight-line basis over the life	Acquired
Goodwill	Infinite	Assessed for impairment at the end of every year	Acquired
Customer Relationship	Infinite	Assessed for impairment at the end of every year	Acquired
Non-compete	Finite – 8 - 10 years	Amortised on a straight-line basis over the life	Acquired
Vendor Contract	Infinite	Assessed for impairment at the end of every year	Acquired
Brand	Infinite	Assessed for impairment at the end of every year	Acquired

e. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

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An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

f. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Revenue is adjusted for expected price concessions based on the management estimates.

The specific recognition criteria described below must also be met before revenue is recognised.

Income from facility management services
Revenues from facility management service contracts are recognized pro-rata over the period of the contract as and when services are rendered, and are net of discounts.

Dividend income
Dividend income is recognised when the unconditional right to receive the payment is established.

Interest income
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Financial income" in the statement of profit and loss.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Assets (Unbilled revenue) represents revenue in excess of billing.

Trade receivables
A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

g. Financial Instruments

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

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Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Effective interest method

The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Group. 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10* (Trade Receivables).

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any debt instrument as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and "contingent consideration classified as liability" recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, entities in the Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Such election is made on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Derecognition

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

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Impairment of financial assets

The group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the group 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. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

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Financial liabilities
Initial recognition and measurement

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

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, redemption liability and financial guarantee contracts.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 or 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.

Equity investment in Subsidiaries

Investment in subsidiaries are carried at cost in the separate financial statements as permitted under Ind-AS 27.

h. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written-down value basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

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Asset Classification	Estimated Useful Life (Years)
Building	1 – 5
Vehicles	1 – 3
Furniture and fittings	1 – 2

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 38).

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Buildings and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

i. Retirement and other employee benefits

a. Compensated absences

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

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Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The group treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred.

b. Post-employment obligations

The group operates the following post-employment schemes:

i. Gratuity obligations

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The group provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation of India (LIC). Under this scheme the settlement obligation remains with the group although the LIC administers the scheme and determines the contribution premium required to be paid by the group. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the group recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS – 19.

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

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the group recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

ii. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

j. Taxes on Income

Current income tax
Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax

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rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

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

Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

• In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as a deferred tax asset. The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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k. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Group has opted for the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) scheme. The PMRPY Scheme aims to incentivise employers for employment generation by the Government paying the full employers' EPS contribution of 12%, for the new employees, for the first three years of their employment and is proposed to be made applicable for unemployed persons that are semi-skilled and unskilled.

l. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

m. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Group. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 47 Fair value hierarchy).

n. Segment reporting

The Management monitors the operating results of its business as a single primary segment "facility management service" for the purpose of making decisions about resource allocation and performance assessment. The business of the Group falls under a single primary segment i.e. 'facility management service' for the purpose of Ind AS 108.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

q. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,
(i) Possible obligation which will be confirmed only by future events not wholly within the control of the group or
(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

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Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

r. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

s. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

t. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 39.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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u. Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption in accordance with Para C8 (c) (i) to Ind AS 116 with the date of initial application of April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 2.2 (h) Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

- **Leases previously accounted for as operating leases**

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

a. Used a single discount rate to a portfolio of leases with reasonably similar characteristics
b. Relied on its assessment of whether leases are onerous immediately before the date of initial application
c. Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
d. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
e. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at April 01, 2019:

i) Right-of -use assets of INR 604.51 lakhs were recognised and presented separately in the balance sheet.
ii) Additional lease liabilities of INR 597.46 lakhs were recognised.

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The lease liabilities as at April 01, 2019 can be reconciled to the operating lease commitments as of March 31, 2019, as follows:

Particulars	Amount in INR lakhs
Operating lease commitments as at March 31, 2019	656.52
Adjustments:	
Discounting effect	(93.92)
Lease payments relating to renewal periods not included in operating lease commitments as at March 31, 2019	346.73
Commitments relating to short terms leases	(46.89)
Commitments relating to leases previously classified as finance leases	12.52
Lease liabilities as at April 01, 2019	874.96

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

f. Whether an entity considers uncertain tax treatments separately
g. The assumptions an entity makes about the examination of tax treatments by taxation authorities
h. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
i. How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Group's tax filings include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the consolidated financial statements of the Group.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment, or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the consolidated financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

v. Standards Issued but not effective

There were no Standards issued but not effective as at March 31, 2020.

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Land and Building	Leasehold improvements	Total
At 1 April 2018	1,127.99	95.72	109.11	139.84	166.04	177.57	60.20	1,876.47
Additions	723.00	92.23	56.12	43.60	146.53	-	7.73	1,069.21
Disposals	(15.75)	-	(1.60)	(6.43)	(2.88)	-	-	(26.66)
At 31 March 2019	1,835.24	187.95	163.63	177.01	309.69	177.57	67.93	2,918.02
Additions	1,076.33	123.18	109.80	61.93	282.76	88.02	-	1,742.02
Transfer to RoU (Refer Note a)	-	-	-	(13.60)	-	-	-	(13.60)
Additions Intangibles	-	-	-	-	-	-	-	-
Disposals	(83.84)	(15.87)	(8.29)	(23.57)	(7.75)	-	-	(139.32)
At 31 March 2020	2,827.73	295.26	265.14	201.77	584.70	265.59	67.93	4,508.12
Depreciation								
At 1 April 2018	363.88	30.92	37.73	40.62	71.04	9.15	14.32	567.66
Charge for the year	544.00	25.28	40.10	35.23	104.48	16.01	32.70	797.81
Disposals	(1.93)	-	(1.60)	-	(2.08)	-	-	(5.61)
Other adjustments	11.02	(4.08)	(0.86)	(6.11)	(0.68)	-	-	(0.71)
At 31 March 2019	916.97	52.12	75.37	69.74	172.77	25.16	47.02	1,359.15
Charge for the year	831.60	57.32	62.64	34.08	152.59	37.74	14.68	1,190.65
Transfer to RoU (Refer Note a)	-	-	-	(0.91)	-	-	-	(0.91)
Disposals	(76.63)	(15.87)	(8.29)	(16.15)	(7.75)	-	-	(124.69)
At 31 March 2020	1,671.94	93.57	129.72	86.76	317.61	62.90	61.70	2,424.20
Net Block								
At 31 March 2018	764.11	64.80	71.38	99.22	95.00	168.42	45.88	1,308.81
At 31 March 2019	918.27	135.83	88.26	107.27	136.92	152.41	20.91	1,558.87
At 31 March 2020	1,155.79	201.69	135.42	115.01	267.09	202.69	6.23	2,083.92

Note:
a. Certain finance lease vehicles have been reclassified from Property, Plant and Equipments to Right-of-use assets in line with Ind AS 116

3A Intangible assets & Goodwill on consolidation

Particulars	Intangibles Assets (Refer note below)					
	Computer software	Customer relationship	Non Compete	Vendor Contract	Brand	Total
Gross carrying value						
At 1 April 2018	74.33	-	-	-	-	74.33
Additions	16.36	-	-	-	-	16.36
At 31 March 2019	90.69	-	-	-	-	90.69
Additions	269.46	365.00	215.00	617.00	155.00	1,621.46
Disposals	(5.94)	-	-	-	-	(5.94)
At 31 March 2020	354.21	365.00	215.00	617.00	155.00	1,706.21
Depreciation						
At 1 April 2018	20.20	-	-	-	-	20.20
Charge for the year	17.69	-	-	-	-	17.69
Impairment	25.76	-	-	-	-	25.76
Disposals	-	-	-	-	-	-
At 31 March 2019	63.64	-	-	-	-	63.65
Charge for the year	59.10	-	16.89	-	-	75.99
Impairment	5.39	-	-	-	-	5.39
Disposals	-	-	-	-	-	-
Other adjustments	(0.39)	-	-	-	-	(0.39)
At 31 March 2020	127.74	-	16.89	-	-	144.64
Net Block						
At 1 April 2018	54.13	-	-	-	-	54.13
At 31 March 2019	27.05	-	-	-	-	27.04
At 31 March 2020	226.47	365.00	198.11	617.00	155.00	1,561.57

i) As per Ind AS 36, the group has provided provision for impairment on fixed assets -

Particulars	March 31, 2020	March 31, 2019
Opening Balance of Impairment	25.77	-
Charge during the year	5.39	25.77
Closing balance of Impairment	31.16	25.77

Goodwill on Consolidation

Particulars	Goodwill on Consolidation
At 31 March 2019	1,575.58
Additions	2,654.18
At 31 March 2020	4,229.76

The Goodwill is recognised at the time of acquisition of the Subsidiaries (Avon Logistics & Solutions Private Limited, Fusion Foods and Catering Private Limited, Matrix Business Services India Private Limited, Global Flight Handling Services Private Limited and Washroom Hygiene Concepts Private Limited) by the Group.
The recoverable amount of the Investments has been determined based on Value in Use calculation using cash flow projections from financial budgets approved by the respective Board/ Senior management covering a five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The discount rate applied to cash flow projections for Impairment testing during the current year is 12.9% and cash flow beyond the five years are extrapolated using a growth rate of 2% that is the same as the long term average growth rate for the industry in which the Group operates. It was concluded that the fair value less costs of disposal did not exceed the value in use and the recoverable amounts exceeded their carrying amount.

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3A Goodwill on consolidation & Intangible assets (continued)

On April 25, 2019, the Group acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,915.61 lakhs as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the year includes ₹ 965.16 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Group and the promoters of Matrix.

On September 5, 2019, the Group has acquired 76% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 1,526.00 lakhs as equity share capital. WHC is primarily engaged in the business of providing washroom sanitising services and hygiene solutions, primarily female hygiene solutions, viz sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the year includes ₹ 360.63 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Matrix and WHC. The Group has elected not to recognise a non-controlling interest in Matrix and WHC as the unacquired shares from the promoters of Matrix and WHC are recognised as financial liabilities in the consolidated financial statements and both Matrix and WHC are considered to be 100% owned by the Group for the purpose of consolidation.

<u>Intangible assets out of acquisition</u>

Customer relationship
Customer contracts and related Customer relationships include the relationships that Matrix and WHC have established with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.
The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

Non Compete
Non compete is based on a contractual agreement which protects the value of the purchased assets from Matrix and WHC (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

As per the investment agreements for Matrix and WHC, the promoters have agreed to non-competence for a period of 7 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Matrix and WHC (i.e. after June 30, 2021 and June 30, 2022 respectively). Thus effectively 8 - 10 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".

Vendor contract
Vendor Contract is an agreement where the vendor has agreed to supply agreed products for a specified period of time and within a specific geographic area exclusively to WHC and meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

Brand
WHC uses the brand 'Washroom Hygiene Concepts' for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made by WHC. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

3B Right of use Assets

	As at March 31, 2020	As at March 31, 2019
Balance as on April 01, 2019	604.51	-
Additions	164.42	-
Transfer from PPE (refer note 3)	12.69	-
Depreciation/ amortisation	(227.20)	-
Balance as on March 31, 2020	554.42	-

As a lessee
The Group has lease contracts for building used in its operations. Leases of building generally have lease terms between 1 - 5 years, vehicles have lease terms of 1 - 3 years and furniture and fittings between 1-2 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.
The Group also has certain leases of building, furniture and fittings with lease term less than 12 months where it applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
4	**Investments**		
	Investments at Cost		
	9,999 (March 31, 2019 - 9,999) equity shares of Rs.10 each fully paid up in Updater Services (UDS) Foundation (Refer note 44)	1.00	1.00
	Investments at Fair Value through PL		
	L&T Liquid fund direct plan (G) - 2,721.62 units (March 2019 - 2074.9 Units)	50.32	50.00
	Baroda Short Term Bond Fund A/C - 704,489.949 (March 2019- Nil)	76.41	-
	L&T Ultra short fund direct - Dividend reinvestment - 2,54,761.711 units (March 2019 - 2,42,973.76)	26.66	25.39
		154.39	**76.39**
	Non Current	1.00	1.00
	Current	153.39	75.39
	Aggregate value of investments	**154.39**	**76.39**
5	**Loans (At Amortised Cost)**		
	(Considered good, Unsecured unless stated otherwise)		
	Rental Deposit @		
	- considered good	424.91	364.98
	- credit impaired	30.36	26.57
		455.27	391.55
	Less: Provision for doubtful deposits	(30.36)	(26.57)
		424.91	**364.98**
	Security Deposits	162.82	175.76
	Retention Deposits		
	- considered good	104.37	96.61
	- credit impaired	4.89	4.89
		109.26	101.50
	- Provision for doubtful deposits	(4.89)	(4.89)
		104.37	96.61
	Total Loans	**692.10**	**637.35**

@ - Rental deposit includes amounts held by related parties of ₹ 190.62 lakhs (March 31, 2019 - ₹ 190.62 lakhs) Refer Note 44

Note	Particulars	As at March 31, 2020	As at March 31, 2019
6	**Other non current financial assets (At Amortised Cost)**		
	(Considered good, Unsecured unless stated otherwise)		
	Reimbursement right of gratuity (Refer Note 37) #	1,189.57	684.91
	Other advances	49.81	49.81
	Other deposits	0.08	0.08
		1,239.46	**734.80**

The Company has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19.

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
7	**Other non current assets**		
	Balance with government authorities		
	- considered good	-	55.54
	- credit impaired (Refer note 31)	44.34	-
		44.34	55.54
	Less: Provision for doubtful advances	(44.34)	-
		-	**55.54**
	Capital Advance		
	- considered good	4.41	108.10
	- credit impaired	44.30	44.30
		48.71	152.40
	Less: Provision for doubtful advances	(44.30)	(44.30)
		4.41	**108.10**
	Prepaid rent	5.86	-
	Preliminary expenses	-	0.12
		10.27	**163.76**
8	**Inventories**		
	Raw materials	149.37	148.33
	Stock-in-trade	391.99	185.78
	Finished Goods	130.53	121.26
	Less: Provision for Diminution in value	(8.86)	(6.86)
		663.03	**448.51**

During the year ended 31st March 2020, INR 2.00 lakhs (Mar 31, 2019 INR 6.86 Lakhs) was recognised as an expense to bring the inventories to record them at Net Realisable Value

Note	Particulars	As at March 31, 2020	As at March 31, 2019
9	**Current tax assets (net)**		
	Advance income tax (net of provision)	4,048.64	2,717.67
		4,048.64	**2,717.67**
10	**Trade Receivables (At Amortised Cost)**		
	Trade receivables	29,891.44	22,108.75
	Trade receivable from related parties (Note 44)	6.19	0.90
	Less - Impairment allowance	(666.55)	(124.08)
		29,231.08	**21,985.57**
	Security details		
	Considered good , Secured	-	-
	Considered good , Unsecured	29,231.08	21,985.57
	Trade Receivables which have significant increase in credit Risk	-	-
	Trade Receivables - credit impaired	666.55	124.08
		29,897.63	**22,109.65**
	Impairment allowance		
	Unsecured, considered good	-	-
	Trade Receivables - credit impaired	(666.55)	(124.08)
		(666.55)	**(124.08)**
	Total Trade receivables	**29,231.08**	**21,985.57**

No trade or other receivables are due from Directors or other officers of the Group either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days based on the type of the customer. For balances, terms and conditions relating to related parties, refer Note 44

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Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
11	**Cash and cash equivalents**		
	(i) Balances with banks:		
	- On current accounts	1,706.11	762.98
	- earmarked for DDU-GKY Project *	13.51	256.42
	Cash in hand	23.83	20.93
		1,743.45	1,040.33
	For the purpose of statement of cashflows, cash and cash equivalents comprise the following:		
	On current accounts	1,706.11	1,019.40
	Deposits	13.51	-
	Cash on hand	23.83	20.93
	Total Cash and cash equivalents	1,743.45	1,040.33
	(ii) Bank Balances other than cash and cash equivalents as above		
	Current		
	- in long term deposits under lien with maturity more than 3 months but less than 12 months	722.70	1,335.86
	Total Bank balance other than cash and cash equivalents	722.79	1,335.86
	Non-current		
	- in long term deposits under lien with maturity more than 12 months	312.77	163.28
		312.77	163.28

* During the year ended 31 March 2018, the Company had entered into an Memorandum of Understanding (MOU) with Tamil Nadu State Rural Lively Mission on August 26, whereby for a period of 3 years in relation to a particular project (DDU GKY), Company has to train 2,001 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Company has received an advance of ₹ 674.06 lakhs from the CEO,Tamil Nadu State Rural Lively Mission. The money can be utilised only for the training and related expenses approved as per the MOU/agreement.'

