



2018–19 Annual Report

Consolidated Financial Highlights

(Rs. in million)

	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue	2,994	2,968	3,417	3,116	3,191
EBITDA	73	33	136	229	301
Profit Before Tax (PBT)	44	(1)	115	208	278
Profit After Tax (PAT)	27	(56)	93	259	192
Earnings Per Share (Basic EPS)	1.09	(2.26)	3.74	10.50	7.80

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LETTER TO SHAREHOLDERS

Dear Shareholders,

We are pleased to present the financial statements for Mindteck's fiscal year 2018-19. The Company reported standalone revenue of Rs. 107.63 crores, as compared to Rs. 88.42 crores for 2017-18. Consolidated revenue stood at Rs. 299.41 crores, as against Rs. 296.84 crores for the previous year ended March 31, 2018. Standalone net profit after tax stood at Rs. 7.19 crores, while consolidated profit after tax was Rs. 2.74 crores.

The Board of Directors has approved a 10% dividend, payable 30 days from the date of declaration to shareholders appearing on the Register of Members as on August 07, 2019.

During 2018-19, against the backdrop of continued market competition, margin compression, and talent scarcity, the Company achieved progress on the strategic path set forth last year:

-  Aligning our business around the expectations of our clients;
-  Embracing the emergence of a reimagined Mindteck;
-  Furthering our growth through a wide expanse of opportunities, and
-  Sharpening our focus on our competitive strengths.

Notable inroads were made building new competencies for clients to complement our legacy expertise in embedded systems, enterprise applications, and testing. Just as importantly, we gained ground building a digital core, becoming more agile, and staying relevant.

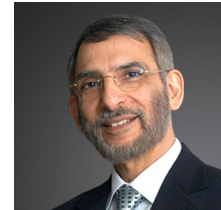
Along the Digital Continuum

Over the course of the year, our discussions with both clients and prospects increasingly elevated to topics related to their journeys along the digital continuum, such as modernizing legacy applications, upgrading outmoded process and testing frameworks, and applying 'model-analyze-build' methodology in product development. This bodes well for near and long-term growth, since it positions us closer to becoming a strategic enabler in the current transactional environment.

We are pleased to report that Mindteck's design and development methodologies, practices, and process framework approaches are continually evolving to be on pace with ongoing technological change. The transition began a number of years ago when we moved our software development process from the sequential waterfall model to the agile development methodology. This transition resulted in improving our clients' ROI and product quality, and reducing project risks, thus enhancing customer satisfaction overall. We also instituted model-driven engineering to simulate components for a pre-check on feasibility, development, and performance before the system is built. This provides a more integrated development environment for future incorporation of big data, AI, and the like. Next, we incorporated automation and testing to enhance the throughput and reliability of software verifications, cloud enablement of applications, as well as data visualization and analytics to help identify patterns of product utilization.



Yusuf Lanewala
Chairman



Sanjeev Kathpalia
Managing Director
and CEO

We are also pleased to report that our portfolio of offerings expanded to include cloud, analytics, automation test frameworks for platform and storage testing, as well as Robotic Process Automation (RPA) – a technology that harnesses artificial intelligence to transform business processes. With RPA, software robots are configured to emulate and integrate human interactions to enable organizations to rapidly automate and benefit from significant cost and time efficiencies. In contrast to traditional IT solutions, RPA leverages existing infrastructure without disrupting underlying systems to optimize an organization's digital transformation journey.

During the year, we entered into a partnership with UiPath, an industry leader in RPA. The company provides the most widely used RPA platform in the world, combining elite enterprises and partners, committed to excellence in implementation and product innovation with the largest RPA developer community. Our partnership is a critical step forward in demonstrating our commitment to delivering niche knowledge that matters in today's rapidly evolving technological environment to help our clients propel, compete and innovate as they move forward along the digital continuum. As part of this commitment, during the year we also established a dedicated Research and Technology Group (RTG), to augment our existing R&D group with SMEs in focused technologies, such as Analytics, RPA, IoT and Cloud. A Center of Excellence for Automation, which is currently being developed, will help support the Group's effort in best practices and thought leadership.

Mindteck Experience

Year after year, we remain relentless in our pursuit to cultivate advocacy and trust from our clients. We know that our success is very much dependent upon our ability to consistently execute on the deliverables our client expects, to ensure that their R&D and technology investments are optimised, and to improve our capacity to anticipate their future needs. Moreover, we know that doing all that we can do to ensure a positive experience all around is essential. While there is a long way to go, we took meaningful steps toward this effort during 2018-19.

Strengthened Leadership: Anand Balakrishnan, Mindteck Chief Financial Officer from November 2014 to July 2017, rejoined Mindteck to serve as Chief Operating Officer. He is a seasoned, results-driven professional who is setting operational priorities to increase efficiency and productivity with an eye toward ensuring positive contributions to both our financial performance and client experience. Ravi Ramaiah also joined Mindteck as Head of Quality Assurance. He is a change management executive who is re-engineering the department to enhance QA, information security, and IT governance.

Improved Processes and Frameworks: We are incubating the aforementioned RPA into the organization in order to speed up transactional activities – all the while being mindful of the value of human expertise. The Quality Group initiated simplification of, and enhancements to, existing processes related to project management, engineering and support using the Lean Principle and ETVX (Entry, Task, Validation and Exit Criteria), along with swimlanes. This helps in sequencing process activities and their interactions; brings better clarity to initiate process improvements initiatives; and in transitioning to CMMI Version 2.0.

Fortified Talent Management: During 2018-19, several steps were taken to ensure employee readiness for the near and long term, including competency mapping, centralized HR partners to fulfill specific needs, and soft skill training.

Introduced New Engagement Model: Early on in the year, we worked closely with a long-standing client to develop a new business relationship hinged on outcome-based projects. To date, we have successfully executed three such projects.

Improved CSAT Ratings: In 2018-19, our Customer Satisfaction ratings with IT Services, Electronic Design, and Storage clients improved to 9.0 from the 8.9 ratings over each of the last three years.

Key Project Highlights

We are very pleased to report that the Company added 25 new clients to its roster, with projects spanning across domains and geographies, including implementations in IoT, big data, cloud, and analytics.

In IMEA, we secured an important project with a leading state-run school system in support of the Indian government's initiatives to bring 21st century technology to the country's educational system. This will enable Mindteck to digitally transform the municipalities' secondary school and higher education frameworks, and impacts approximately 40,000 students, 572 classrooms, and 55 labs operating in a total of 72 schools. The project encompasses cloud-based centralized analytics and ERP solutions, best-in-class facilities, and a mobile app for students and parents.

Other highlights for the region include:

- Building a smart hazardous waste disposal solution for a leading medical client that specializes in IV therapy products, systems and services. The project includes prototyping, hardware and mechanical design, software development, and functional testing.
- Developing front-end analytical dashboards for a Fortune 500 storage client.
- Won new business with a government healthcare entity in Qatar.

We expanded business in the APAC region by securing engagements from a global industrial automation company, a car audio manufacturer, a utilities company, and a leading multinational communications provider. Additionally, we are:

- Redesigning an E3-Interface Card targeted for use in the telecom sector, for one of Asia's largest defence and engineering companies.
- Designing and developing a state-of-the-art smart street lighting system module for harsh environments for a leading worldwide industrial solutions provider. The advanced, miniaturised module enables power optimization and is reusable for a range of lighting controllers. It also addresses a wide array of challenges faced by the OEMs, including inventory reduction, increased energy efficiency, systems reliability, and overall cost reduction.
- Developing and testing embedded system drivers for a leading life sciences analytics client.

In Europe, we won a significant product development project from one of the premier global biopharmaceutical companies; expanded existing business with a UK-based medical device client; started work with the largest European independent IT systems integrator; and established a new customer relationship with a European medical technology company. Other highlights include:

- Won new business from a premier health technology company.
- For a leading power electrical equipment manufacturer, Mindteck will provide real-time indoor location tracking and productivity analytics for forklifts and other mobile equipment within their manufacturing facility.

In the US, we started a three-year project with a national leader in cloud software and hyperconverged infrastructure solutions. The engagement encompasses complete test framework development and product platform testing for the company's latest cloud services offering that enables seamless solution deployments. Additionally, we secured:

- A capillary electrophoresis instrument control software development project for a US-based global leader in mass spectrometry.
- New professional services clients for the US state governments of New York, Virginia and Michigan.

Mindteck Brand

During 2018-19, we prudently increased investment in sales and marketing activities to support a variety of brand-building endeavors:

- Joined the NetApp Alliance Partner Program as an Advantage Alliance Partner. This partner community will provide access to NetApp training, tools and resources to support the integration of partner solutions, as well as enhance the data-driven cloud services portfolio we offer to our clientele.
- Participated in NetApp Insight 2018 as a silver sponsor, and joined other storage and data professionals in discussions about NetApp's innovations in cloud, data management, software, storage, and partner solutions.
- Exhibited for the first time at Pittcon – the most attended annual conference and exposition on laboratory science in the world. IntelliLab, our laboratory data analytics software solution which provides a 360-degree view of lab activities, was well-received, along with the other engineering and technology solutions showcased to the select audience.
- Participated in Zinnov Confluence 2019/Santa Clara, an invitation-only thought leadership and networking platform for CXO-level, engineering, digital, technology, and business leaders from around the globe. Mindteck conducted the masterclass on automation and automated testing.
- Presented our IIT BHU Smart Grid Solution at the Smart Grid Conclave at IIT Delhi. The event was attended by the Ministry of Power as well as various other utilities.
- Hosted the T/E/N Storage Meetup in partnership with the Storage Networking Industry Association (SNIA).
- Participated in job fairs in Berlin, Hamburg and Stuttgart in conjunction with our T5 Karriere Portal partnership, which provides access to a dedicated online portal to attract freelance computer scientists, engineers and scientists.

Last but not least, we were gratified to be identified as a niche and emerging player in the Zinnov Zones 2018 Engineering R&D Services ratings. Zinnov, a global management and strategy consulting firm, has been annually assessing the prowess of global service providers in overall, horizontal, and vertical-specific ER&D services capabilities since 2009.

Specifically, Mindteck was rated in five Zinnov Zones: Emerging Zone in Overall ER&D and Quality Assurance Engineering; Execution Zone of leading service providers in Computer Peripherals and Storage, as well as Enterprise Software; and the Breakout Zone of leading service providers in Medical Devices.

Factors underlying the Zones ratings include clientele, R&D delivery, engineering capacity, niche capability, innovation frameworks, and specific industry alliances, partnerships and membership in global forums. This acknowledgement is a testament to Mindteck's long-standing client relationships and strong niche capabilities, as well as our smart investments in people, training, new technologies, and other emerging growth opportunities.

Social Responsibility

Mindteck's social responsibility commitment is part of *We Care*. We believe that through our successes around the globe, we should give back in kind and deed. We do what we can to create shared value and steward resources to create hopeful tomorrows for others. In 2018-19, we fulfilled our commitment again with three funding allocations:

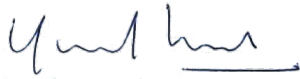
Gandhi Old Age Home: In November, Mindteck donated a commercial washing machine that was much desired by its approximately 50 residents who are elderly, blind, or mentally challenged.

Swami Vivekanand Shiksha Samiti: In conjunction with Women's Day 2019, Mindteck inaugurated three dedicated pink parking sites for women in the city of Bhopal.

Mantra4Change: Once again this year, Mindteck contributed toward the 'School Readiness Program' for Early Childhood Education (ECE).

United and Determined

Though challenging times persist in this increasingly complex world, we remain united and determined to grow and thrive. Our most sincere thanks to all of those who continue to contribute to our longevity and success; our clients for their enduring trust and confidence; our shareholders for their continuing commitment; and our employees around the globe for their unwavering dedication and hard work.



Yusuf Lanewala
Chairman



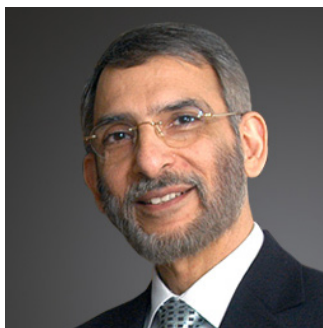
Sanjeev Kathpalia
Managing Director and CEO

BOARD OF DIRECTORS

As under Mindteck's code of corporate governance, the Board of Directors guides the Company toward attainment of the highest levels of transparency, accountability, accessibility, and equity in all facets of its operations, and in all transactions with its stakeholders, including employees, clients, shareholders, suppliers, partners and alliances, supporting agencies, Government, and society at large.