Note	Particulars	As at March 31, 2020	As at March 31, 2019
12	**Loans (At Amortised Cost)**		
	(Considered good, Unsecured unless stated otherwise)		
	Security deposits		
	- considered good	413.03	338.63
	- credit impaired	70.72	50.47
		483.75	389.10
	Less: Provision for doubtful deposits	(70.72)	(50.47)
		413.03	338.63
	Rental Deposit		
	- considered good	59.92	-
	- credit impaired	-	-
		59.92	-
	Loans to employees		
	- considered good	17.49	21.64
	- credit impaired #	9.18	7.77
		26.67	29.41
	Less: Provision for doubtful loans	(9.18)	(7.77)
		17.49	21.64
	Total	490.44	360.27

Note	Particulars	As at March 31, 2020	As at March 31, 2019
13	**Other current financial assets (At Amortised Cost)**		
	(Considered good, Unsecured unless stated otherwise)		
	Advances recoverable in cash		
	- considered good	1.82	21.00
	- credit impaired	29.04	30.09
		30.86	51.09
	Less: Provision for doubtful advances	(29.04)	(30.09)
		1.82	21.00
	Reimbursement right of gratuity (Refer Note 37) #	1,215.41	827.09
	Interest accrued	22.38	23.34
	Unbilled revenue @	5,403.68	4,117.92
	Total	**6,643.29**	**4,989.35**

- The Group has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19.

@ - Classified as financial asset as right to consideration is unconditional upon passage of time.

Note	Particulars	As at March 31, 2020	As at March 31, 2019
14	**Other current assets**		
	Prepaid expenses *	771.98	816.03
	Balance with government authorities		
	- considered good	299.73	307.29
	- credit impaired	41.57	41.57
		341.30	348.86
	Less: Provision for doubtful advances	(41.57)	(41.57)
		299.73	307.29
	Advances for supply of goods		
	- considered good	98.74	96.17
	- credit impaired	187.90	155.56
		286.64	251.73
	Less: Provision for doubtful advances	(187.90)	(155.56)
		98.74	96.17
	Advances to employees		
	- considered good	72.51	152.62
	- credit impaired	43.78	23.78
		116.29	176.40
	Less: Provision for doubtful advances	(43.78)	(23.78)
		72.51	152.62
	Unbilled revenue #	1,999.26	1,082.93
	Other Advances	1.64	54.55
	Total	**3,243.86**	**2,509.59**

* - Includes cost of uniform and shoes provided to service staff written off over a period of 12 months from the date of purchase - INR 401.85 lakhs (March 31, 2019 - INR 405.60 lakhs).

- Classified as non-financial asset as the contractual unconditional right to consideration is dependent on completion of contractual obligations.

Note	Particulars	As at March 31, 2020	As at March 31, 2019
15	**Income tax asset (Net)**		
	Income tax asset (Net) (refer note 22)	923.18	39.42
		923.18	**39.42**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
15A	**Deferred tax asset (Net)**		
	Property, plant & equipment and Intangible assets	506.93	444.66
	Provision for doubtful debts	344.96	292.14
	Provision for doubtful advances	326.90	371.16
	Provision for gratuity	663.20	696.01
	Provision for compensated absences	253.81	239.58
	Provision for litigation	7.06	15.63
	Expenses allowable on payment basis	801.00	731.88
	Net Deferred tax asset	**2,903.86**	**2,791.06**
	Reconciliation of deferred tax liabilities (net)		
	Opening balance	**2,791.06**	**1,974.95**
	Tax Expense during the year recognised in Statement of Profit and Loss	(5.75)	839.31
	Tax (Income) / Expense during the year recognised in OCI	15.41	(36.01)
	Tax on acquisition of Subsidiaries	90.69	12.81
	Others	12.45	-
	Closing balance	**2,903.86**	**2,791.06**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

16 Share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
530.00 (March 31, 2019: 530.00) equity shares of Rs 10 each	5,300.00	5,300.00
Issued, subscribed and paid up		
528.17 (March 31, 2019: 528.17) equity shares of Rs 10 each fully paid up	5,281.75	5,281.75

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	528.17	5,281.75	528.17	5,281.75
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**528.17**	**5,281.75**	**528.17**	**5,281.75**

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(During the financial year 2016-17, the Company has issued equity shares to India Business Excellence Fund – II and India Business Excellence Fund – IIA ("Investors"). The Investors have been provided with certain exit rights (after a predetermined period) by the Company and other Shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	395.21	-
Equity shares bought back by the company	-	-	-	20.75	-

d) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid				
T Raghunandhan	162.38	30.74%	162.38	30.74%
T Shanthi	162.38	30.74%	162.38	30.74%
Tangi Facility Solutions Pvt Ltd	113.13	21.42%	113.13	21.42%
India Business Excellence Fund – II	28.69	5.43%	28.69	5.43%
India Business Excellence Fund – IIA	61.39	11.62%	61.39	11.62%
Total	**528.17**	**100.00%**	**528.17**	**100.00%**

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
17	**Other equity**		
	Retained earnings	13,634.57	9,736.44
	Capital redemption reserve	207.50	207.50
	General Reserve	172.69	150.43
	Employee stock option reserve	325.64	-
	Securities premium	5,594.28	5,594.28
	Total other equity	19,934.65	15,688.64

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

The Company has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

(iii) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iv) Employee stock option reserve

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

Note	Particulars	As at March 31, 2020	As at March 31, 2019
18	**Borrowings (*Non-current*)**		
	Term loans from banks	0.91	27.41
	Less : Current maturities	-	(10.60)
	Total Non-current borrowings	0.91	16.81

Updater Services Private Limited

* The Company has taken cash credit having interest rate ranging from 8% to 10.50% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company both present and future of the Company and personal guarantee of the Managing Director.

Fusion Foods and Catering Private Limited

The Vehicle loans of Fusion are secured by the hypothecation of respective vehicles and repayable over a period not exceeding five years carrying interest rate of 10.24% (March 31, 2020 - INR 0.91 lakhs and March 31, 2019 - INR 6.66 lakhs)

Avon Solutions & Logistics Private Limited

Assets acquired by Avon under finance lease are secured by hypothecation of vehicle. The loan is repayable in 60 monthly installments starting from month of October 2018. (March 31, 2020 - Nil and March 31, 2019 - INR 10.15 lakhs)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
19	**Long term provisions**		
	Provision for Gratuity (Refer Note 37)	2,045.26	1,005.19
	Provision for gratuity - reimbursement employees (Refer Note 37)	1,189.57	684.91
	Provision for leave benefits	390.92	233.67
	Total long term provisions	3,625.75	1,923.77
20	**Current borrowings (At Amortised Cost)**		
	Cash credit from banks (secured)	8,956.33	2,822.65
	Loan from others	13.22	-
	Total Current borrowings	8,969.55	2,822.65

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20 Current borrowings (At Amortised Cost) (continued)

Updater Services Private Limited
Cash credit from banks are secured against hypothecation of stock and book debts. The cash credit is repayable on demand and carries interest ranging from 8% to 12% p.a. (March 31, 2020 - INR 8,855.04 lakhs and March 31, 2019 - INR 2,744.71 lakhs)

Fusion Foods and Catering Private Limited
Cash credit facility from banks are secured by hypothecation of Stock and book debts and further secured by the personal guarantee of two directors. The loan repayable on demand and carry an interest rate of MCLR + 3.8%, not exceeding 15%. (March 31, 2020 - INR 5.97 lakhs and March 31, 2019 - Nil)

Avon Solutions & Logistics Private Limited
Current borrowings of Avon refer to overall facility availed from HDFC bank @ 11.75%. The overdraft facility limits to INR 100 Lakhs and the same is secured by lien on fixed deposits of INR 78 Lakhs. (March 31, 2020 - INR 93.20 lakhs and March 31, 2019 - INR 77.94 lakhs)

21 Trade payables (At Amortised Cost)

Dues to Micro, Small & Medium Enterprises (refer note 40)	769.77	168.97
Dues to Related Party (refer note 44)	69.59	50.99
Dues to other than Micro, Small & Medium Enterprises	2,853.68	2,102.00
Total trade payables	**3,693.04**	**2,321.96**

Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms. For terms and conditions relating to related parties, refer Note 44.

22 Other current financial liabilities (At Amortised Cost)

Current maturity of long-term borrowings	-	10.60
Capital creditors to MSME(refer note 40)	3.10	-
Capital creditors	44.11	191.18
Employee benefits payable	7,153.97	6,197.78
Security Deposit	9.00	9.00
Bonus payable	2,935.92	2,118.89
Director fees payable (Refer note 44)	10.80	25.13
Redemption Liability *	256.02	-
Interest accrued and due on borrowings	25.69	14.61
Other payables	16.85	10.08
Liability towards promoters of a subsidiary**	619.00	-
Total other financial liabilities	**11,071.46**	**8,677.27**

* During the year, the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,915.01 lakhs from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of INR 1,520.00 lakhs. As per the Shareholder's Agreement between Company, these two companies and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the management.

**On the date of acquisition of Matrix Business Services India Private Limited ("Matrix"), Matrix had a refund of Income Tax Receivable for the Assessment Years 2018-19 and 2019-20 amounting to INR 619 lakhs. As per the terms of the investment agreement entered for the acquisition of Matrix, upon receipt of the aforementioned refund, the Group is required to pay the refund received to the promoters of Matrix, as defined in the investment agreement. A financial liability towards this refund is recognised in the consolidated financial statements as shown above against the refund of Income Tax Receivable asset (refer note 7A)

22A Lease Liability

Current	318.80	-
Non-current	394.54	-
	713.34	-

22B Other financial liabilities (At Amortised Cost)

Redemption Liability (Refer note 22)	1,363.51	-
	1,363.51	-

23 Short term provisions

Provision for gratuity (Refer Note 37)	268.19	686.90
Provision for gratuity - reimbursement employees (Refer Note 37)	1,233.41	827.09
Provision for leave benefits	378.13	199.17
Provision for tax litigations	28.05	44.74
Other provisions	18.15	10.72
Provision for tax (net of advance tax)	119.48	261.78
Total short term provisions	**2,045.41**	**2,030.40**

24 Other current liabilities

Advance from customers	72.92	69.49
Advance from DDU-GKY	-	441.90
Statutory dues and related liabilities	4,206.32	3,382.88
Rent Equalisation	-	4.61
Provision against PF order (Refer Note 31)	28.31	-
Other payables	-	151.41
Total other non-current liabilities	**4,307.55**	**4,050.29**

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Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars		As at March 31, 2020	As at March 31, 2019
25	**Revenue from operations**			
	Sale of services		1,32,043.86	1,08,477.97
	Sale of products		352.18	79.58
	Total Revenue from operations		1,32,396.04	1,08,557.55
	Revenue by Geography			
	India		1,32,176.40	1,08,557.55
	Outside India		219.64	-
	Total revenue from contracts with customers		1,32,396.04	1,08,557.55
	Timing of revenue recognition			
	Goods transferred at a point in time		352.18	79.58
	Service transferred at a point in time		1,229.79	1,478.80
	Service transferred over a period of time		1,30,814.07	1,06,999.17
	Total		1,32,396.04	1,08,557.55
	Reconciliation of Revenue from sale of products/services with the contracted price			
	Revenue as per contracted price		1,33,092.23	1,08,731.54
	Adjustments - Estimated price concessions		(696.19)	(174.00)
	Total		1,32,396.04	1,08,557.54
	Contract Balances			
	Contract Assets - Trade Receivables		29,231.08	19,883.53
	Contract Assets - Unbilled Revenue		7,402.94	5,200.85
	Contract Liabilities - Advance from customers		72.92	69.45
	Trade receivables are non - interest bearing and are generally on credit terms of up to 90 days (31st March 2019 : 90 days)			
26	**Other income**			
	Profit on sale of investment		4.15	-
	Profit on sale of asset (net)		3.04	1.03
	Provision no longer required written back		45.60	23.35
	Other non-operating income		28.71	33.84
	Exchange Differences (net)		6.45	-
	Total Other income		87.95	58.22
27	**Finance income**			
	Interest income - Bank deposits		63.55	48.29
	Interest income - Others		37.05	28.68
	Dividend Income		0.60	0.15
	Total Finance income		101.20	77.12
28	**Cost of materials consumed**			
	Inventory at the beginning of the year		141.47	130.50
	Add: Purchase		2,245.50	1,899.26
			2,386.97	2,029.76
	Less : Inventory at the end of the year		140.52	141.47
	Cost of materials consumed		2,246.45	1,888.29
29	**Purchase of traded goods**			
	Purchase of traded goods		2,358.38	1,509.27
	Total Purchase of traded goods		2,358.38	1,509.27
30	**Changes in inventories of finished goods and traded goods**			
	Finished goods			
	Closing stock		130.53	121.26
	Opening stock		121.26	119.01
		Sub total (A)	9.27	2.25
	Stock-in-trade			
	Closing stock		347.68	185.90
	Opening stock		185.90	152.89
		Sub total (B)	161.78	33.01
	Addition on acquisition of Subsidiaries			
	Stock-in-trade		44.31	-
		Sub total (C)	44.31	-
	Total Changes in Inventories		-126.74	-35.26

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
31	**Employee benefit expenses**		
	Salaries and wages	94,050.22	79,090.92
	Contribution to provident and other fund **	10,559.08	9,608.96
	Less: Income from government grants *	(802.57)	(526.97)
	Gratuity expense	547.02	350.99
	Staff welfare expenses	755.32	591.27
	Employee stock option expenses	325.64	-
	Total Employee benefit expenses	**1,05,425.71**	**89,118.17**

* The Group is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria.

**During the year, the a subsidiary Company received an order from the High Court (against the appeal made by the PF department) directing the Company to pay PF on certain allowances to be considered for PF computation for the salary paid for the period FY 2008-11 . Based on the High court order and in compliance with Supreme Court judgement dated February 28, 2019,the said Company has created provision amounting to Rs 72.65 Lakhs (March 31, 2019 : Rs. Nil). The Company had paid an amount Rs 44.34 Lakhs under protest in earlier years and the same will be utilized against the payment of such liability (Refer Note 7 & Note 24)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
32	**Finance costs**		
	Interest on borrowings	683.69	345.33
	Interest on redemption liability	291.75	-
	Interest on income tax	17.33	-
	Other borrowing costs	9.53	9.20
	Bank charges	6.39	16.80
	Interest on lease liabilities	51.59	-
	Total Finance costs	**1,054.26**	**371.33**
33	**Depreciation and amortization expense**		
	Amortization of intangible assets	75.99	17.68
	Depreciation of property, plant & equipment	1,190.65	797.82
	Depreciation of Right To Use Assets	227.20	-
	Impairment of Intangible Assets	5.39	25.77
	Total Depreciation and amortization expense	**1,499.23**	**841.27**
34	**Other expenses**		
	Advances written off	20.89	7.59
	Bad debts written off	257.23	83.54
	Payment to Associates	701.03	-
	Verification expenses	874.09	-
	Consumption of stores and spares	55.79	-
	Business Promotion	8.06	12.45
	Communication expenses	234.74	193.98
	Canteen materials	691.50	566.34
	Cleaning materials and consumables	3,150.95	2,789.50
	Freight and forwarding charges	74.02	-
	Insurance	22.33	16.06
	Legal and professional fees	604.15	416.09
	Power and fuel	212.64	114.70
	Hire charges	42.10	-
	Postage and Courier Charges	919.58	1,082.62
	Printing and stationery	122.22	102.98
	Provision for doubtful trade receivables	442.11	77.86
	Provision for doubtful advances	61.40	144.28
	Provision for Diminishing of value of inventories	2.00	-
	Director sitting fees	20.00	24.00
	Payment to auditor	79.22	60.58
	Rates and taxes	59.88	30.76
	Rent	628.21	761.07
	Repairs and maintenance - others	41.45	300.95
	Security maintenance expenses	6.70	-
	CSR expenditure	69.70	72.42
	Site maintenance expenses	4,025.42	3,132.31
	Travelling and conveyance	975.85	585.54
	Provision for litigations	-	40.79
	Loss on sale of tangible assets	10.92	-
	Miscellaneous expenses	172.67	259.66
	Training Expense	545.73	235.32
	Total Other Expenses	**15,145.88**	**11,105.17**