Yusuf Lanewala
Chairman



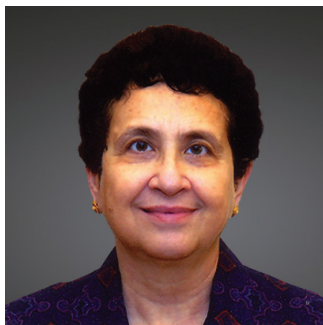
Sanjeev Kathpalia
*Managing Director
and CEO*



Meenaz Dhanani
Non-Executive Director



Jagdish Malkani
Independent Director



Prochie Mukherji
Independent Director



Guhan Subramaniam
Independent Director



Satish Menon
Independent Director



Subhash Bhushan Dhar
Independent Director

LEGAL AND COMPANY SECRETARY

Shivarama Adiga S.

Vice President

AUDITORS

S.R. Batliboi & Associates LLP

BANKERS

Axis Bank Limited

HDFC Bank Limited

YES Bank Limited

Citibank, N.A.

Standard Chartered Bank Limited

REGISTERED OFFICE

Mindteck (India) Limited

AMR Tech Park, Block-1, 3rd Floor, #664, 23/24

Hosur Main Road, Bommanahalli

Bengaluru - 560068

Tel: 91 80 4154 8000

Fax: 91 80 4112 5813

REGISTRAR AND

SHARE TRANSFER AGENT

Universal Capital Securities Private Limited

21/25, Shakil Niwas, Opp. Sai Baba Temple

Mahakali Caves Road, Andheri (E)

Mumbai - 400 093, India

Tel: 022-28207203-05

Fax: 022-28207207

MANAGEMENT TEAM

Sanjeev Kathpalia

Managing Director and CEO

Anand Balakrishnan

Chief Operating Officer

Meenaz Dhanani

Non-Executive Director

Prashanth Idgunji

Chief Financial Officer

SALES

Santhosh Sampige Nagaraj

Senior Vice President – US Managed Services

Ranga Yeragudi

Regional Vice President - US Northeast

Arup Banerjee

Senior Vice President - ROW Sales

Jacob Pillay

Regional Vice President - APAC

RESEARCH AND DEVELOPMENT

Surjit Lahiri

Vice President

HUMAN RESOURCES

Pradeep K

General Manager

DELIVERY

Shreerama Muniyoor

Senior Vice President

MARKETING AND COMMUNICATIONS

Karen Stark

Senior Vice President

Board's Report

To the Members,

The Directors hereby present the Twenty-Eighth Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2019. The Consolidated performance of the Company and its Subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS

(in Rs. Million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations	1,076.30	884.20	2,994.10	2,968.40
Other income	24.50	19.00	28.50	20.80
Employee benefits expense	656.30	616.50	2,028.10	2,043.80
Cost of technical sub-contractors	26.70	11.40	479.30	536.90
Other expenses	291.30	218.80	442.70	375.00
Profit before finance cost, depreciation, taxes, amortization	126.50	56.50	72.50	33.50
Finance cost	6.40	2.20	10.00	5.50
Depreciation and Amortization expense	17.40	11.50	18.90	13.00
Exceptional Item	-	-	-	16.20
Profit Before Tax	102.70	42.80	43.60	(1.20)
Tax expense	30.80	23.70	16.20	55.30
Profit After Tax	71.90	19.10	27.40	(56.50)
Paid-up Equity Share Capital	256.20	256.20	252.10	252.10
Earnings Per Share (EPS)	2.81	0.75	1.09	(2.26)

2. COMPANY AFFAIRS

Standalone

On a Standalone basis, your Company recorded revenue of Rs. 1,076.30 million, as against Rs. 884.20 million in the previous year. Mindteck's profit after tax stood at Rs. 71.90 million, as against Rs. 19.10 million in the corresponding previous year. At an operating margin level, Mindteck recorded EBITDA of Rs. 126.50 million (11.75%) this year as against Rs. 56.50 million (6.40%) last year.

Consolidated

During the year under review, your Company recorded Consolidated revenue of Rs. 2,994.10 million as against Rs. 2,968.40 million in the previous year. Of the Consolidated revenue that was recorded, 69% is attributed to the US and the balance pertains to the rest of the world.

Mindteck's Consolidated profit after tax for the year stood at Rs. 27.40 million, as against net loss of Rs. 56.50 million in the corresponding previous year.

At an operating margin level, Mindteck recorded EBITDA of Rs. 72.50 million (2.40%) this year as against Rs. 33.50 million (1.10%) last year.

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

3. DIVIDEND

The Board has recommended a dividend of 10% (Re. 1 per Equity Share of Rs. 10 each) for the year ended March 31, 2019. This translates into a total outlay of Rs. 3,08,88,554 including Dividend Distribution Taxes.

4. BUSINESS FOCUS AND HIGHLIGHTS

Mindteck provides engineering and technology solutions to Fortune 1000 companies, start-ups, leading universities, and government entities around the globe. The company is devoted to helping its clients compete, innovate, and propel forward along the digital continuum. Mindteck's legacy expertise in embedded systems, enterprise applications and testing complements newer Analytics, Cloud, IoT, and RPA disciplines and accompanying solutions, and ensures that clients' R&D and technology investments are optimised.