Details of CSR expenditure:

Gross amount required to be spent by the company during the year :

Amount spent during the year ending on 31st March, 2020:	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	69.70	-	69.70

Amount spent during the year ending on 31st March, 2019:	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	0	-	-
(ii) On purposes other than (i) above	72.42	-	72.42

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
35	**Income Tax Expense**		
	The major components of income tax expense for the years ended 31st March 2020 and 31st March 2019 are:		
	Current income tax:		
	Current income tax charge	675.79	1,148.33
	Tax related to earlier years	2.94	(14.92)
	Deferred tax:		
	Relating to origination and reversal of temporary differences	5.75	(839.31)
	Total Income tax expense reported in the statement of profit or loss	**684.48**	**294.10**
	Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2020:		
	Accounting Profit before income tax	4,942.52	3,890.65
	Enacted tax rate in India	25%	35%
	Profit before income tax multiplied by enacted tax rate	1,219.72	1,359.54
	Effects of:		
	Non-recognition of MAT credit entitlement	-	345.57
	Effect of change in substantively enacted tax rates on deferred tax	714.90	(51.10)
	Ind as adjustments	18.96	-
	Additional deduction under Income Tax based on employment generation	(1,389.33)	(1,392.08)
	Others income taxable at different rate	6.37	(21.45)
	Interest on income tax	4.17	-
	Adjustment in respect of tax related to earlier years	7.29	(2.38)
	Adjustment related to change in tax rate	-	140.83
	Redemption liability re-measurement	73.92	-
	Tax exempt income	(1.26)	-
	Others	29.84	-284.81
	Net effective income tax	684.48	294.10
	Other Comprehensive Income (OCI) Section		
	Deferred tax related to items recognised in OCI during in the year:		
	Re-measurement gains and (losses) on defined benefit obligations (net)	15.41	(36.01)
		15.41	**(36.01)**

36 **Earnings per equity share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	As at March 31, 2020	As at March 31, 2019
Profit after tax	4,258.04	3,596.55
Weighted average number of equity shares		
- Basic	528.17	528.17
- Diluted	531.66	528.17
Earning per share of INR 10 each		
- Basic	8.06	6.81
- Diluted	8.01	6.81

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37 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Group provident fund are the defined contribution plan. An amount of Rs 7185.77 Lakhs being contribution made to recognized provident fund is recognized as expense for the year ended 31 March 2020 (31 March 2019: Rs. 9608.96 Lakhs and included under Employee benefit expense (Note 31) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. **Gratuity (Regular)**

The Group has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 4 years and 240 days of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan:

a) **The amounts recognized in Balance Sheet are as follows:**

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of Defined Benefit Obligation	2,583.40	1,781.58
Fair value of plan assets	(269.95)	(89.49)
Net Liability or asset	2,313.45	1,692.09
Current	268.19	686.90
Non - Current	2,045.26	1,005.19

b) **The amounts recognized in the Statement of Profit and Loss are as follows:**

Particulars	As at March 31, 2020	As at March 31, 2019
Service cost :		
Current service cost	424.68	243.32
Past service cost and loss/ (gain) on curtailments and	11.16	-
Net interest cost :		
Interest Expense on Defined Benefit Obligation	115.80	110.60
Interest Income on Plan Assets	(4.61)	(2.93)
Total included in 'Employee Benefit Expense'	**547.03**	**350.99**

c) **Remeasurement recognized in other comprehensive income:**

Particulars	As at March 31, 2020	As at March 31, 2019
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	(42.18)	17.33
Due to change in demographic assumption	182.69	72.79
Due to experience adjustments	(11.81)	(108.50)
Return on plan assets	0.98	(52.32)
Total	**129.68**	**(70.21)**

d) **The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:**

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	1,781.60	1,094.54
Defined benefit obligation for acquisition during the year	314.45	
Current service cost	424.68	224.40
Interest cost	123.85	110.90
Actuarial losses/(gains)	-	
Due to change in financial assumptions	(42.50)	18.21
Due to change in demographic assumption	182.69	72.79
Due to experience adjustments	(12.83)	(118.74)
Past Service Cost	11.16	-
Benefit Paid	(100.30)	(220.20)
Closing balance of the present value of defined benefit obligation	**2,583.40**	**1,781.60**

e) **Reconciliation of Net Liability / (Asset)**

Particulars	As at March 31, 2020	As at March 31, 2019
Net Liability / (Asset) at the beginning of the period	1,692.09	1,617.85
Defined benefit obligation for acquisition during the year	46.63	-
Defined Benefit cost included in the Profit / Loss	554.83	348.98
Defined Benefit cost included in Other Comprehensive Income	129.82	(86.06)
Benefit Paid	(145.53)	(188.68)
Net Liability / (Asset) at the end of the period	**2,277.84**	**1,692.09**

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37 Disclosure pursuant to Ind AS 19 "Employee benefits": (continued)

f) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2020	As at March 31, 2019
1) Discount rate	5.06%	6.42% to 7.53%
2) Salary growth rate	8.79%	5.00% to 10.00%
3) Attrition rate	47.71% at all ages	10.00% to 77.00%
4) Retirement age	58	58 years
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives mortality (2006-08) Ultimate tables

g) A quantitative sensitivity analysis for significant assumption as at 31 March 2020

Particulars	As at March 31, 2019		As at March 31, 2019	
	Change	Obligation	Change	
i) Discount rate	+0.5%	2,309.57	+0.5%	1,758.74
	-0.5%	2,384.89	-0.5%	1,793.33
ii) Salary growth rate	+0.5%	2,409.03	+0.5%	1,792.84
	-0.5%	2,304.47	-0.5%	1,759.05

h) Expected cashflows based on past service liability

Particulars	As at March 31, 2020	As at March 31, 2019
1) Year 1	862.86	761.53
2) Year 2	608.84	450.81
3) Year 3	483.34	280.12
4) Year 4	345.84	192.77
5) Year 5	236.85	121.42
6) Next 5 years	345.19	187.31

i) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Investment Details		
Others	369.95	89.49
Total	369.95	89.49

B. Gratuity (Reimbursement from clients)

The Group has recognised gratuity liability and reimbursement right in respect of associate employees in accordance with Ind AS 19. The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

a) Net defined benefit liability

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of Defined Benefit Obligation	2,404.98	1,512.00
Fair value of plan assets	-	-
Net Liability	**2,404.98**	**1,512.00**
Current	1,215.41	827.09
Non - Current	1,189.57	684.91

b) Net benefit cost (refer note 1 below)

Particulars	As at March 31, 2020	As at March 31, 2019
Current service cost	283.62	353.11
Net actuarial (gain) / loss recognised in the year	729.76	351.81
Interest cost on defined benefit obligation	76.62	45.80
Net benefit expense	**1090.00**	**750.72**

Note:

The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2020 Rs.1090 lakhs (March 31, 2019 Rs. 750.72 lakhs) have been netted off in the Statement of Profit and Loss.

c) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	1,512.00	761.28
Current service cost	283.62	353.11
Interest cost	76.62	45.80
Actuarial losses/(gains)		
Due to change in financial assumptions	68.48	-6.71
Due to change in demographic assumption	166.98	54.84
Due to experience adjustments	494.34	303.68
Benefit Paid	(197.02)	-
Closing balance of the present value of defined benefit obligation	**2,404.98**	**1,512.00**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

37 Disclosure pursuant to Ind AS 19 "Employee benefits": (continued)

d) **Principal actuarial assumptions used in determining the gratuity obligations are shown below**

	Particulars	As at March 31, 2020	As at March 31, 2019
1)	Discount rate	6.50%	6.50%
2)	Salary growth rate (Duration based)	10.34%	10.73%
3)	Attrition rate (Age based)	55.55% at all ages	62% at all ages
4)	Retirement age (Years)	58	58
5)	Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate Table	Indian Assured Lives Mortality (2006-08) Ultimate Table

e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2020 and March 31, 2019 are as shown below:

Gratuity Plan (Reimbursement from clients)

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Change	Obligation	Change	Change
i)	Discount rate	+0.5%	2,382.48	+0.5%	1,202.49
		-0.5%	2,428.02	-0.5%	1,321.74
ii)	Salary growth rate	+0.5%	2,431.63	+0.5%	1,321.38
		-0.5%	2,378.71	-0.5%	1,202.39

f) **Expected cashflows based on past service liability**

	Particulars	As at March 31, 2020	As at March 31, 2019
1)	Year 1	1,008.17	600.27
2)	Year 2	535.81	345.54
3)	Year 3	378.40	250.07
4)	Year 4	279.53	120.07
5)	Year 5	189.08	69.02
6)	Next 5 years	256.40	63.65

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38 Lease details

The Group has lease contracts for building used in its operations. Leases of building generally have lease terms between 1 - 5 years, vehicles have lease terms of 1 - 3 years and furniture and fittings between 1-2 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.
The Group also has certain leases of building, furniture and fittings with lease term less than 12 months where it applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building	Vehicle	Furniture & fittings	Total
As at April 01, 2019	603.24	0.00	1.27	604.51
Additions	131.73	12.69	0.00	144.42
Transfer from PPE	12.05	0.00	0.00	12.05
Depreciation expense	(224.41)	(1.70)	(1.08)	(227.19)
As at March 31, 2020	522.21	10.99	0.19	534.42

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at April 01, 2019	874.96
Additions	142.44
Accretion of interest	79.65
Payments	(380.22)
As at March 31, 2020	716.83
Current	318.50
Non-current	398.33

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

The effective interest rate for lease liabilities is 8.84%, with maturity between 2021-2025.
The following are the amounts recognised in profit or loss:

	As at 31 March 2020
Depreciation expense of right-of-use assets	227.17
Interest expense on lease liabilities	48.10
Expense relating to short-term leases (included in other expenses)	356.18
Total amount recognised in profit or loss	631.45

39 Share-based payments

Employee Share-option Plan

On April 17, 2019, 'Updater Employee Stock Option Plan 2019 ("ESOP 2019") has been approved by the Board of Directors and also has been approved by Extra-Ordinary General Meeting of the members of the Group. The purpose of the ESOP 2019 is to reward the critical employees for their association, dedication and contribution to the goals of the Group. The options issued under the plan has a term of 1-3 years as provided in the stock grant agreement and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share.

The expense recognised (net of reversal) for share options during the year is INR 315.04 lakhs (March 31, 2019: Nil). There are no cancellations or modifications to the awards in March 31, 2020.

Tranche I (A)

The Company has granted certain options during the year to the employees based on past performance of such employees and, vesting condition being continued employment with the Group as on date of vesting (April 17, 2020).

Tranche I (B), II and III

The Company has granted certain options during the year with future performance of the Group as criteria which has been defined based on a matrix as per the ESOP 2019 for Tranche I (B), II and III. Management based on future projections believes that number of options expected to be vested is Nil and accordingly ESOP reserve has not been created for said tranches.

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-04-2019	17-04-2019	18-10-2019	16-01-2020
Number granted	4,16,772	5,21,235	1,46,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting conditions	100% on April 17, 2020	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022

B. Movement in the options granted to employees

Particulars	Number of options		Number of options	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Outstanding at the beginning of the year	-	-	-	-
Options granted during the year	7,43,243	-	111.00	-
Options exercised during the year	-	-	-	-
Options expired during the year	(96,525)	-	111.00	-
Outstanding at the end of the year	6,46,718	-	111.00	-
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the year was Rs. 10 to Rs. 111 (March 31, 2019: Nil).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020 is in the range of 0.50 to 2.50 years (March 31, 2019: Nil).

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[illegible]

39 Share-based payments (continued)

C. Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	31 March 2020	31 March 2019
Exercise price	18 to 111	
Expected volatility	20%	
Expected dividend yield (%)	-	No options have been
Risk free interest rate	7.40%	granted during the
Expected life of the option	1 - 3 years	year
Weighted average share price	92.00	
Fair Value of the Option	80.71	

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

40 Details of dues to Micro, Small and Medium Enterprises

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2019 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company:

Particulars	As at 31-03-2020	As at 31-03-2019
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	39.51	38.27
Principal amount due to micro and small enterprises	746.68	207.50
Interest due on above	25.17	10.85
(b) Payment made to suppliers (other than interest) beyond the appointed day, during the year	306.87	41.56
(c) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(d) Interest due and payable to suppliers under MSMED Act, for payments already made	14.82	10.86
(e) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	10.11	1.86

41 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, they may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	31-Mar-20	31-Mar-19
Non-current borrowings	8.93	16.01
Current borrowings	8,960.55	2,822.65
Current maturity of long-term borrowings	-	10.60
Less: cash and cash equivalents	(1,742.48)	(1,040.32)
Net debt	7,227.00	1,809.14
Total capital	25,216.44	20,970.60
Capital and net debt	32,443.44	22,780.13
Gearing ratio	22.28%	7.94%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

42 Commitments and Contingencies

Particulars	31-Mar-20	31-Mar-19
a. Contingent Liabilities		
- Claims made against the Company not acknowledged as debts in respect of service tax matters*	-	96.85
- Claims made against the Company not acknowledged as debts in respect of income tax matters	97.28	1.27
- Claims made against the Company not acknowledged as debts in respect of provident fund (2008-11)	-	118.85
Provision for bonus for FY 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	27.58	-
- Claims made against the Company not acknowledged as debts in respect of provident fund (2008-11)	27.77	-
- Others**	13.46	13.46
b. Commitments		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	132.19	118.68

* Includes ₹ Nil duty paid under protest (March 31, 2019 - ₹ 1.88 Lakhs)

** Include claim made against the Company by labour department in respect of minimum wages and writ petition filed with High court of Madras for provident fund claim made by the provident fund commissioner.

Provident fund

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The Holding Company and its subsidiaries has been in compliance with the directions contained in the said judgement since 2014. The company will update its position, on receiving further clarity on the subject.

43 Segment information

The Group is engaged in one business namely providing facility management services & associated services and the operations primarily caters to the domestic and foreign market. The Managing Director of the company has been identified as being the chief operating decision maker (CODM). He evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the company as a single unit. Therefore, there is no reportable segment for the company as per the requirement of Ind-AS 108 "Operating Segments". The Group operates in more than one geographical segment outlined in the table below:

Revenue from external customers	March 31, 2020	March 31, 2019
India	1,21,176.40	1,08,557.55
Outside India	219.64	-
Total revenue as per statement of profit and loss	1,21,396.04	1,08,557.56

There are no sales to external customers more than 10% of Total Revenue.

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

44 **Related party disclosures**

(A) Names of related parties and nature of relationship are as follows:

Description of Relationship	**Name of the related parties**
Entities under Common Control	Best Security Services Private Limited Tangy Facility Solutions Private Limited Tangirala Infrastructure Development Private Limited
Key Management Personnel (KMP)	Mr. T Raghunandana, Director Mrs. T Shanthi, Director Mr. Jayaram L B, Company Secretary Mr. Omprakash B R, Chief Financial Officer (from June 01, 2019 till January 10,2020) Mr. Balaji Swaminathan, Chief Financial Officer (from January 10, 2020) Mr. Sunil Rewachand Chandiramani, Director Mr. Shankar Gopalakrishnan, Director

(B) Transactions entered during the year	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Rent		
Mr. T. Raghunandana	114.37	115.78
Mrs. T. Shanthi	114.37	115.78
Services Provided		
Best Security Services Private Limited	-	6.13
Tangirala Infrastructure Development Private Limited	1.03	-
Services received		
Best Security Services Private Limited	206.82	260.18
Tangirala Infrastructure Development Private Limited		2.21
Material supply		
Best Security Services Private Limited	10.81	6.06
Managerial remuneration		
Mr. T. Raghunandana	192.00	192.00
Mr. Amitabh Jaipuria	-	32.47
Mr. Jayaram L B	54.80	26.19
Mr. Balaji Swaminathan	16.74	-
Mr. Om Prakash B R	44.34	-
Director sitting fees		
Mr. Sunil Rewachand Chandiramani	12.00	12.00
Mr. Shankar Gopalakrishnan	12.00	12.00
Reimbursement / (recovery) of expenses		
Tangirala Infrastructure Development Private Limited	-	(3.46)
Updater Services (UDS) Foundation	0.09	-
Mr. Shankar Gopalakrishnan	0.10	-
CSR Expenses		
Updater Services (UDS) Foundation	69.70	72.42
Investment in equity		
Updater Services (UDS) Foundation	-	1.00
Security Deposit		
Mr. T. Raghunandana	-	7.00
Mrs. T Shanthi, Director	-	7.00
Contribution to Gratuity		
Updater Services Private Limited - Employees Company Gratuity Scheme	327.31	257.65

44 **Related party disclosures (continued)**

(C) Balance outstanding at the end of the year	As at 31 March 2020	As at 31 March 2019
Investment in Equity		
Updater Services (UDS) Foundation	1.00	1.00
Security Deposits		
Mr. T. Raghunandana	95.31	95.31
Mrs. T. Shanthi	95.31	95.31
Trade Payable		
Best Security Services Private Limited	38.17	29.15
Mr. T. Raghunandana	4.24	10.10
Mrs. T. Shanthi	26.93	11.67
Tangirala Infrastructure Development Private Limited	0.25	0.68
Director Fee payable		
Mr. Shankar Gopalakrishnan	5.40	5.40
Mr. Sunil Rewachand Chandiramani	5.40	5.40
Trade Receivable		
Best Security Services Private Limited	-	0.39
Tangirala Infrastructure Development Private Limited	-	0.21
Updater Services (UDS) Foundation	6.19	0.30

(D) Compensation to key managerial personnel is follows;

Consideration to key managerial personnel	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and other employee benefits*@	307.88	250.56

@The employee stock compensation expenses for the year ended March 31, 2020 includes charge of ₹ 15.88 Lakhs towards key managerial personal respectively

*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2020, the group has not recorded any amount towards impairment of loans and receivables relating to amounts owed by related parties (31 March 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

45 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 37.

b) Estimate related to expected price concession

Expected price concessions from customers are based on assumptions relating to risk of credit notes issued. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Impairment of goodwill

Impairment exists when the carrying value of goodwill or the cash generating unit exceeds its recoverable amount, which is its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

46 Fair values

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

47 Fair value hierarchy

The following table provides the fair value measurement hierarchy of group's asset and liabilities

Particulars	Fair value Hierarchy	Carrying value		Fair value	
		31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Financial assets					
Investments	Level 1	154.39	76.39	154.39	76.39
Loans	Level 3	1,182.54	997.63	1,182.54	997.63
Trade receivables	Level 3	29,231.08	21,985.57	29,231.08	21,985.57
Cash and cash equivalents	Level 1	1,743.45	1,040.33	1,743.45	1,040.33
Bank balances (Other than above)	Level 1	1,035.57	1,335.86	1,035.57	1,335.86
Other financial assets - Non Current	Level 3	1,239.46	734.80	1,239.46	734.80
Other financial assets - Current	Level 3	6,643.29	4,989.35	6,643.29	4,989.35
Total		**41,229.77**	**31,159.93**	**41,229.77**	**31,323.20**
Financial liabilities					
Borrowings - Non Current	Level 2	0.91	16.81	0.91	16.81
Lease Liability	Level 3	713.34			
Borrowings - Current	Level 2	8,969.55	2,822.65	8,969.55	2,822.65
Trade Payables	Level 3	3,693.04	2,321.96	3,693.04	2,321.96
Other current financial liabilities	Level 3	12,434.97	8,577.27	12,434.97	8,577.27
Total		**25,811.82**	**13,738.69**	**25,098.47**	**13,738.70**

There have been no transfers between the levels during the year.

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

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

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48 Financial risk management objectives and policies

The Group's principal financial liabilities is borrowings, trade payables and employee benefit payable. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as loan, trade and other receivables; cash and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

Trade and other receivables

In cases of customers where credit is allowed, the average credit period on such sale of goods ranges from 1 day to 90 days. The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.

Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 29,231.08 lakhs (Rs. 21,985.57 Lakhs as of March 31, 2019), being the total of the carrying amount of balances with trade receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax	March 31, 2020	March 31, 2019
Increase in rate by 2%	(194.60)	(55.68)
Decrease in rate by 2%	202.55	57.95

Liquidity risk:

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

As at March 31, 2020

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	9,923.85	0.91	-	9,924.76
Trade Payables	3,262.99	6.68	-	3,269.68
Other financial liabilities	10,585.58	1,596.91	-	12,182.50
Lease Liabilities	327.19	386.16	-	713.34
Total	**24,099.61**	**1,990.66**	-	**26,090.28**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

48 Financial risk management objectives and policies (continued)

As at March 31, 2019

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	2,822.64	16.82	-	2,839.46
Trade Payables	2,320.90	1.06	-	2,321.96
Other financial liabilities	8,577.27	-	-	8,577.27
Total	**13,720.81**	**17.88**	**-**	**13,738.69**

Foreign Currency Risk Management:

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31st March 2020	
		Amount in FC	Amount in Rs.
Trade Receivables	USD	0.14	16.35
	SAR	2.45	46.97
	AED	3.90	80.06

Foreign Currency sensitivity analysis :

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

USD/AED/SAR TO INR	Profit and Loss		Equity	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
March 31, 2020	6.97	6.97	6.97	6.97

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

49 Material Partly - Owned Subsidiaries

Set out below is summarised financial information for each subsidiary that has non controlling interest that are material to the group. The amount disclosed for each subsidiary are before inter company eliminations.

A. Avon Solutions & Logistics Private Limited

Summarised balance sheet

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2020	March 31, 2019
Cash and cash equivalents	40.49	40.87
Current assets excluding cash and cash equivalents	1,283.74	1,280.32
Non-current assets	462.01	361.91
Trade payables	97.40	147.55
Provisions	331.02	398.69
Current liabilities excluding trade payables and provisions	463.38	484.76
Borrowings	93.20	88.09
Non-current liabilities excluding borrowings and provisions	30.06	-
Equity	864.37	641.92
Share of NCI	24.00%	24.00%
Attributable to NCI	207.45	154.06

Summarised statement of profit and loss

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2020	March 31, 2019
Total Revenue	4,207.07	4,020.77
Employee benefits expense	2,861.15	2,414.99
Finance costs	18.58	9.05
Depreciation and amortization expense	35.91	23.33
Other expenses	1,118.41	1,330.75
Profit before tax	202.97	242.63
Income tax expense	69.34	63.63
Profit for the year	133.63	179.03
Other comprehensive income/(loss)	88.98	(30.22)
Total comprehensive income for the year	222.62	148.80
Attributable to NCI	53.43	35.71

Summarised cash flow statement

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2020	March 31, 2019
Operating activities	176.10	158.46
Investing activities	(157.99)	(94.14)
Financing activities	(18.49)	(51.38)
Net increase/(decrease) in cash and cash equivalents	(0.38)	12.94

B. Fusion Foods and Catering Private Limited

Summarised balance sheet

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2020	March 31, 2019
Cash and cash equivalents	160.40	20.29
Current assets excluding cash and cash equivalents	1,630.70	1,718.35
Non-current assets	418.40	176.07
Trade payables	1,003.15	791.82
Provisions	62.45	52.03
Current liabilities excluding trade payables and provisions	1,351.42	258.19
Borrowings	6.88	6.66
Non-current liabilities excluding borrowings	182.15	-
Equity	675.93	806.01
Share of NCI	34.60%	34.60%
Attributable to NCI	234.00	278.88

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

49 Material Partly - Owned Subsidiaries (continued)

B. Fusion Foods and Catering Private Limited

Summarised statement of profit and loss

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2020	March 31, 2019
Total Revenue	7,124.05	6,305.65
Cost of materials consumed	4,772.24	4,164.94
Employee benefits expense	2,066.19	1,686.92
Finance costs	4.40	3.92
Depreciation and amortization expense	97.72	36.86
Other expenses	345.93	313.60
Profit before tax	(162.42)	99.42
Income tax expense	(29.67)	58.50
Profit for the year	(132.75)	40.91
Other comprehensive income/(loss)	2.98	4.81
Total comprehensive income for the year	(129.77)	45.72
Attributable to NCI	(44.90)	15.82

Summarised cash flow statement

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2020	March 31, 2019
Operating activities	506.31	(90.16)
Investing activities	(353.78)	(35.28)
Financing activities	(12.42)	37.54
Net increase/(decrease) in cash and cash equivalents	140.11	(87.90)

C. Global Flight Handling Services Private Limited

Summarised balance sheet

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2020	March 31, 2019
Cash and cash equivalents	23.33	2.66
Current assets excluding cash and cash equivalents	161.83	207.29
Non-current assets	40.91	81.72
Provisions	1.78	14.66
Current liabilities excluding trade payables and provisions	193.21	178.43
Borrowings	67.22	67.81
Equity	32.85	30.76
Share of NCI	30.00%	30.00%
Attributable to NCI	9.86	9.23

Summarised statement of profit and loss

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2020	March 31, 2019
Total Revenue	185.45	440.29
Employee benefits expense	91.79	379.59
Finance costs	-	15.86
Depreciation and amortization expense	0.06	0.07
Other expenses	90.28	37.76
Profit before tax	3.32	7.00
Income tax expense	(3.12)	(1.13)
Profit for the year	2.09	8.13
Total comprehensive income for the year	2.09	8.13
Attributable to NCI	0.63	2.44

Summarised cash flow statement

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2020	March 31, 2019
Operating activities	21.26	(83.23)
Investing activities	-	(0.18)
Financing activities	(0.59)	48.21
Net increase/(decrease) in cash and cash equivalents	20.67	(35.20)

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

59 Group information

A) Subsidiaries

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-20	31-Mar-19
Avon Solutions & Logistics Private Limited	Mailroom logistics management	India	76.00%	76.00%
Integrated Technical Staffing and Solutions Private Limited	Technical staffing management	India	99.99%	99.99%
Stanworth Management Private Limited	Integrated facility management	India	100.00%	100.00%
Tangy Supplies & Solutions Private Limited	Supply of house keeping products	India	99.99%	99.99%
Fusion Foods and Catering Private Limited	Corporate and Industrial catering management	India	65.00%	65.00%
Zappy Home Solutions Private Limited	Home maintenance and household services	India	99.99%	99.99%
Global Flight Handling Services Private Limited	Ground service support for airlines	India	70.00%	70.00%
Matrix Business Services India Private Limited (26th April 2019)	People, Product, and Process assurance services	India	75.00%	0.00%
Washroom Hygiene Concepts Private Limited (1st Oct 2019)	Facility Hygiene Solutions	India	76.00%	0.00%

B) Holding/Promoter company
Updater Services Private Limited

C) Other entities

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-20	31-Mar-19
Updater Services (UDS) Foundation	Licensed under Section 8 of Companies Act, 2013	India	100%	100%

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the year ended 31st March 2020

Year Ended 31st March 2020

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Private Limited	89.74%	23,034.89	76.42%	3,253.87	131.99%	(150.98)	74.88%	3,102.89
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	3.37%	864.36	3.14%	133.63	-77.79%	88.98	5.37%	222.62
Integrated Technical Staffing and Solutions Private Limited	1.81%	464.26	3.62%	153.98	0.05%	(0.06)	3.71%	153.92
Stanworth Management Private Limited	0.58%	148.73	2.58%	109.73	21.34%	(24.41)	2.06%	85.32
Tangy Supplies & Solutions Private Limited	3.12%	801.64	1.41%	60.00	-10.40%	11.89	1.74%	71.89
Fusion Foods and Catering Private Limited	2.63%	675.93	-3.12%	(132.75)	-2.61%	2.98	-3.13%	(129.77)
Zappy Home Solutions Private Limited	-2.44%	(626.71)	-1.91%	(81.38)	-1.29%	1.47	-1.93%	(79.91)
Global Flight Handling Services Private Limited	0.13%	32.85	0.05%	2.09	0.00%	-	0.05%	2.09
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.10%	3,361.34	15.33%	652.80	38.69%	(44.26)	14.69%	608.54
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	2.30%	590.70	-1.24%	(52.73)	0.00%	-	-1.27%	(52.73)
Adjustments	-14.34%	(3,680.76)	3.73%	158.81	0.00%	-	3.83%	158.81
Total	100.00%	25,667.73	100.00%	4,258.05	99.99%	(114.39)	100.00%	4,143.67

Year Ended 31st March 2019

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Private Limited	92.47%	19,800.25	83.16%	2,990.85	125.46%	79.93	83.90%	3,070.78
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	3.00%	641.92	4.98%	179.04	-47.42%	(30.21)	4.07%	148.82
Integrated Technical Staffing and Solutions Private Limited	1.77%	378.95	2.28%	82.08	0.00%	-	2.24%	82.08
Stanworth Management Private Limited	0.36%	76.83	0.95%	34.09	11.94%	7.61	1.14%	41.70
Tangy Supplies & Solutions Private Limited	3.03%	648.01	3.77%	135.70	2.47%	1.57	3.75%	137.27
Fusion Foods and Catering Private Limited	3.76%	806.01	1.14%	40.91	7.55%	4.81	1.25%	45.72
Zappy Home Solutions Private Limited	-2.55%	(546.80)	-12.70%	(456.60)	0.00%	-	-12.47%	(456.60)
Global Flight Handling Services Private Limited	0.14%	30.76	0.23%	8.13	0.00%	-	0.22%	8.13
Adjustments	-1.98%	(423.37)	16.19%	582.35			15.91%	582.35
Total	100.00%	21,412.56	100.00%	3,596.55	100.00%	63.71	100.00%	3,660.25

S.R. Batliboi & Associates LLP * Chartered Accountants * Chennai

Updater Services Ltd * Chennai 600 097

52 Previous Year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

53 Deduction under section 80 JJAA

As per the amendment in the Finance Act, 2016, deduction under Section 80JJAA of the Income tax Act, 1961, was extended across to all the sectors. As per the provisions of Section 80JJAA, an assessee will be allowed a deduction of an amount equal to thirty per cent of additional wages paid to the new regular workmen employed by the assessee in the previous year for three assessment years including the assessment year relevant to the previous year in which such employment is provided subject to fulfilment of the other conditions mentioned in the Section 80JJAA. The Group has started availing such deduction from FY 2016-17 onwards.

54 Impact of Covid-19 Pandemic

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor future economic conditions for any significant change.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag B Shah
Partner
Membership No. 121648

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T.Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer
Place: Chennai
Date : December 31, 2020

L.B. Jayaram
Company Secretary

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th Floor - "A" Block
Tidel Park, No. 4
Rajiv Gandhi Salai
Taramani, Chennai - 600 113, India
Tel : +91 44 6117 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of Updater Services Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Updater Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 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 audit opinion on the standalone Ind AS financial statements.

Other Information

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

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act

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with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;

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

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
Partner
Membership Number: 121648
UDIN: 21121648AAAAAA5172
Place of Signature: Chennai
Date: December 31, 2020

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Annexure 1 referred to under paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Auditors' Report

Re: Updater Services Private Limited ("Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii)(a) According to the information and explanations given to us,

(I) The Company has granted loans that are re-payable on demand to one subsidiary company (Global Flight Handling Services Private Limited) covered in the register maintained under section 189 of the Companies Act, 2013 having maximum balance of INR 8,833,413/- and year-end balance of INR 5,393,413/-. We are of the opinion that the terms and conditions of such loans are prejudicial to the company's interest on account of interest being waived off by the Company. The loan amount has been fully provided for in the Financial Statements.

(II) The Company has also granted loans that are re-payable on demand to one wholly owned subsidiary company (Zappy Home Solutions Private Limited) covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest. However the loan amount has been fully provided for in the Financial Statements.

(b) The Company has granted loans that are re-payable on demand, to Companies covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. In respect of the said loan, interest accrued during the year has been waived off by the Board of Directors of the Company.

(c) There are no amounts of loans granted to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, professional tax, income-tax, goods and services tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been delays in respect of: Income tax – tax deducted at source (upto 1 days); Provident Fund (upto 136 days); Employee State Insurance (upto 101 days); Professional Tax (upto 190 days). The provisions relating to excise duty and customs duty are not applicable to the Company.

(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. There are no loans or borrowings due in respect of financial institution or government dues or dues to debenture holders.