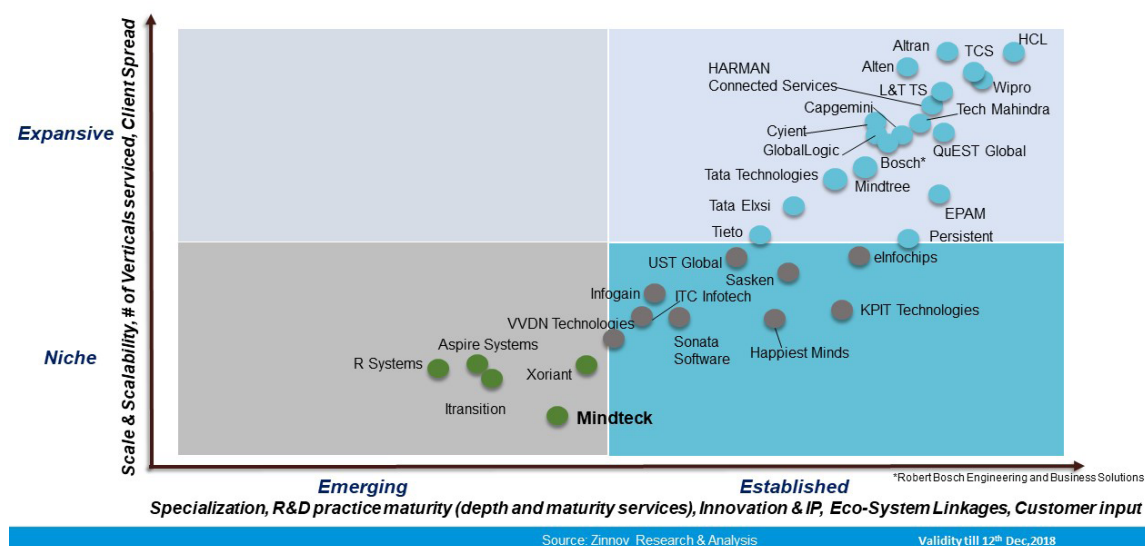
Mindteck was ranked as a niche and emerging player in the Zinnov Zones Engineering and R&D Services Report 2018. As per Zinnov Partner, Sidhant Rastogi: “Mindteck has been identified as a niche and emerging player in the Zinnov Zones ER&D ratings 2018. The firm has been able to establish itself as an able service provider for large enterprises across verticals such as enterprise software, storage, and medical devices. From a digital engineering

perspective, the firm is actively working on establishing its prowess in the IoT space.”

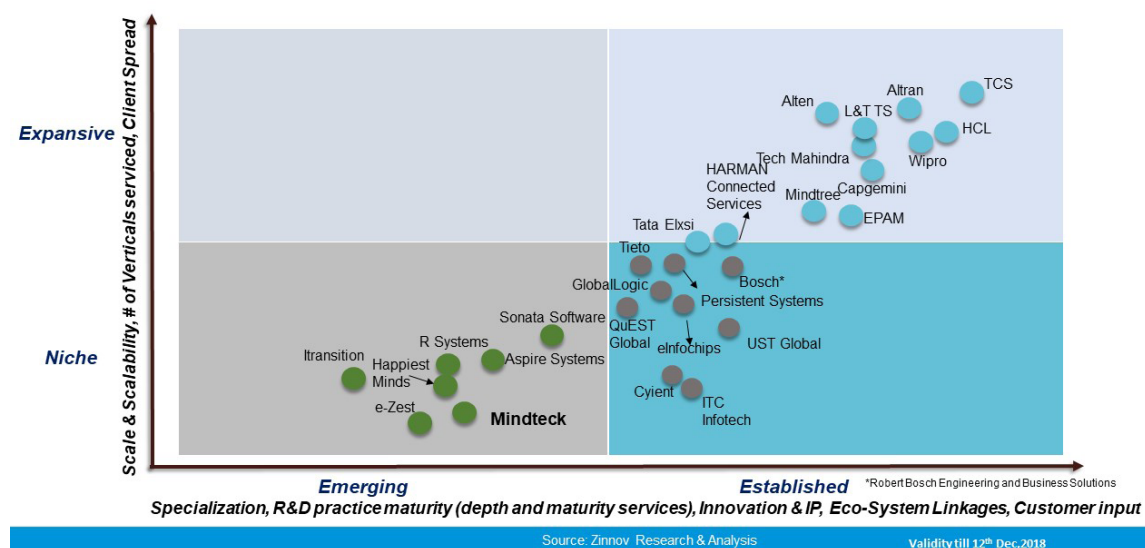
Factors underlying the Zone ratings include clientele, R&D delivery, engineering capacity, niche capability, innovation frameworks, and specific industry alliances, partnerships and memberships in global forums.