(ix) According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

(xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

per **Chirag Shah**
Partner
Membership No: 121648
UDIN: 21121648AAAAAA5172
Place of signature: Chennai
Date: December 31, 2020

Annexure 2 to the independent auditor's report of even date on the Standalone Ind AS financial statements of Updater Services Private Limited

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

We have audited the internal financial controls over financial reporting of Updater Services Private Limited ("the Company") as of March 31, 2020, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS 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 Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Chirag Shah
Partner
Membership Number: 121648
UDIN: 21121648AAAAAA5172
Place of Signature: Chennai
Date: December 31, 2020

Updater Services Private Limited
Balance sheet as at March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,218.02	1,308.78
Other intangible assets	4	5.69	12.64
Right-of-use assets	30	1.44	-
Financial assets			
(i) Investments	5	9,276.76	2,527.29
(ii) Loans	6	527.44	501.48
(iii) Bank balances other than cash and cash equivalents	11	232.15	82.94
(iv) Other financial assets	7	1,239.38	734.72
Deferred tax asset (Net)	12	2,371.09	2,501.18
Other non-current assets	9	4.41	58.94
		14,876.38	**7,727.97**
Current assets			
Financial assets			
(i) Trade receivables	10	24,416.69	18,730.22
(ii) Cash and cash equivalents	11	713.47	687.52
(iii) Bank balances other than (ii) above	11	36.06	1,097.86
(iv) Loans	6	625.59	870.08
(v) Other financial assets	7	6,380.14	4,743.44
Income tax assets (net)	8	3,718.04	2,256.40
Other current assets	9	2,553.28	2,396.62
		38,443.27	**30,782.14**
Total Assets		**53,319.65**	**38,510.11**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	5,281.75	5,281.75
Other equity	14	17,753.14	14,518.50
Total equity		**23,034.89**	**19,800.25**
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	30	65.09	-
(ii) Other Financial liabilities	18	1,363.51	-
Provisions	15A	3,171.88	1,543.33
		4,600.48	**1,543.33**
Current Liabilities			
Financial liabilities			
(i) Borrowings	16	8,855.04	2,744.71
(ii) Lease Liabilities	30	67.30	-
(iii) Trade payables	17		
Total outstanding dues of micro, small and medium enterprises		90.44	53.96
Total outstanding dues other than micro, small and medium enterprises		1,591.85	1,494.36
(iv) Other current financial liabilities	18	9,588.13	7,658.45
Other current liabilities	19	3,731.04	3,532.98
Liabilities for current tax (net)	15B	91.43	91.43
Provisions	15A	1,669.05	1,590.64
		25,684.28	**17,166.53**
Total Liabilities		**30,284.76**	**18,709.86**
TOTAL EQUITY AND LIABLITIES		**53,319.65**	**38,510.11**
Summary of significant accounting policies	1 - 2		
The accompanying notes form an integral part of the Financial Statements	3 - 41		

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Chirag Shah
Partner
Membership No. 121648

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

Updater Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from contracts with customers	20	1,09,379.01	94,484.29
Other income	21	10.07	44.37
Finance income	22	86.05	201.12
Total Income		**1,09,475.13**	**94,729.78**
Expenses			
Employee benefits expense	23	93,786.43	81,436.13
Finance costs	24	989.64	341.35
Depreciation and amortization expense	25	672.44	662.15
Other expenses	26	10,449.98	9,144.07
Total Expense		**1,05,898.49**	**91,583.70**
Profit/(Loss) before tax		**3,576.64**	**3,146.08**
Tax Expense :			
Current tax		138.95	912.07
Tax related to earlier years		2.94	(17.26)
Deferred Tax :			
Deferred tax (Net)		180.88	(739.57)
Income tax expense	**27**	**322.77**	**155.24**
Profit/(Loss) for the year		**3,253.87**	**2,990.84**
Other Comprehensive Income:			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit obligations (net)		(201.76)	122.86
Income tax effect		50.78	(42.93)
		(150.98)	**79.93**
Other comprehensive income/(loss) for the year, net of tax		**(150.98)**	**79.93**
Total comprehensive Income/(Loss) for the year, net of tax		**3,102.89**	**3,070.77**
Earnings per equity share			
Basic (Amount in ₹)	28	6.16	5.66
Diluted (Amount in ₹)	28	6.12	5.66

The accompanying notes form an integral part of the Financial Statements 3 - 41
As per report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
Partner
Membership No. 121648

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

Updater Services Private Limited
Cash flow statement for the year ended March 31, 2020
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax		**3,576.64**	**3,146.08**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		672.44	662.15
Interest expenses		989.64	341.35
Interest (income)		(86.05)	(139.59)
Dividend (income)		-	(61.53)
Provision for expected credit loss of trade receivables		255.68	17.29
Provision for doubtful advances and litigations		152.39	831.08
Commission income		-	(5.05)
Commission expenses		5.05	-
Liability no longer required written back		-	(21.58)
(Profit)/Loss on sale of asset or investments		(2.47)	(1.00)
Rent equalisation reserve		(4.61)	1.76
Bad debts written off		146.03	80.77
Employee stock option expenses		325.64	-
Operating cash flow before working capital changes		**6,030.38**	**4,851.73**
Movements in working capital :			
(Increase)/decrease in trade receivables		(6,088.19)	(3,118.78)
(Increase)/decrease in other financial assets		(2,149.31)	(99.80)
(Increase)/decrease in loans		(58.93)	(47.58)
(Increase)/decrease in non - financial assets		(182.46)	(760.91)
Increase/(decrease) in trade payables		133.98	(42.81)
Increase/ (decrease) in current liabilities and provisions		3,440.37	2,357.09
Cash generated from /(used in) operations		**1,125.84**	**3,138.94**
Direct taxes paid (net of refunds)		(1,603.53)	(1,945.18)
Net cash flow from/ (used in) operating activities	**A**	**(477.69)**	**1,193.76**
Cash flow from investing activities			
Purchase of property, plant and equipment		(589.27)	(854.31)
Investment in Subsidiary company		(5,435.02)	(32.87)
Loans to subsidiaries (net)		184.89	(593.93)
Investments in fixed deposits		912.59	(869.09)
Proceeds from sale of asset		4.20	21.25
Dividends received from subsidiary company		-	61.53
Interest received		71.18	111.59
Net cash flow from/ (used in) investing activities	**B**	**(4,851.43)**	**(2,155.83)**
Cash flow from financing activities			
Repayment of long-term borrowings		-	(1.73)
Proceeds from short-term borrowings (net)		6,110.33	1,211.97
Payment of principal portion of lease liabilities		(71.67)	-
Interest paid		(683.59)	(329.94)
Net cash flow from/ (used in) in financing activities	**C**	**5,355.07**	**880.30**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	**25.95**	**(81.77)**
Cash and cash equivalents at the beginning of the year	11	687.52	769.29
Cash and cash equivalents at the end of the year		713.47	687.52

The accompanying notes form an integral part of the Financial Statements 3 - 41

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
Partner
Membership No. 121648

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

1. Corporate information

Updater Services Private Limited ("the Company") was incorporated on November 13, 2003. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at NO.2/302-A, UDS Salai, off Old Mahabalipuram road, Thoraipakkam, Chennai. Updater Services Private Limited is engaged in providing facility management services like integrated facility management services to various industries such as information technology, information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts.

Integrated facility management services include housekeeping, staffing, production support, mechanical and electrical services, garden management, pest control and catering solutions.

The financial statements were authorised for issue in accordance with a resolution of the directors on December 31, 2020.

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

i. Compliance with Ind-AS

The financial statements of the Company are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All values are rounded to nearest lakhs except when otherwise stated.

The financial statements have been prepared on a historical cost basis, except for the following:
a) Certain financial assets and liabilities measured at fair value as explained in the accounting policies; and
b) Defined benefit plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of Significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

For depreciation purposes, the Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. Expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

Depreciation

The Company, based on technical assessment made by experts and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Company has used the following rates to provide depreciation on its property, plant and equipment.

Asset Classification	**Estimated Useful Life (Years)**
Plant and machinery*	5
Furniture and fittings	10
Office equipment	5
Vehicles	8
Computer and accessories	3
Land and building	30

*The Company is using useful life different from the life prescribed in Schedule II of the Companies act based on technical estimate by expert.

Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

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

c. Intangible assets

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. 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. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Costs incurred towards purchase of software are depreciated using the straight-line method over a period of 3 years based on management's estimate of useful lives of such software, or over the license period of the software, whichever is shorter.

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Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gain or loss arising from Derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Asset Classification	Useful Life (Years)	Amortisation method	Internally generated or acquired
Software	Finite – 3 years	Amortised on a straight-line basis over the life	Acquired

d. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

e. Revenue from contracts with customers

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Revenue is adjusted for expected price concessions based on the management estimates.

The specific recognition criteria described below must also be met before revenue is recognised.

Income from facility management services
Revenues from facility management service contracts are accounted on accrual basis on performance of the services agreed in the contract with the customers.

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Dividend income

Dividend income is recognised when the unconditional right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Financial income" in the statement of profit and loss.

Contract balances

(a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Assets (Unbilled revenue) represents revenue in excess of billing.

(b) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(c) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

f. Financial Instruments

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

f (i) Financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

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

The Company has determined the classification of debt instruments in terms of whether they meet amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date. Accordingly,
the Company has classified all debt instruments as of the transition date at amortised cost.

f (ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

f (iii) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Investments

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in Mutual funds are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other Income" line item.

f (iv) Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. 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. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

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

0n de-recognition of a financial asset in its entirety, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

f (vi) Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

f (vii) Financial liabilities and equity instruments
f (vii)(l) Classification as debt or equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

f (vii)(2) Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

f (viii) Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

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

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

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f (ix) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held—for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.

f (x) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

f (xi) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Company has applied the de-recognition requirements. of financial liabilities prospectively for transactions occurring on or after April 01, 2017 (the transition date).

f (xii) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.
Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

f (xiii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

g. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written-down value basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	Estimated Useful Life (Years)
Building	1 – 5

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (see Note 30).

iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Buildings and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

h. Retirement and other employee benefits

a. Compensated absences

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred.

b. Post-employment obligations

The Company operates the following post-employment schemes:

i. Gratuity obligations

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the

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tenure of employment with the Company. The Company provides the gratuity benefit through annual contribution to Updater Services Private Limited - Employee benefit scheme. Under this scheme the settlement obligation remains with the Company although the LIC administers the scheme and determines the contribution premium required to be paid by the Company. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the Company recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS – 19.

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

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

ii. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

i. Taxes on Income

Current income tax
Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

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

Deferred tax
Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognised for all taxable temporary differences, except:

• In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities

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are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

j. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria.

k. Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

l. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Company. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes (Refer Note 38).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 39).

m. Segment reporting

The Management monitors the operating results of its business as a single primary segment "facility management service" for the purpose of making decisions about resource allocation and performance assessment. The business of the Company falls under a single primary segment i.e. 'facility management service' for the purpose of Ind AS 108.

n. Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

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p. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,
(i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

q. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

s. Share-based payments
Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 31.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

t. Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases
Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption in accordance with Para C8 (c) (i) to Ind AS 116 with the date of initial application of April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 2.3 (g) Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

- **Leases previously accounted for as operating leases**

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at April 01, 2019:

- Right-of -use assets of INR 2.77 lakhs were recognised and presented separately in the balance sheet.
- Additional lease liabilities of INR 196.66 lakhs were recognised.

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The lease liabilities as at April 01, 2019 can be reconciled to the operating lease commitments as of March 31, 2019, as follows:

Assets	**Amount in INR lakhs**
Operating lease commitments as at March 31, 2019	188.33
Adjustments:	
Discounting effect	-30.00
Lease payments relating to renewal periods not included in operating lease commitments as at March 31, 2019	38.32
Lease liabilities as at April 01, 2019	196.66

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

u. Standards Issued but not effective

There were no Standards issued but not effective as at March 31, 2020.

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3 **Property, plant and equipment**

Particulars	Land and Building	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Leasehold improvements	Total
<u>Cost</u>								
At April 01, 2018	177.57	1,054.26	55.47	73.61	100.75	142.73	60.20	1,664.59
Additions	-	733.91	17.86	7.84	27.17	57.58	-	844.36
Disposals	-	(15.75)	-	-	(6.43)	-	-	(22.18)
At March 31, 2019	177.57	1,772.42	73.33	81.45	121.49	200.31	60.20	2,486.77
Additions	-	429.24	40.55	20.51	20.29	57.12	-	567.71
Disposals	-	(71.05)	(15.87)	(8.00)	(9.59)	(7.75)	-	(112.26)
At March 31, 2020	177.57	2,130.61	98.01	93.96	132.19	249.68	60.20	2,942.22
<u>**Depreciation & amortisation**</u>								
At April 01, 2018	9.15	354.78	23.10	30.90	32.85	62.90	14.32	528.00
Charge for the year	16.01	485.46	8.09	22.78	23.14	67.46	28.98	651.92
Disposals	-	(1.93)	-	-	-	-	-	(1.93)
At March 31, 2019	25.16	838.31	31.19	53.68	55.99	130.36	43.30	1,177.99
Charge for the year	14.48	517.64	17.34	19.50	20.31	56.79	10.68	656.74
Disposals	-	(71.05)	(15.87)	(8.00)	(7.86)	(7.75)	-	(110.53)
At March 31, 2020	39.64	1,284.90	32.66	65.18	68.44	179.40	53.98	1,724.20
Net Block								
At March 31, 2020	137.93	845.71	65.35	28.78	63.75	70.28	6.22	1,218.02
At March 31, 2019	152.41	934.11	42.14	27.77	65.50	69.95	16.90	1,308.78

i) # - Includes property, plant and equipment written off - March 31, 2019 - Nil (March 31, 2018 - ₹ 1,104.97 lakhs and April 01, 2017 - Nil)

4 **Other intangible assets**

Particulars	Computer software	Total
<u>Cost</u>		
At April 01, 2018	24.26	24.26
Additions	11.50	11.50
At March 31, 2019	35.76	35.76
Additions	-	-
At March 31, 2020	35.76	35.76
<u>**Depreciation & amortisation**</u>		
At April 01, 2018	12.90	12.90
Charge for the year	10.22	10.22
At March 31, 2019	23.12	23.12
Charge for the year	6.95	6.95
At March 31, 2020	30.07	30.07
Net Block		
At March 31, 2020	5.69	5.69
At March 31, 2019	12.64	12.64

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		As at 31 March 2020	As at 31 March 2019
5	**Investments**		
A	**Non-current investments**		
	Unquoted equity instruments in subsidiaries		
a.	Avon Solutions and Logistics Private Limited 21,923 (March 31, 2019: 21,923) equity shares of ₹ 100 each fully paid up	796.92	796.92
b.	Integrated Technical and Staffing Solutions Private Limited 9,999 (March 31, 2019: 9,999) equity shares of ₹ 10 each fully paid up	1.00	1.00
c.	Tangy Supplies & Solutions Private Limited 99,999 (March 31, 2019: 99,999) equity shares of ₹ 10 each fully paid up	10.00	10.00
d.	Stanworth Management Private Limited 1,732,000 (March 31, 2019: 1,732,000) equity shares of ₹ 10 each fully paid up	263.23	263.23
e.	Fusion Foods India Private Limited 11,381 (March 31, 2019: 11,381) equity shares of ₹ 10 each fully paid up	1,421.93	1,421.93
f.	Zappy Home Solutions Private Limited 99,999 (March 31, 2019: 99,999) equity shares of ₹ 10 each fully paid up	10.00	10.00
g.	Updater Services (UDS) Foundation 9,999 (March 31, 2019: 9,999) equity shares of ₹ 10 each fully paid up	1.00	1.00
h.	Global Flight Handling Services Private Limited 7,000 (March 31, 2019: 7,000) equity shares of ₹ 10 each fully paid up	11.87	22.21
i.	Matrix Business Services India Private Limited 313,660 (March 31, 2019: Nil) Equity Shares of ₹ 10 Each, fully paid up	4,880.18	-
j.	Washroom Hygiene Concepts Private Limited 73,833 (March 31, 2019: Nil) Equity Shares of ₹ 10 Each, fully paid up	1,880.63	-
		9,276.76	**2,527.29**
	Current		
	Non Current	9,276.76	2,527.29
	Aggregate value of unquoted investments	9,276.76	2,527.29

Notes:

a) **Matrix Business Services India Private Limited** - During the year ended 31 March 2020, the Company has acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,915.01 lakhs as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the year includes ₹ 965.16 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of Matrix. (Also refer note 18)

b) **Washroom Hygiene Concepts Private Limited** - During the year ended 31 March 2020, the Company has acquired 76% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 1,520.00 lakhs as equity share capital. WHC is primarily engaged in the business of providing washroom sanitizing services and hygiene solutions, primarily female hygiene solutions, viz sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the year includes ₹ 360.63 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC. (Also refer note 18)

c) **Global Flight Handling Services Private Limited** - During the year previous ended 31 March 2019, the Company has acquired 75% stake in Global Flight Handling Services Private Limited ("GFHSPL"). GFHSPL is engaged in the business of Flight Handling, Ground Handling and Facility Management Services including House Keeping, Manpower Recruitment, Security and Maintenance services for Airlines, Business and Industrial Undertakings.

d) **Updater Services (UDS) Foundation** – During the previous year ended 31 March 2019, the Company had incorporated a Company under Section 8 of Companies Act, 2013, primarily for the purpose of utilization of expenditure to be incurred as Corporate Social Responsibility ("CSR").

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6 **Loans**
(At Amortised Cost)

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
(Considered good, Unsecured unless stated otherwise)				
Retention Deposits				
- considered good	104.37	96.61	-	-
- credit impaired	4.89	4.89	-	-
	109.26	101.50	-	-
Less: Provision for doubtful deposits	(4.89)	(4.89)	-	-
	104.37	**96.61**	-	-
Security Deposits				
- considered good	117.69	120.04	374.53	337.45
- credit impaired	-	-	70.72	50.47
	117.69	120.04	445.25	387.92
Less: Provision for doubtful deposits	-	-	(70.72)	(50.47)
	117.69	**120.04**	**374.53**	**337.45**
Rental deposits @				
- considered good	305.38	284.83	-	-
- credit impaired	26.57	26.57	-	-
	331.95	311.40	-	-
Less: Provision for doubtful deposits	(26.57)	(26.57)	-	-
	305.38	**284.83**	-	-
Loans to related party #				
- considered good	-	-	233.93	510.99
- credit impaired	-	-	749.77	654.99
	-	-	983.70	1,165.98
Less: Provision for doubtful loans	-	-	(749.77)	(654.99)
	-	-	**233.93**	**510.99**
Loans to employees				
- considered good	-	-	17.13	21.64
- credit impaired	-	-	9.18	7.77
	-	-	26.31	29.41
Less: Provision for doubtful loans	-	-	(9.18)	(7.77)
	-	-	**17.13**	**21.64**
	527.44	**501.48**	**625.59**	**870.08**

@ - Rental deposit includes amounts held by related parties of ₹ 220.45 lakhs (March 31, 2019 - ₹ 220.45 lakhs)

- The Company has given loans of ₹ 695.84 lakhs and ₹53.93 lakhs (March 31, 2019 ₹ 654.99 lakhs and ₹ Nil) to Zappy Home Solutions Private Limited and Global Flight Handling services private limited as at March 31, 2020. In view of the losses / insufficient profit incurred, the management of the Company has made a provision for the loans receivable.

7 **Other financial assets**
(At Amortised Cost)

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
(Considered good, Unsecured unless stated otherwise)				
Reimbursement right of gratuity ^^^	1,189.57	684.91	1,215.41	827.09
Advances recoverable in cash				
- considered good	-	-	1.82	20.99
- credit impaired	-	-	29.04	30.09
	-	-	30.86	51.08
Less: Provision for doubtful advances	-	-	(29.04)	(30.09)
	-	-	**1.82**	**20.99**
Interest accrued	-	-	6.20	15.20
Unbilled revenue ***	-	-	5,133.77	3,880.16
Receivable from related parties (refer Note 36)	-	-	22.94	-
Other advances	49.81	49.81	-	-
	1,239.38	**734.72**	**6,380.14**	**4,743.44**

^^^ The Company has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19. Refer Note 29(B)

*** Classified as financial asset as right to consideration is unconditional upon passage of time

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8 Income tax assets (net)

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Advance income taxes	-	-	10,491.89	8,891.13
Less: Provision for income taxes	-	-	(6,773.85)	(6,634.73)
	-	-	**3,718.04**	**2,256.40**

9 Other assets
(At Amortised Cost)

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
(Considered good, Unsecured unless stated otherwise)				
Prepaid expenses ^^^	-	-	749.12	879.84
Balance with government authorities				
- considered good	-	11.20	169.98	221.92
- credit impaired	-	-	41.57	41.57
	-	11.20	211.55	263.49
Less: Provision for doubtful balance with government authorities	-	-	(41.57)	(41.57)
	-	**11.20**	**169.98**	**221.92**
Capital Advance				
- considered good	4.41	47.74	-	-
- credit impaired	44.30	44.30	-	-
	48.71	92.04	-	-
Less: Provision for doubtful capital advances	(44.30)	(44.30)	-	-
	4.41	**47.74**	-	-
Advances for supply of goods				
- considered good	-	-	73.48	72.82
- credit impaired	-	-	173.90	155.56
	-	-	247.38	228.38
Less: Provision for doubtful advances for supply of goods	-	-	(173.90)	(155.56)
	-	-	**73.48**	**72.82**
Advances to employees				
- considered good	-	-	56.01	139.11
- credit impaired	-	-	38.61	19.95
	-	-	94.62	159.06
Less: Provision for doubtful advances to employees	-	-	(38.61)	(19.95)
	-	-	**56.01**	**139.11**
Unbilled revenue ***			1,503.89	1,082.93
	4.41	**58.94**	**2,553.28**	**2,396.62**

^^^ Includes cost of uniform and shoes provided to service staff written off over a period of 12 months from the date of purchase ₹ 401.85 lakhs (March 31, 2019 - ₹ 405.60 lakhs)

*** Classified as non-financial asset as the contractual unconditional right to consideration is dependent on completion of contractual obligations

10 Trade Receivables

	As at 31 March 2020	As at 31 March 2019
(At Amortised Cost)		
Trade receivables	24,400.71	18,729.63
Trade receivable from related parties (Note 36)	15.98	0.59
	24,416.69	**18,730.22**
Security details		
Considered good, Secured	-	-
Considered good, Unsecured	24,416.69	18,730.22
Trade Receivables - credit impaired	294.31	38.62
	24,711.00	18,768.84
Impairment allowance (allowance for bad and doubtful debts)		
Considered good, Unsecured	-	-
Trade Receivables - credit impaired	(294.31)	(38.62)
	(294.31)	(38.62)
Total Trade receivables	**24,416.69**	**18,730.22**

11 Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
(i) Balances with banks		
- On current accounts	681.93	412.99
- earmarked for DDU GKY Project ***	13.51	256.42
(ii) Cash in hand	18.03	18.11
	713.47	**687.52**

For the purpose of statement of cashflows, cash and cash equivalents comprise the following:

	As at 31 March 2020	As at 31 March 2019
On current accounts	695.44	669.41
Cash on hand	18.03	18.11
Total Cash and cash equivalents	**713.47**	**687.52**

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
(ii) Bank Balances other than cash and cash equivalents as above				
- in long term deposits under lien with maturity more than 3 months but less than 12 months	232.15	82.94	36.06	1,097.86
Total Bank balance other than cash and cash equivalents	**232.15**	**82.94**	**36.06**	**1,097.86**

*** During the year ended 31 March 2018, the Company had entered into an Memorandum of Understanding (MOU) with Tamil Nadu State Rural Lively Mission on August 26, whereby for a period of 3 years in relation to a particular project (DDU GKY), Company has to train 2,002 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Company has received an advance of ₹ 674.06 lakhs from the CEO,Tamil Nadu State Rural Lively Mission. The money can be utilised only for the training and related expenses approved as per the MOU/agreement.'

12 Deferred tax asset (Net)

	As at 31 March 2020	As at 31 March 2019
Deferred tax assets		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	346.02	400.24
Provision for litigation	7.06	15.63
Provision for doubtful advances	299.13	362.08
Provision for doubtful debts	287.18	258.95
Provision for gratuity	610.55	673.08
Provision for compensated absences	146.32	105.61
Expenses allowable on payment basis	674.83	685.59
	2,371.09	**2,501.18**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

13 Equity share capital

	As at 31 March 2020	As at 31 March 2019
Authorised		
530.00 (March 31, 2019: 530.00) equity shares of Rs 10 each	**5,300.00**	**5,300.00**
Issued, subscribed and paid up		
528.17 (March 31, 2019: 528.17) equity shares of Rs 10 each fully paid up	5,281.75	5,281.75
	5,281.75	5,281.75

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	528.17	5,281.75	528.17	5,281.75
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**528.17**	**5,281.75**	**528.17**	**5,281.75**

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

During the financial year 2016-17, the Company has issued equity shares to India Business Excellence Fund – II and India Business Excellence Fund – IIA ("Investors"). The Investors have been provided with certain exit rights (after a predetermined period) by the Company and other Shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31 March 2020	31 March 2019	31 March 2018	31 March 2017	31 March 2016
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	395.21	-
Equity shares bought back by the company	-	-	-	20.75	-

d) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each fully paid				
T Raghunandana	162.38	30.74%	162.38	30.74%
T Shanthi	162.38	30.74%	162.38	30.74%
Tangi Facility Solutions Pvt Ltd	113.13	21.42%	113.13	21.42%
India Business Excellence Fund – II	28.89	5.47%	28.89	5.47%
India Business Excellence Fund – IIA	61.39	11.62%	61.39	11.62%
	528.17	**100.00%**	**528.17**	**100.00%**

14 Other equity

	As at 31 March 2020	As at 31 March 2019
Retained earnings	11,625.72	8,716.72
Capital redemption reserve	207.50	207.50
Securities premium	5,594.28	5,594.28
Employee stock option reserve	325.64	-
	17,753.14	**14,518.50**

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

The Company has recognized Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

(iii) Employee stock option reserve

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

15A Provisions

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits				
Provision for gratuity (Refer Note 29)	1,701.51	718.50	125.00	556.50
Provision for gratuity - reimbursement employees (Refer Note 29)	1,189.57	684.91	1,215.41	827.09
Provision for leave benefits	280.80	139.92	300.59	162.31
	3,171.88	**1,543.33**	**1,641.00**	**1,545.90**
Other provisions				
Provision for litigations ***	-	-	28.05	44.74
	-	-	**28.05**	**44.74**
	3,171.88	**1,543.33**	**1,669.05**	**1,590.64**

***** The table gives the information about movement of the provision :**

Provision for litigations		
At the beginning of the year	44.74	3.95
Created during the year	-	40.79
Utilised during the year	(16.69)	-
At the end of the year	**28.05**	**44.74**

15B Liabilities for current tax (net)

	As at 31 March 2020	As at 31 March 2019
Provision for income taxes (net of advance income taxes)	91.43	91.43
	91.43	**91.43**

16 Borrowings

	As at 31 March 2020	As at 31 March 2019
Cash credit from banks (secured) *	41.64	244.71
Working capital loan (secured) **	8,813.40	2,500.00
	8,855.04	**2,744.71**

* The Company has taken cash credit having interest rate ranging from 8% to 10.50% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company both present and future of the Company and personal guarantee of the Managing Director.

** The Company has taken working capital loan from banks having interest rate ranging from 7% to 8.50% p.a. These facilities are repayable within 28 - 87 days and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company and personal guarantee of the Managing Director.

17 Trade Payables

	As at 31 March 2020	As at 31 March 2019
(At Amortised Cost)		
Dues to Micro, Small & Medium Enterprises (Refer note 32)	90.44	53.96
Dues to Related Party (Refer note 36)	780.49	662.10
Dues to other than Micro, Small & Medium Enterprises	811.36	832.26
	1,682.29	**1,548.32**

Trade payables are non-interest bearing and are normally settled on 60-day term. For terms and conditions relating to related parties (refer note 36)

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18 Other financial liabilities (At Amortised Cost)	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Capital creditors	-	-	28.15	69.55
Capital creditors to related parties (Refer note 36)	-	-	84.11	110.67
Capital creditors to MSME (Refer note 32)	-	-	3.10	-
Employee benefits payable	-	-	6,436.14	5,479.99
Bonus payable	-	-	2,744.22	1,957.37
Director fees payable	-	-	10.80	21.30
Financial guarantee obligation	-	-	-	6.30
Redemption Liability	1,363.51	-	256.02	-
Interest accrued and due on borrowings	-	-	25.59	13.27
	1,363.51	-	**9,588.13**	**7,658.45**

Redemption liability

During the year, the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,915.01 lakhs from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of INR 1,520.00 lakhs. As per the Shareholder's Agreement between Company, these two companies and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the mangement. Consequently, such amounts have also been recorded as an Investment as at March 31, 2020 (Refer Note 5)

19 Other current liabilities	As at 31 March 2020	As at 31 March 2019
Advance from customers	71.33	67.29
Advance from DDU-GKY (Refer note 11)	-	441.90
Statutory dues and related liabilities	3,659.71	3,019.18
Rent Equalisation	-	4.61
	3,731.04	**3,532.98**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

20 Revenue from contracts with customers

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of services	109,379.01	94,484.29
	109,379.01	**94,484.29**
Other disclosures		
Timing of revenue recognition		
Services transferred over time	109,379.01	94,484.29
	109,379.01	**94,484.29**
Contract Balances		
Contract Assets - Trade Receivables	24,416.69	18,730.22
Contract Assets - Unbilled Revenue	1,503.89	1,082.93
Contract Liabilities - Advance from customers	71.33	67.29
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:		
Revenue as per contracted price	110,075.20	94,930.17
Adjustments:		
- Estimated price concessions	(696.19)	(445.88)
	109,379.01	**94,484.29**

21 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Profit on sale of asset (net)	2.47	1.00
Provision no longer required written back	-	21.58
Commission income	-	5.05
Other non-operating income	7.60	16.74
	10.07	**44.37**

22 Finance income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income - Bank deposits	33.86	31.63
Interest income - Others	52.19	107.96
Dividend Income	-	61.53
	86.05	**201.12**

23 Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	83,799.39	72,340.13
Contribution to provident and other fund (Refer note 29)	9,488.02	8,890.92
Less: Income from government grants	(800.99)	(526.97)
Gratuity expense (Refer note 29)	389.30	229.97
Staff welfare expenses	585.07	502.08
Employee stock option expenses	325.64	-
	93,786.43	**81,436.13**

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria.

24 Finance costs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on borrowings	681.17	341.35
Interest on redemption liability	293.73	-
Interest on lease liabilities	14.74	-
	989.64	**341.35**

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

25 Depreciation and amortization expense

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant & equipment (Refer note 3)	656.75	651.92
Amortization of intangible assets (Refer note 4)	6.95	10.23
Depreciation of Right-of-use assets (Refer note 30)	8.74	-
	672.44	**662.15**

26 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Site maintenance expenses	3,767.51	3,082.50
Cleaning materials and consumables	3,071.17	2,357.10
Provision for doubtful advances		
- On loans to related parties	94.78	654.99
- On other advances	57.61	139.54
Canteen materials	696.30	566.38
Travelling and conveyance	468.68	496.27
Rent	341.71	464.93
Legal and professional fees	239.83	294.44
Training expenses	539.92	235.32
Repairs and maintenance - others	265.40	184.06
Communication expenses	128.42	150.06
Provision for doubtful trade receivables	255.68	17.29
Miscellaneous expenses	69.89	100.13
Bad debts written off	146.03	80.77
CSR expenditure ^^^	67.20	72.42
Printing and stationery	69.47	63.69
Power and fuel	62.04	57.13
Payment to auditor ***	35.17	42.78
Provision for litigations (Refer note 15)	-	40.79
Director sitting fees	24.00	24.00
Rates and taxes	49.17	19.52
	10,449.98	**9,144.07**

***** Payment to auditors**		
As auditors		
Statutory audit	33.50	32.00
Other Services	0.60	10.00
In other capacity		
Reimbursement of expenses	1.07	0.78
	35.17	**42.78**

^^^ Details of CSR expenditure

Consequent to the requirements of Section 135 and Schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility Policy

Gross amount required to be spent by the company during the year		67.20	72.42
Amount spent during the year ending on 31 March 2020	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	67.20	-	67.20
Amount spent during the year ending on 31 March 2019	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	72.42	-	72.42

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27 Income tax expense

	Year ended 31 March 2020	Year ended 31 March 2019
The major components of income tax expense are		
Profit and Loss Section		
Current income tax:		
Current income tax charge	138.95	912.07
Tax related to earlier years	2.94	(17.26)
Deferred tax:		
Relating to origination and reversal of temporary differences	180.88	(739.57)
	322.77	**155.24**
Other Comprehensive income (OCI) Section		
Deferred tax related to items recognised in OCI during in the year:		
Re-measurement gains and (losses) on defined benefit obligations (net)	50.78	(42.93)
	50.78	**(42.93)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	Year ended 31 March 2020	Year ended 31 March 2019
Accounting Profit before income tax	3,576.64	3,146.08
Enacted tax rate in India	25.17%	34.94%
Profit before income tax multiplied by enacted tax rate	900.17	1,099.37
Effects of:		
Non-recognition of MAT credit entitlement	-	545.57
Effect of change in substantively enacted tax rates on deferred tax	699.74	(17.52)
Adjustment in respect of tax related to earlier years	2.94	(17.26)
Additional deduction under Income Tax based on employment generation	(1,373.59)	(1,388.20)
Tax exempt income	-	(21.45)
Redemption liability re-measurement	73.93	-
Others	19.58	(45.27)
Net effective income tax	**322.77**	**155.24**

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its Deferred tax asset basis the rate prescribed in the said section. Accordingly, deferred tax asset have reduced by ₹ 921.00 lakhs. The tax charge for the year have decreased by ₹ 53.97 lakhs.