Overall ER&D Ratings 2018

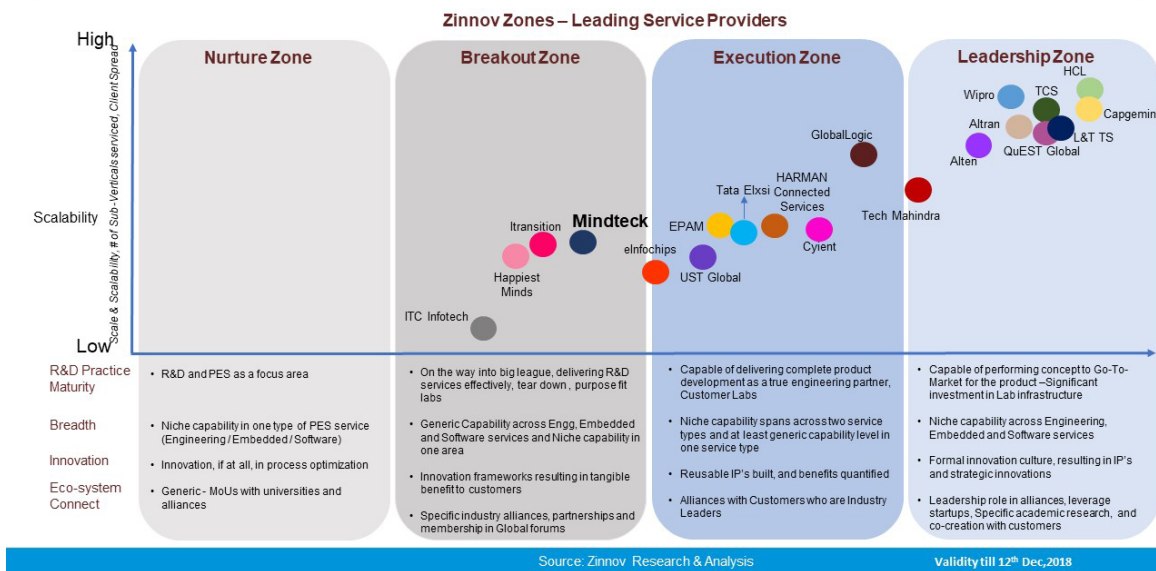


Quality Assurance Engineering Ratings 2018

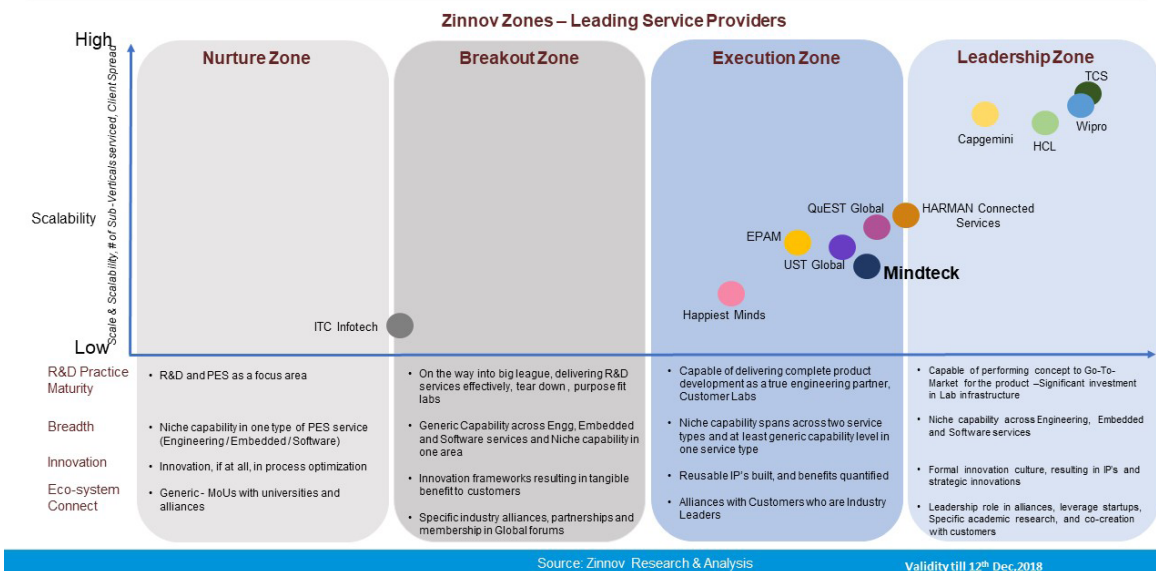




Medical Devices Ratings 2018



Computer Peripherals and Storage Ratings 2018



Mindteck is among a select group of global companies appraised at CMMI Dev Ver 1.3 Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI). It is also one of the Founding Members of The Atlas of Economic Complexity, a visualization tool for research developed by the Center for International Development (CID) at Harvard University.

Global alliances: Intel IoT Solutions Alliance, IoT Global Network, Oracle Gold, Oracle Cloud, GE Digital Alliance, and the Smart Cities Council India. Partnerships: UiPath noted below.

In 2018, as a part of the company's ongoing commitment to emerging technologies, Mindteck entered into a partnership with UiPath, an industry leader in Robotic Process Automation (RPA) – a technology that harnesses artificial intelligence to transform business processes. With RPA, software robots are configured to emulate and integrate human interactions to enable organizations to rapidly automate and benefit from significant cost and time efficiencies. In contrast to traditional IT solutions, RPA leverages existing infrastructure without disrupting underlying systems to optimise an organization's digital transformation journey.

Analytics

Mindteck's analytics and business intelligence service offerings help clients act automatically on their data. Solutions include: unstructured content analysis, unified screening platform for the financial services domain, and predictive modelling frameworks for insurance. Reporting support includes: customized mobile dashboards, predictive, prescriptive and descriptive business intelligence, and analytics, along with data consolidation management.

Notable analytics projects for the year are as below:

- A government project covering 72 government schools with 572 smart class rooms and 55 labs. Mindteck is providing cloud-based centralized analytics and ERP solutions, along with other best-in-class facilities. Technologies used to develop the software solutions include Angular JS, .Net MVC5, Web API, HTML 5, SQL server 2018, Mongo dB, CI/CD model, auto scaling cloud infrastructure, and IOT.
- For a Fortune 500 storage client, Mindteck is developing front-end analytical dashboards.
- Engaged with a leading TV manufacturer for AI-based test automation to reduce complex color tuning/adjustment test times.
- For the world's leading power cable manufacturer, Mindteck will provide real-time indoor location tracking and productivity analytics for forklifts and other mobile equipment within their manufacturing facility.

Cloud

Mindteck's Cloud discipline is comprised of a variety of solutions, including private, public and hybrid cloud; application migration and development; testing. A project highlight for the year at hand involves building and operating powerful, multi-cloud architectures for a cloud computing software company. This will enable end customers to have single point-of-control for managing their IT infrastructure and applications regardless of project scale. The project engagement also includes cloud testing services for a period of one year.

Internet of Things (IoT)

Mindteck continues to focus on providing monitoring and control solutions through the design of various building blocks required for wireless connectivity and system integration for IoT solutions. To address vulnerability from cyber attack with internet connected devices, Mindteck also focuses on providing secure IoT solutions. The company's in-house technologies in IoT and the smart city space have also helped reduce solution costs and delivery timelines. A notable win for 2018-19 is the design and development of a smart medical bin for a pharmaceutical giant, including hardware design, mechanical design, prototype build, software development and functional testing

Product Engineering

Mindteck's expertise in end-to-end product engineering is a result of its rich heritage. Formed by the amalgamation

of companies strong in hardware design, system software development and application development, the company has not only retained those strengths but also developed them for 27 years and counting.

The company's expertise includes product conceptualization, feasibility study, prototyping, hardware design, firmware design, system software and application development, system integration, quality assurance, packaging, environment testing and certifications.