28 Earnings per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2020	Year ended 31 March 2019
Profit after tax	3,253.87	2,990.84
Weighted average number of equity shares		
- Basic	528.17	528.17
- Diluted	531.66	528.17
Earning per share of Rs. 10 each		
- Basic	6.16	5.66
- Diluted	6.12	5.66

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29 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Company provident fund are the defined contribution plan. An amount of ₹ 7,185.77 Lakhs being contribution made to recognized provident fund is recognized as expense for the year ended 31 March 2020 (31 March 2019: ₹ 6,166.24 Lakhs) and included under Employee benefit expense (Note 23) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. Gratuity (Regular)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 4 years and 240 days of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

(a) The amounts recognised in Balance Sheet are as follows:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Present value of Defined Benefit Obligation	1,890.32	1,355.70
Fair value of plan assets	(63.81)	(80.70)
Net Liability or asset	**1,826.51**	**1,275.00**
Current	125.00	556.50
Non - Current	1,701.51	718.50

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Service cost :		
Current service cost	307.09	149.33
Net interest cost :		
Interest Expense on Defined Benefit Obligation	86.82	83.57
Interest Income on Plan Assets	(4.61)	(2.93)
Total included in 'Employee Benefit Expense'	**389.30**	**229.96**

(c) Remeasurement recognized in other comprehensive income

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	31.53	(17.03)
Due to change in demographic assumption	182.69	65.99
Due to experience adjustments	(13.20)	(119.43)
Return on plan assets	0.74	(52.39)
	201.76	**(122.86)**

(d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Opening defined benefit obligation	1,355.70	1,389.90
Current service cost	307.09	149.33
Interest cost	86.82	83.57
Actuarial losses/(gains)		
Due to change in financial assumptions	31.53	(17.03)
Due to change in demographic assumption	182.69	65.99
Due to experience adjustments	(13.20)	(119.43)
Benefit Paid	(60.31)	(196.62)
Closing balance of the present value of defined benefit obligation	**1,890.32**	**1,355.70**

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29 Disclosure pursuant to Ind AS 19 "Employee benefits" (continued)

(e) Reconciliation of Net Liability / (Asset)

Particulars	As at 31 March 2020	As at 31 March 2019
Net Liability / (Asset) at the beginning of the period	1,274.99	1,324.91
Defined Benefit cost included in the Profit / Loss	389.30	229.96
Defined Benefit cost included in Other Comprehensive Income	201.76	(122.86)
Benefit Paid	(39.55)	(157.02)
Net Liability / (Asset) at the end of the period	**1,826.50**	**1,274.99**

(f) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
1) Discount rate	5.06%	6.55%
2) Salary growth rate	8.79%	8.72%
3) Attrition rate	47.71% at all ages	57.41% at all ages
4) Retirement age	58.00	58
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2006-08) Ultimate Table

(g) A quantitative sensitivity analysis for significant assumptions are as follows

	As at 31 March 2020		As at 31 March 2019	
	Change	**Obligation**	**Change**	**Obligation**
(i) Discount rate	+BP50	1,869.87	+BP50	1,345.71
	-BP50	1,911.25	-BP50	1,365.87
(ii) Salary growth rate	+BP50	1,914.93	+BP50	1,365.62
	-BP50	1,866.07	-BP50	1,345.87

(h) Expected cashflows based on past service liability

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	625.46	657.74
Year 2	444.76	371.72
Year 3	370.16	209.24
Year 4	265.09	132.18
Year 5	179.43	72.90
Next 5 years	226.81	60.17

(i) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Investment Details		
Others	63.81	80.70
	63.81	**80.70**

B. Gratuity (Reimbursement from clients)

The Company has recognised gratuity liability and reimbursement right in respect of associate employees in accordance with Ind AS 19. The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

(a) Net defined benefit liability

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of Defined Benefit Obligation	2,404.98	1,512.00
Net Liability	**2,404.98**	**1,512.00**
Current	1,215.41	827.09
Non - Current	1,189.57	684.91

(b) Net benefit cost (refer note below)

Particulars	As at 31 March 2020	As at 31 March 2019
Service cost :		
Current service cost	283.62	353.11
Net actuarial (gain) / loss recognised in the year	729.76	351.81
Interest cost on defined benefit obligation	76.62	45.80
	1,090.00	**750.72**

Note:

The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2020: ₹ 1,090.00 Lakhs (March 31, 2019: ₹ 750.72 Lakhs) have been netted off in the Statement of Profit and Loss.

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

29 Disclosure pursuant to Ind AS 19 "Employee benefits" (continued)

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	1,512.00	761.28
Current service cost	283.62	353.11
Interest cost	76.62	43.80
Actuarial losses/(gains)		
Due to change in financial assumptions	38.48	(0.71)
Due to change in demographic assumption	106.94	54.84
Due to experience adjustments	494.34	299.68
Benefit Paid	(107.02)	-
Closing balance of the present value of defined benefit obligation	**2,404.98**	**1,512.00**

(d) Principal actuarial assumptions used in determining the gratuity obligations are shown below

Particulars	As at 31 March 2020	As at 31 March 2019
1) Discount rate	5.06%	6.56%
2) Salary growth rate (duration based)	10.39%	10.34%
3) Attrition rate (age based)	45.72% at all ages	53.55% at all ages
4) Retirement age (years)	58.00	58
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2006-08) Ultimate Table

(e) A quantitative sensitivity analysis for significant assumptions are as follows

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2020 and March 31, 2019 are as shown below:

	As at 31 March 2020		As at 31 March 2019	
	Change	**Obligation**	**Change**	**Obligation**
(i) Discount rate	+BP50	2,382.48	+BP50	1,502.45
	-BP50	2,428.02	-BP50	1,521.74
(ii) Salary growth rate	+BP50	2,431.63	+BP50	1,521.36
	-BP50	2,378.71	-BP50	1,502.73

(f) Expected cashflows based on past service liability

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	1,008.17	600.37
Year 2	535.51	345.34
Year 3	378.40	210.07
Year 4	279.55	120.07
Year 5	189.08	69.02
Next 5 years	256.40	63.65

30 Leases

The Company has lease contracts for building used in its operations. Leases of building generally have lease terms between 2 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of machinery with lease terms of 12 months. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	**Building**
As at April 01, 2019	2.77
Additions	7.41
Depreciation expense	(8.74)
As at March 31, 2020	**1.44**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2020
As at April 01	**196.66**
Additions	7.41
Accretion of interest	14.74
Payments	(86.41)
As at March 31	**132.39**
Current	67.30
Non-current	65.09

The maturity analysis of lease liabilities are disclosed in Note 38 (Financial risk management objectives and policies).
The effective interest rate for lease liabilities is 8.84%, with maturity between 2021-2025

30 Leases (continued)

The following are the amounts recognised in profit or loss

	As at 31 March 2020
Depreciation expense of right-of-use assets	8.74
Interest expense on lease liabilities	14.74
Expense relating to short-term leases (included in other expenses)	249.35
Total amount recognised in profit or loss	**272.83**

The Company had total cash outflows for leases of ₹ 86.41 lakhs in 31 March 2020 ₹ Nil in 31 March 2019)

31 Share-based payments

Employee Share-option Plan

On April 17, 2019, 'Updater Employee Stock Option Plan' 2019 ("ESOP 2019") has been approved by the Board of Directors and also has been approved by Extra-Ordinary General Meeting of the members of the Company. The purpose of the ESOP 2019 is to reward the critical employees for their association, dedication and contribution to the goals of the Company. The options issued under the plan has a term of 1-3 years as provided in the stock grant agreement and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share.

The expense recognised (net of reversal) for share options during the year is INR 325.64 lakhs (March 31, 2019: Nil). There are no cancellations or modifications to the awards in March 31, 2020.

Tranche I (A)

The Company has granted certain options during the year to the employees based on past performance of such employees and vesting condition being continued employment with the Company as on date of vesting. (April 17, 2020)

Tranche I (B), II and III

The Company has granted certain options during the year with future performance of the Company as criteria which has been defined based on a matrix as per the ESOP 2019 (for Tranche I (B), II and III). Management based on future projections believes that number of options expected to be vested is Nil and accordingly ESOP reserve have not been created for said tranches.

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-04-2019	17-04-2019	18-10-2019	10-01-2020
Number granted	406,772	321,235	344,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting condition	100% on April 17, 2020	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022

B. Movement in the options granted to employees

Particulars	Number of options		Number of options	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Outstanding at the beginning of the year	-	-	-	-
Options granted during the year	1,150,015	-	75.28	-
Options exercised during the year	-	-	-	-
Options expired during the year	-96,525	-	111.00	-
Outstanding at the end of the year	**1,053,490**	-	**65.96**	-
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the year was Rs. 10 to Rs. 111 (March 31, 2019: Nil)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020 is in the range of 0.50 to 2.50 years (March 31, 2019: Nil)

C. Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	31 March 2020	31 March 2019
Exercise price	10 to 111	No options have been granted during the year
Expected volatility	20%	
Expected dividend yield (%)	-	
Risk free interest rates	7.40%	
Expected life of the option	1 - 3 years	
Weighted average share price	93.00	
Fair Value of the Option	83.71	

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

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32 Details of dues to Micro, Small and Medium Enterprises

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2020 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2020	As at March 31, 2019
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	68.92	45.51
Interest due on above	24.62	8.45
(b) Payment made to suppliers (other than interest) beyond the appointed day, during the year	206.87	41.56
(c) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(d) Interest due and payable to suppliers under MSMED Act, for payments	9.81	0.46
(e) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	24.62	8.45

33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, they may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Current borrowings	8,855.04	2,744.71
Less: cash and cash equivalents	(713.47)	(687.52)
Net debt	**8,141.57**	**2,057.19**
Total capital	**23,034.89**	**19,800.25**
Capital and net debt	**31,176.46**	**21,857.44**
Gearing ratio	**26.11%**	**9.41%**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

34 Commitments and Contingencies

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
a. Contingent Liabilities		
- Claims made against the Company not acknowledged as debts in respect of service tax matters*	-	84.05
- Claims made against the Company not acknowledged as debts in respect of income tax matters	-	1.27
- Others**	13.44	13.44
b. Commitments		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	123.19	110.08

* Includes ₹ *Nil* duty paid under protest. (March 31, 2019 - ₹ 1.88 Lakhs)
** Include claim made against the Company by labour department in respect of minimum wages and writ petition filed with High court of Madras for provident fund claim made by the provision fund commissioner.

35 Segment information

The Company is engaged in one business namely providing facility management services & associated services and the operation primarily caters to the domestic market. The Managing Director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the company as a single unit. Therefore, there is no reportable segment for the company as per the requirement of Ind-AS 108 "Operating Segments". The Company's operations are only in one geographical segment, since its entire income is derived from sales made in India.

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

36 Related party disclosures

(A) Names of related parties and nature of relationship are as follows:

Description of Relationship	Name of the related parties
Subsidiary company	Zappy Home Solutions Private Limited
	Starworth Management Private Limited
	Global Flight Handling Services Private Limited
	Tangy Supplies and Solutions Private Limited
	Integrated Technical Staffing and Solutions Private Limited
	Fusion Foods & Catering Services Private Limited
	Avon Solutions & Logistics Private Limited
	Matrix Business Services India Private Limited (from April 25, 2019)
	Washroom Hygiene Concept Private Limited (from September 5, 2019)
	Updater Services (UDS) Foundation
Entities under Common Control	Best Security Services Private Limited
	Tangy Facility Solutions Private Limited
	Tangirala Infrastructure Development Private Limited
	Updater services Private Limited - Employees group gratuity scheme
Key Management Personnel (KMP)	Mr. T Raghunandana, Director
	Mrs. T Shanthi, Director
	Mr. Jayaram L B, Company Secretary
	Mr. Omprakash B R, Chief Financial Officer (from June 01, 2019 till January 10,2020)
	Mr. Balaji Swaminathan, Chief Financial Officer (from January 10,2020)
	Mr. Sunil Rewachand Chandiramani, Director
	Mr. Shankar Gopalakrishnan, Director

36 Related party disclosures (continued)

(B) Transactions entered during the year	Year ended 31 March 2020	Year ended 31 March 2019
Materials purchased		
Tangy Supplies & Solutions Private Limited	2,521.68	1,813.95
Purchase of capital goods		
Tangy Supplies & Solutions Private Limited	377.75	442.96
Rent		
Mr. T. Raghunandana	114.37	113.67
Mrs. T. Shanthi	114.37	113.67
Dividend income		
Avon Solutions and Logistics Private Limited	-	61.38
Interest income		
StanWorth Management Private Limited	29.85	37.54
Integrated Technical Staffing and Solutions Private Limited	2.61	2.49
Zappy Home Solutions Private Limited	-	41.16
Services received		
Avon Solutions and Logistics Private Limited	0.06	0.01
Best Security Services Private Limited	193.74	250.74
StanWorth Management Private Limited	325.74	231.44
Tangirala Infrastructure Development Private Limited	-	2.21
Zappy Home Solutions Private Limited	11.47	54.10
Integrated Technical Staffing and Solutions Private Limited	9.83	9.17
Global Flight Handling Services Private Limited	12.00	-
Matrix Business Services India Private Limited	0.02	-
Washroom Hygiene Concept Private Limited	2.08	-
Services provided		
Zappy Home Solutions Private Limited	-	3.83
Updater Services (UDS) Foundation	4.83	0.25
Tangy Supplies & Solutions Private Limited	1.47	0.27
Matrix Business Services India Private Limited	41.96	-

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Notes to financial statements for the year ended March 31, 2020 (continued)
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36 Related party disclosures (continued)

(B) Transactions entered during the year	Year ended 31 March 2020	Year ended 31 March 2019
Managerial remuneration		
Mr. T. Raghunandana	192.00	192.00
Mr. Amitabh Jaipuria	-	32.47
Mr. Jayaram L.B	54.80	26.19
Mr. Balaji Swaminathan	16.74	-
Mr. Om Prakash B.R	44.54	-
Director sitting fees		
Mr. Sunil Rewachand Chandiramani	12.00	12.00
Mr. Shankar Gopalakrishnan	12.00	12.00
Reimbursement / (recovery) of expenses		
StarWorth Management Private Limited	(0.05)	-
Tangirala Infrastructure Development Private Limited	-	(3.46)
Updater Services (UDS) Foundation	(0.09)	-
Washroom Hygiene Concept Private Limited	(22.94)	-
Matrix Business Services India Private Limited	(29.60)	-
Tangy Supplies & Solutions Private Limited	(12.54)	-
Mr. Shankar Gopalakrishnan	0.10	-
Investment in equity		
Fusion Foods and Catering Private Limited	-	20.01
Global Flight Handling Services Private Limited	-	11.87
Updater Services (UDS) Foundation	-	1.00
Matrix Business Services India Private Limited	4,880.18	-
Washroom Hygiene Concept Private Limited	1,880.63	-
Financial guarantee Expenses/ (Reversal)		
Global Flight Handling Services Private Limited	(11.34)	11.34
Loan given		
Zappy Home Solutions Private Limited	52.95	591.81
Global Flight Handling Services Private Limited	31.95	56.46
Integrated Technical Staffing and Solutions Private Limited	-	451.10
Share application paid (pending allotment)		
Fusion Foods and Catering Private Limited	-	0.11
Share application refund received		
Fusion Foods and Catering Private Limited	0.11	-
Security Deposit		
Mr. T. Raghunandana	-	7.00
Mrs. T Shanthi, Director	-	7.00
StarWorth Management Private Limited	-	29.83
Loan Repayment Received		
Zappy Home Solutions Private Limited	12.82	72.84
StarWorth Management Private Limited	225.36	2.24
Integrated Technical Staffing and Solutions Private Limited	23.91	445.33
Global Flight Handling Services Private Limited	34.48	-
Contribution to Gratuity		
Updater Services Private Limited - Employees Company Gratuity Scheme	327.31	257.65
Contribution for CSR expenditure		
Updater Services (UDS) Foundation	67.20	72.42