Important projects for 2018-19 include:

- Developing and testing embedded system drivers for a leading life sciences client that specializes in life sciences analytics. The drivers will enable interaction between the client's storage capture mechanism and their instruments.
- Developing digital control gear to replace the existing analog dimming lighting systems for a client. This is an alternative to open standard Digital Signal Interface (DSI). Mindteck will be designing and developing the control gear, including hardware design, application firmware and DALI 2.0 stack development, prototypes build, HALT testing, pre-compliance and functional testing.
- Redesigning an E3-Interface card for one of Asia's largest defense and engineering companies and targeted for use in the telecom sector. Obsolete components will be replaced by available active components without affecting functionality and performance. Mindteck, together with a vendor, are designing and developing the E3 interface card. The project includes hardware design, FPGA firmware design, prototype build, functional testing, and production.
- Porting and migration of existing software to run on new hardware architecture, as well as enhancing the current software for newer features and requirements, for a leading integrated engineering group in the aerospace, electronics, land systems and marine sectors. Mindteck will design and develop the software to control platform screen doors for specific safety targets in the area of railway safety. The development will be in two phases: the first consists of development and testing of firmware on development boards and client-supplied interfaces, while the second involves development and testing of firmware on actual hardware.
- Won two new MS firmware development and hardware production projects with a leading Singapore-based Information Communications Technologies (ICT) provider and developer of smart city solutions.
- An innovative, personalized wellness company is consulting Mindteck for the development of a sleep wellness monitoring device.

Robotic Process Automation

As one of the results of the aforementioned partnership with UiPath, Mindteck has integrated RPA as a new discipline, with corporate solutions specifically targeted

for finance/accounting, procurement, human resources, operations, and customer support. Currently, we are building our RPA capabilities through hiring, training and certifications, all the while ensuring we build a reusable automation framework.

Testing

Mindteck's hallmark testing discipline spans across domains, as well as legacy and emerging technologies. Solutions include end-to-end automated and manual test execution and validation; strategy; frameworks and methodologies; functional; automation. Highlights for the year include:

- Three-year engagement involving manual, automation and cloud testing for a Fortune 500 storage technology company.
- Developing and testing embedded system drivers for a leading life sciences client.
- HALT testing, pre-compliance testing and functional testing for a world leader in sensors and connectors for complex challenges in the harshest environments.

Change in Nature of Business

There were no changes in the Nature of Business of the Company during the year.

5. QUALITY

Amidst the rapidly changing technology landscape, together with evolving customer expectations, Mindteck's Quality team initiated an organization-wide process transformation journey that encompasses enhancements to existing processes, the introduction of new lifecycle models, and leveraging the latest tools. This transformation, based on lean and agile concepts, reinforces our commitment to delivering high-quality products and services in order to consistently meet customer expectations, and comport with the latest International frameworks, including CMMI version 2.0. Progress on this front was appreciated by external auditors during the successful re-certification of ISO 9001:2015.

During 2018-19, Mindteck's focus on domain-specific standards continued with the successful completion of surveillance audits for Medical Devices ISO 13495:2016. We also successfully completed the surveillance audits of ISO 27001:2013 related to Information Security. Repeat business and consistently high customer satisfaction levels remains a testament to our product and service quality. Our commitment toward ensuring customer satisfaction will continue with renewed vigour and unwavering focus in the year to come.

6. INFRASTRUCTURE

Mindteck has offices in the US, Canada, UK, Singapore, Malaysia, Philippines, Bahrain, Netherlands, Germany, Turkey, and India. There are also two development centers equipped with R&D laboratories in India (Bengaluru

and Kolkata). The infrastructure includes space for workstations, conference rooms, meeting rooms, labs, and a world-class communication system. This innovative 'best shore delivery model' has provided our customers with a mix of onsite, offshore, near-shore, offshore-onsite and other hybrid delivery options across geographies for faster and more efficient delivery of quality services.

7. SUBSIDIARIES

On March 31, 2019, Mindteck had seven wholly-owned subsidiaries: Mindteck, Inc. (US), Mindteck Middle East S.P.C. (Bahrain), Mindteck Software Malaysia SDN. BHD. (Malaysia), Mindteck Singapore Pte. Ltd. (Singapore), Mindteck (UK) Limited (UK), Chendle Holdings Limited (British Virgin Islands), and Hitech Parking Solutions Private Limited (India). Mindteck (UK) Limited has two subsidiaries: Mindteck Germany GmbH (Germany) and Mindteck Netherlands B.V. (Netherlands). Mindteck Singapore Pte. Ltd. has one subsidiary: Mindteck Solutions Philippines, Inc. (Philippines) and Mindteck, Inc. has one subsidiary: Mindteck Canada, Inc. (Canada).

The Consolidated Financials have been audited and form part of this Annual Report. The financials of the subsidiaries have also been audited by the respective Auditors. The Consolidated Financials have been prepared and audited in strict compliance with the applicable Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All information, including (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation and (j) proposed dividend as directed by the Ministry of Corporate Affairs, has been disclosed in the Consolidated Financial Statement. Financial Highlights with the Indian rupee equivalent of the figures given in the foreign currency, along with exchange rate as on closing day of the financial year, and the statement pursuant to Section 129 (3) of the Companies Act, 2013 in Form AOC-1, forms part of this Board's Report as **Annexure-1**.

Further, the Company undertakes that the annual accounts of the Subsidiary Companies and the related detailed information will be made available to any investor seeking such information at any point of time. The annual accounts of the Subsidiary Companies and related information will also be kept for inspection by any investor at Mindteck's registered office. The Company shall furnish a hard copy of the accounts of subsidiaries to any shareholder on demand and a soft copy of accounts is available on the Investors section of Company's website www.mindteck.com. The Holding, as well as Subsidiary Companies, regularly file the applicable data to various regulators and government authorities, as and when required.

None of the Subsidiaries, Joint ventures or Associate companies ceased during the year.

8. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the financial year were on an arm's length basis and in the ordinary course of business. There were no material Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons and their relatives except with its wholly-owned subsidiaries. The particulars of such contracts or arrangements with related party are attached in *Annexure-2*.

9. LITIGATION

No material litigation was outstanding as on March 31, 2019. The Company has one recovery suit filed in the year 2013 in connection with advance payment made for the proposed office premises, which was not occupied by the Company.

10. CHANGES TO SHARE CAPITAL

The Company has not issued any Equity Shares during the FY 2018-19. Hence there is no change in the Share Capital when compared to last year's Share Capital. The issued, subscribed and paid up Equity Share Capital was Rs. 25,62,18,980 as on March 31, 2019.

11. FIXED DEPOSITS

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees or Investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the Financial Statements provided in the Annual Report.

13. TRANSFER TO RESERVES

During the year, the Company transferred Rs. 7,19,28,366 to its reserves.

14. DIRECTORS

As per Section 152 of the Companies Act, 2013, Mr. Meenaz Dhanani retires by rotation as Director in the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. A brief resume of Mr. Meenaz Dhanani is included in the Annexure to the Notice of the Annual General Meeting. Mr. Jagdish Malkani, an Independent Director of the Company, was appointed for five (5) years effective from August 14, 2014 and his term ends on August 13, 2019. The Nomination and Remuneration Committee, and the Board, have recommended the candidature of Mr. Jagdish Malkani who fulfils the requisite criteria of an Independent Director for a second term of five (5) years effective from August 14, 2019, to the Members of the Company, in the ensuing Annual General Meeting for their approval.

Declarations by Independent Directors

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Regulation 16(1)(b) and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sub-Section 6 and 7 of Section 149 of the Companies Act, 2013.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has carried out an annual performance evaluation of the Board, Individual Directors, as well as Committees and Chairperson.

Board Diversity

The Company places great emphasis on the principle of diversity, including gender diversity. Diversity throughout the organization makes great business sense. The Company maintains that appointments to the Board should be based on merit as well as complementing and expanding the skills, knowledge and experience of the Board as a whole.

Policy on Directors' appointment and remuneration

Mindteck has an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on date, the Board consists of eight Directors, one of whom is Managing Director and CEO; two are Non-Executive; and five are Independent Directors, including one woman Director. The Board periodically evaluates the need for change in its composition and size. The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as provided under Sub-Section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, and uploaded on the Company's website (www.mindteck.com). We affirm that the remuneration paid to the Directors is as per the terms.

Number of meetings of the Board

The Board met four times during the Financial Year, the details of which are given in the Corporate Governance report that forms part of this Annual Report. The intervening gap between two meetings was within the limit prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Vigil Mechanism/Whistleblower Policy

The Company has established a Whistleblower Policy for Directors, Employees and other Stakeholders to report their genuine concern, and the said policy is attached as per *Annexure-3*.

Constitution of Internal Compliance Committee

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

15. AUDITORS

Statutory Auditor

At the 26th Annual General Meeting held on August 11, 2017, Members of the Company appointed Statutory Auditor, S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), Bengaluru for a period of five (5) years, who shall hold the

office up to the conclusion of the 31st Annual General Meeting. During the year, the Statutory Auditor confirmed its eligibility and independence criteria to hold office.

Secretarial Auditor

CS S Kannan, a Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for the FY 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the FY 2018-19 forms part of this Board's Report as **Annexure-4**.

Cost Auditor

The maintenance of cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company, and accordingly such accounts and records are not maintained.

The Board noted the reports provided by the Statutory Auditor and Secretarial Auditor, and confirmed that there are no qualifications, reservations or adverse remarks.

16. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is attached as **Annexure-5** to the Board's Report.

17. SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the Regulators, the Courts, or Tribunals impacting the going concern status and the Company's operation in the future. The details of Tax Matters are disclosed in the Standalone Financial Statements.

18. INTERNAL FINANCIAL CONTROL

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

19. INDEPENDENT DIRECTORS FAMILIARISATION PROGRAMME

Mindteck has an established familiarisation programme for its Independent Directors. The business heads, Managing Director, and the Company Secretary make presentations on business models, nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors. Further, updates on business, statutory law and industry are made available to Independent Directors, especially to the Audit Committee members on an ongoing basis by internal teams, and Statutory and Internal Auditors on a quarterly basis.

20. PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure-6** to the Board's report.

The list of employees who were employed throughout the financial year and in receipt of remuneration of Rs.102 lakhs or more, or employed for part of the year and in receipt of Rs. 8.50 lakhs or more per month, and the List of Top 10 employees under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are in the following page.

Top 10 employees of the Company based upon the remuneration drawn during the FY 2018-19

Employee Name	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification	Experience (in years)	Date of Commencement of Employment	Age	Last Employment	Percentage of Equity shares held by the employee in the Company	Any such employee is a relative of any Director or manager of the Company and if so, name of such Director or Manager
Sanjeev Kathpalia	Managing Director and CEO	1,24,86,804	Contractual	B.Tech (IIT), MBA (IIM)	37	01-Mar-17	66	Senior Advisor to the Prime Minister (Republic of Turkey)	0.12%	NO
Prashanth Idgunji	Chief Financial Officer	79,11,101	Employee	C.A., CPA	32	28-Aug-17	54	Liquid Hub India Private Limited	NIL	NO
Arup Banerjee	Senior Vice President - MS	53,71,475	Employee	B. Tech	30	08-Jul-11	53	HCL Technologies Ltd	0.02%	NO
Surjit Lahiri	Vice President - Technology	51,92,308	Employee	B. Tech	27	29-Mar-05	49	Novellus India Pvt Ltd	0.03%	NO
Mahendra Balagangadharan ⁽¹⁾	Chief People Officer	44,44,744	Employee	B.E. (CS), MPM (HR)	23	24-Oct-17	49	VFS Global Services Pvt. Ltd	NIL	NO
Shivarama Adiga S.	Vice President -Legal and Company Secretary	39,98,452	Employee	C.S, M.Com and LLB	41	18-Mar-13	60	Diligent Media Corporation Limited	0.03%	NO
Girish Chandrasekhar Pachuveetil	Associate Vice President - Delivery	35,32,020	Employee	MS	24	09-Apr-15	51	CGI Info Systems and Management Consultants Pvt. Ltd.	NIL	NO
Ranjit Balakrishnan	Regional Business Development Manager	32,65,892	Employee	MBA	21	05-Jul-17	44	Sasken Technologies	NIL	NO
Shreerama Muniyoor ⁽²⁾	Senior Vice President - Delivery	31,96,283	Employee	MSc.	22	25-Jun-18	48	Mindtree Limited	NIL	NO
Ayushman Ghosh	Senior Technical Program Manager	31,38,524	Employee	MSc.	27	01-Jul-99	50	PCL Mindware	0.01%	NO

(1) Part of the Year-Resigned w.e.f. January 25, 2019.

(2) Part of the Year- Appointed w.e.f. June 25, 2018.