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36 Related party disclosures (continued)

(C) Balance outstanding at the end of the year	As at 31 March 2020	As at 31 March 2019
Investment in Equity		
Tangy Supplies & Solutions Private Limited	10.00	10.00
Avon Solutions and Logistics Private Limited	796.92	796.92
Integrated Technical Staffing and Solutions Private Limited	1.00	1.00
StarWorth Management Private Limited	263.23	263.23
Zappy Home Solutions Private Limited	10.00	10.00
Fusion Foods and Catering Private Limited	1,421.93	1,421.93
Global Flight Handling Services Private Limited	11.87	23.21
Updater Services (UDS) Foundation	1.00	1.00
Matrix Business Services India Private Limited	4,880.18	-
Washroom Hygiene Concept Private Limited	1,880.63	-
Security Deposits		
Mr. T. Raghunandana	95.31	95.31
Mrs. T. Shanthi	95.31	95.31
StarWorth Management Private Limited	29.83	29.83
Share application paid (pending allotment)		
Fusion Foods and Catering Private Limited	-	0.11
Loan receivable		
StarWorth Management Private Limited	204.20	391.77
Zappy Home Solutions Private Limited	696.19	613.83
Integrated Technical Staffing and Solutions Private Limited	-	21.42
Global Flight Handling Services Private Limited	53.93	56.46
Interest accrued and due		
StarWorth Management Private Limited	26.76	37.54
Zappy Home Solutions Private Limited	-	41.16
Integrated Technical Staffing and Solutions Private Limited	2.61	2.49
Trade Payable		
Tangy Supplies & Solutions Private Limited	674.60	603.20
Best Security Services Private Limited	30.93	28.21
Mr. T. Raghunandana	1.74	7.60
Mrs. T. Shanthi	24.43	8.57
StarWorth Management Private Limited	38.00	13.84
Tangirala Infrastructure Development Private Limited	0.25	0.68
Integrated Technical Staffing and Solutions Private Limited	9.64	-
Matrix Business Services India Private Limited	0.09	-
Washroom Hygiene Concept Private Limited	0.81	-
Director Fee payable		
Mr. Shankar Gopalakrishnan	5.40	5.40
Mr. Sunil Rewachand Chandiramani	5.40	5.40
Capital creditors		
Tangy Supplies & Solutions Private Limited	84.11	110.67
Trade Receivable		
Tangy Supplies & Solutions Private Limited	0.55	0.29
Updater Services (UDS) Foundation	6.08	0.30
Matrix Business Services India Private Limited	9.35	-
Other receivables		
Washroom Hygiene Concept Private Limited	22.94	-

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Updater ... Ltd
Chennai
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36 Related party disclosures (continued)

(D) Compensation to key managerial personnel is follows:

Consideration to key managerial personnel	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Salaries and other employee benefits*@	307.88	250.66

@The employee stock compensation expenses for the year ended March 31, 2020 includes charge of ₹ 19.88 Lakhs towards key managerial personal respectively

*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2020, the company has recorded ₹ 749.77 lakhs towards impairment of loans and receivables relating to amounts owed by related parties (31 March 2019: ₹ 654.99 Lakhs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans (gratuity benefits)
The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 29.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rate of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

b) Estimate related to expected price concession
Expected price concessions from customers are based on assumptions relating to risk of credit notes issued. The Company uses judgment in making these assumptions and selecting the inputs to the calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Share-based payments
Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 31.

d) Impact of Covid-19 Pandemic
The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor future economic conditions for any significant change.

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38 Fair values

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

39 Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities

Particulars	Carrying value		Fair value	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Financial assets				
Investments (Level 3)	9,276.76	2,527.29	9,276.76	2,527.29
Loans - Non current (Level 3)	527.44	501.48	527.44	501.48
Loans - Current (Level 3)	625.59	870.08	625.59	870.08
Trade receivables (Level 3)	24,416.69	18,730.22	24,416.69	18,730.22
Cash and cash equivalents (Level 1)	713.47	687.52	713.47	687.52
Bank balances (Other than above) Current (Level 1)	232.15	82.94	232.15	82.94
Bank balances (Other than above) Non Current (Level 1)	36.06	1,097.86	36.06	1,097.86
Other financial assets - Non Current (Level 3)	1,239.38	734.72	1,239.38	734.72
Other financial assets - Current (Level 3)	6,380.14	4,743.44	6,380.14	4,743.44
	43,447.68	**29,975.55**	**43,447.68**	**29,975.55**
Financial liabilities				
Borrowings - Current (Level 3)	8,855.04	2,744.71	8,855.04	2,744.71
Trade Payables (Level 3)	1,682.29	1,548.32	1,682.29	1,548.32
Other current financial liabilities (Level 3)	9,588.13	7,658.45	9,588.13	7,658.45
Lease Liabilities - Non Current (Level 3)	65.09	-	65.09	-
Lease Liabilities - Current (Level 3)	67.30	-	67.30	-
Other Financial liabilities - Non Current (Level 3)	1,363.51	-	1,363.51	-
	21,621.36	**11,951.48**	**21,621.36**	**11,951.48**

There have been no transfers between the levels during the year.

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

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

40 Financial risk management objectives and policies

The Company's principal financial liabilities is borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as loan, trade and other receivables, cash and short-term deposits, which arise directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. The following disclosures summarises the company's exposure to financial risks.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

Trade and other receivables

In cases of customers where credit is allowed, the average credit period on such sale of goods ranges from 1 day to 90 days. The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.
Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables.

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40 Financial risk management objectives and policies (continued)

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 24,416.69 Lakhs and ₹ 18730.22 Lakhs as of March 31, 2020 and March 31, 2019 respectively, being the total of the carrying amount of balances with trade receivables.

Foreign currency risk

The company's revenue and net investment in subsidiaries are in Indian rupees, as a result there is no exposure to the risk of changes in foreign exchange rates. Consequently, the company does not uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax	Year ended 31 March 2020	Year ended 31 March 2019
Increase in rate by 2%	(157.07)	(78.18)
Decrease in rate by 2%	157.07	78.18

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

All financial liabilities are due within 1 year from the balance sheet date. The existing surplus funds along with the cash generated by the company are sufficient to meet its current obligations.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

As at March 31, 2020

Particulars	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	41.64	8,813.40	-	8,855.04
Trade Payables	1,103.88	578.41	-	1,682.29
Other financial liabilities	6,431.84	3,180.27	2,062.21	11,674.32
Lease Liabilities	-	76.19	69.78	145.97
	7,577.36	**12,648.27**	**2,131.99**	**22,357.62**

As at March 31, 2019

Particulars	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	244.71	2,500.00	-	2,744.71
Trade Payables	1,092.00	456.32	-	1,548.32
Other financial liabilities	102.13	7,556.32	-	7,658.45
	1,438.84	**10,512.64**	-	**11,951.48**

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Chennai 600 097

41) **Previous Year Figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
Partner
Membership No. 121648

Place: Chennai
Date : December 31, 2020

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914

T.Shanthi
Director
DIN : 0000939218

Balaji Swaminathan
Chief Financial Officer

L.R. Jayaram
Company Secretary

Place: Chennai
Date : December 31, 2020

BOARD'S REPORT

To the Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report of the Company together with the Auditor's report and the audited balance sheet for the year ended 31st March 2020

1. FINANCIAL SUMMARY

(Rs. in Lakhs)

Particulars	**UDS Standalone**		**UDS Consolidated**	
	31/03/2020	**31/03/2019**	**31/03/2020**	**31/03/2019**
Revenue from Operations	1,09,379.01	94,484.29	1,32,396.04	1,08,557.55
Profit Before Tax Finance Charges and Depreciation	5,238.72	4,149.58	7,496.01	5,103.25
Finance Charges	989.64	341.35	1,054.26	371.33
Provision for Depreciation	672.44	662.15	1,499.23	841.27
Profit Before Tax	3,576.64	3,146.08	4,942.52	3,890.65
Provision for Tax	322.77	155.24	684.48	294.10
Net Profit After Tax	3,253.87	2,990.84	4,258.04	3,596.55

Other Comprehensive Income/(Loss) for the year, net of tax	(150.98)	79.93	(114.38)	63.71
Net Profit After Tax & Exceptional Items and Surplus carried to Balance Sheet	3102.89	3070.77	4143.66	3660.26

2. DIVIDEND

The board has decided to pull back its profits for business expansion and hence is not declaring any dividend.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The Company has performed well during the year under review. Your Directors are optimistic about company's business prospects and hopeful of better performance with considerable increase in revenue and profits in the next year. There was no change in the nature of business of company.

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

There are no material changes and commitments affecting the Financial position of the Company between 31st March 2020 and the date of Board's Report.

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

6. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

During the year, your Directors have reviewed the Company's enterprise wide risk management framework in respect of the business activities. The Board is of the opinion that sufficient controls exists which are effective and efficient in identifying, monitoring and managing the risks involved.

7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has developed a policy under Corporate Social Responsibility and the same was reviewed. The details of the same is given as **Annexure-A.**

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

Details of loans and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are given to the Notes of Financial Statements. The Company has not given any guarantee.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were at an arm's length except for the transactions as mentioned in the Annexure - B. The details will form part of notes to accounts and Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 annexed as **Annexure B**.

10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

No Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors during the year under review

11. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company

12. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 which is annexed as **Annexure C** and is attached to this Report.

13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board met 15 times during the financial year 2019-2020. The Maximum time gap between 2 board meetings did not exceed 120 days.

The relevant details are as under:

S.No	Date	Board Strength	No. of Directors present
1	17-Apr-19	6	3
2	17-Apr-19	6	4
3	01-June-19	6	6
4	19- June-19	6	6
5	08-July-19	6	5
6	19-Aug-19	6	6
7.	05-Sep-19	6	6
8.	20-Sep-19	6	6
9.	18-Oct-19	6	6
10.	20-Dec-19	6	6
11	31-Dec-19	6	6
12	10-Jan-20	6	4
13	02-Mar-20	6	4
14	27-Mar-20	6	6
15	31-Mar-20	6	6

14. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had 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 directors had prepared the annual accounts on a going concern basis;

(e) the Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no Associates and it has not entered into Joint Venture with any other Company during the financial year under review, however, the Company has the following subsidiary Companies as on 31st March 2020:

i. Avon Solutions & Logistics Private Limited
ii. Integrated Technical Staffing and Solutions Private Limited
iii. Tangy Supplies & Solutions Private Limited
iv. Stanworth Management Private Limited
v. Fusion Foods & Catering Private Limited
vi. Wynwy Technologies Private Limited(Earlier known as Zappy Home Solutions Private Limited)
vii. Global Flight Handling Services Private Limited
viii. Updater Services (UDS) Foundation
ix. Matrix Business Services India Private Limited
x. Washroom Hygiene Concepts Private Limited

Pursuant to section 129 and Rule 5 of the Companies (Accounts) Rules 2014, the Financial Performance of the above-mentioned Subsidiary Companies is furnished in **Form AOC – 1** which is enclosed as **Annexure D** as part of this Report.

16. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year under review there was no Appointment, Re-appointment, Change in Designation and Resignation of Directors, Managing Directors, Whole Time Directors.

However, in respect of KMP, the following Appointments and Change in Designation were taken on record:

Sl.No.	Subject matter	Effective Date	Date of Board Meeting
1.	Appointment of Mr. Omprakash B R as CFO	01.06.2019	01.06.2019
2.	Change in Designation of Mr. Omprakash B R as Chief Strategy Officer	10.01.2020	10.01.2020
3.	Appointment of Mr. Balaji Swaminathan as CFO	10.01.2020	10.01.2020

Board has appointed Mr. Amit Choudhary as an Independent Director in the Board Meeting held on 25th April 2020. In the same Board Meeting, Mr. Shankar Gopalakrishnan who was an Independent Director has been made as a Nominee Director.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Proper and adequate internal control systems pertaining to financial statements have been adopted by your company. Your company ensures that existing internal controls serve to assist the operations in the best possible manner and discrepancies are reduced to the least possible extent, resulting in maximum effectiveness of the operations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

19. STATUTORY AUDITORS

The Auditors M/S. S R BATLIBOI & ASSOCIATES LLP., Chartered Accountants were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held for the Financial Year 2018-19 on 31st December 2019. They continue to be the Statutory Auditors of the Company.

There are no qualifications in the Auditors report for the Current financial year

20. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

During the year under review, there were no cases filed pursuant to sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided as **Annexure E** to the Annual Report.

22. DISCLOSURE WITH REGARD TO EMPLOYEES STOCK OPTION SCHEME

During the year under review, your company introduced and implemented **'Updater Employee Stock Option Plan 2019'(ESOP 2019)** to grant up to 16,32,640(Sixteen Lakhs Thirty Two Thousand Six Hundred & Forty) employee stock options to the permanent employees, existing and future in one or more tranches, exercisable in aggregate into not more than 16,32,640(Sixteen Lakhs Thirty Two Thousand Six Hundred & Forty) equity shares of face value of Rs.10/- each fully paid up.

The details of the ESOP 2019 scheme are given under:

1. Options granted: 11,50,015
2. Options vested: Nil
3. Options exercised: Nil
4. The total no. of shares arising as a result of exercise of option: Nil
5. Options lapsed: Nil
6. The exercise price: Not applicable
7. Variation of terms of options: Nil
8. Money realized by exercise of options: Nil
9. Total number of options in force: 10,53,490
10. Employee wise details of options granted to:

a. Key Managerial Personnel(KMP):

Sl.No.	Name of KMP	Designation	No. of Options granted
1.	L.B.Jayaram	Company Secretary	24,829
2.	Om Prakash	CFO(till 10.01.2020)	77,220
3.	Balaji Swaminathan	CFO(From 10.01.2020)	77,220

b. Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year:

Sl.No.	Name of Employee	Designation	No. of Options granted & % to the total options granted during the year
1.	SAMITA RAO	SENIOR DIRECTOR-BUSINESS OPERATIONS	1,80,573(15.70%)
2.	OM PRAKASH	CFO(till 10.01.2020)	77,220(6.71%)

3.	C.R. SARAVANAN	DIRECTOR- BUSINESS OPERATIONS	1,15,830(10.07%)
4.	SAMIR DHIRAJLAL TRIVEDI	SENIOR VP - BUSINESS OPERATIONS	96,525(8.39%)
5.	SANTOSH LAL	AVP - BUSINESS OPERATIONS	57,915(5.04%)
6.	THIMMAIAH B A	AVP - BUSINESS OPERATIONS	57,915(5.04%)
7.	GUNASEELAN N	AVP - BUSINESS OPERATIONS	57,915(5.04%)
8.	ASHOK KUMAR N S	AVP - BUSINESS OPERATIONS	57,915(5.04%)
9.	NAUSHAD AHMED	SR. VICE PRESIDENT- BUSINESS OPERATIONS	96,525(5.04%)
10.	BALAJI SWAMNINATHAN	CFO(From 10.01.2020)	77,220(6.71%)

23. FRAUD REPORTING

The Company has not entered into transactions which are fraudulent or illegal of the Company's code of conduct. During the year, no frauds were reported by the Auditors of the Company.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

25. VIGIL MECHANISM:

The Company has framed vigil mechanism for Directors / Employees and every employee has the right to report to the concerned Director, genuine concerns or grievances about unprofessional conduct, malpractices, wrongful conduct, fraud, violation of the Company's policies & values, violation of law without any fear of reprisal. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour.

26. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

27. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your

Directors' also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATE: 31.12.2020
PLACE: CHENNAI

-sd	-sd
RAGHUNANDANA TANGIRALA	**SHANTHI TANGIRALA**
MANAGING DIRECTOR	**DIRECTOR**
DIN 00628914	**DIN 00939218**