List of employees who were employed throughout the financial year and in receipt of remuneration of Rs.102 lakhs or more, or employed for part of the year and in receipt of Rs. 8.50 lakhs or more per month

Employee Name	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification	Experience (in years)	Date of Commencement of Employment	Age	Last Employment	Percentage of Equity shares held by the employee in the Company	Any such employee is a relative of any Director or manager of the Company and if so, name of such Director or Manager
Sanjeev Kathpalia	Managing Director and CEO	1,24,86,804	Contractual	B.Tech (IIT), MBA (IIM)	37	01-Mar-17	67	Senior Advisor to the Prime Minister (Republic of Turkey)	0.12%	NO
Anand Balakrishnan ⁽¹⁾	Chief Operating Officer	26,23,154	Employee	CA	26	30-Jan-19	46	Wipro GE Healthcare Private Limited	NIL	NO

(1) Part of the Year- Appointed w.e.f. January 30, 2019.

21. COMMITTEES OF THE BOARD

Currently, the Board has four Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance report in this Annual Report. The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Audit Committee	Mr. Jagdish Malkani – Chairman Mr. Satish Menon – Member Mr. Guhan Subramaniam – Member Mr. Sanjeev Kathpalia – Member	<ul style="list-style-type: none"> The Committee oversees the Company's financial reporting process and disclosures of its financial information to ensure accuracy and reliability. The Company has adopted the Whistleblower Policy for Directors, Employees and other Stakeholders to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Business Conduct and Ethics. The Whistleblower Policy is attached as Annexure-3 to the Board's Report. In accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policies on related party transactions and material subsidiaries. The policies, including the Whistleblower Policy, are available on the Company's website.
Nomination and Remuneration Committee	Ms. Prochie Mukherji – Chairperson Mr. Jagdish Malkani – Member Mr. Guhan Subramaniam – Member Mr. Subhash Bhushan Dhar –Member	<ul style="list-style-type: none"> The Committee oversees and administers executive compensation, operating under a written charter adopted by the Board of Directors. The Committee has designed and continuously reviews the compensation program for the Managing Director and senior executives to align both short and long-term compensation with business objectives, and to link compensation with the achievement of measurable performance goals. The Committee structures compensation to ensure that it is competitive in the global markets in which it operates in order to attract and retain the best talent. The Committee intends to have a combination of stock options and performance-based stocks to align senior employee compensation. The Nomination and Remuneration Committee has framed the Nomination and Remuneration policy. A copy of the policy is uploaded on the Company's website (Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf).
Corporate Social Responsibility Committee	Mr. Yusuf Lanewala – Chairman Mr. Satish Menon – Member Mr. Sanjeev Kathpalia – Member	<ul style="list-style-type: none"> The Board has laid out the Company's policy on Corporate Social Responsibility (CSR), and the CSR activities of the Company are carried out as per the instructions of the Committee. The Company allocates 2% of its average net profits of three years immediately preceding the financial year for CSR activities to various beneficiaries. Financial data pertaining to the Company's CSR activities to various beneficiaries for the FY 2018-19 is attached under the prescribed format in Annexure -7 to the Board's Report. The contents of the CSR policy are available on the Company's website (Weblink: https://www.mindteck.com/assets/investor_pdf/CSR_Policy.pdf).

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Stakeholders Relationship Committee	Mr. Satish Menon – Chairman Mr. Meenaz Dhanani – Member Mr. Sanjeev Kathpalia – Member	<ul style="list-style-type: none"> The Committee reviews and ensures redressal of investor grievances. The Committee notes all the grievances of the investors and takes suitable action accordingly.

22. RISK MANAGEMENT

The Company has a robust Enterprise Risk Management (ERM) framework to identify and evaluate business risk opportunities. This framework seeks to create transparency, minimize adverse impact on business objectives, and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels, including documentation and reporting. The model has different modes that help in identifying risk trends, exposure and potential impact analysis at a Company level and also separately for different business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

23. CORPORATE GOVERNANCE REPORT

Mindteck recognises good Corporate Governance and is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability, for the benefit of its stakeholders and for long-term success. Mindteck adheres to the standards set by SEBI for Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a Certificate on Corporate Governance pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this report in **Annexure-8**. The details of the Directors' remuneration are disclosed in PARA VI of **Annexure-5** of this Report.

24. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis is part of this Annual Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, and according to the information and explanations obtained by the Company, the Directors made the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policy as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently. Judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for

the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

26. CSR INITIATIVES

We Care is Mindteck's brand experience framework which encompasses honoring our commitments and making a lasting difference throughout the organization, as well as externally to clients, partners and communities. The cornerstones of the framework are Knowledge, Opportunity, Advocacy, Inclusion, Goodwill and Respect.

Care is rooted in the ways we engage and enable, and fundamental to building and nurturing relationships, championing others and stewarding community causes. We Care Ambassadors represent our brand and, in concert with others in the Company, work to ensure a positive experience. This includes, but is not limited to, fostering a caring culture and business approach.

Our Corporate Social Responsibility (CSR) commitment is part of We Care. We believe that through our successes around the globe, we should give back in kind and deed. We do what we can to create shared value and steward our resources to create hopeful tomorrows for others.

Core pillars of our CSR endeavors are Global Education and Local Targeted Giving.

We believe in the empowerment of knowledge and how it helps to bring positive change and stability to society as a whole; we also know that giving to local organizations that embrace the interests and values of the communities we serve builds stronger communities and makes business sense.

In FY 2018-19, more than 2% of Mindteck's previous three years' average net profits were allocated towards the following India initiatives:

Gandhi Old Age Home: In November 2018, Mindteck donated a commercial washing machine to the Gandhi Old Age Home. The institution had long expressed the need for a large washing machine for its residents. The Home is funded exclusively with the help of private donations. Previously, as part of its CSR efforts in FY 2016-17, Mindteck donated an ambulance.

Swami Vivekanand Shiksha Samiti: Mindteck funded the Pink Parking project for the City of Bhopal. The dedicated women-only parking spaces were inaugurated on Women's Day at three different sites (New Market, Pragati, and 10 No. Market).

Mantra4Change: Once again this year, Mindteck contributed toward the 'School Readiness Program' for Early Childhood Education (ECE).

27. MINDTECK EMPLOYEES STOCK OPTION SCHEMES

Mindteck believes in the policy of enabling Mindteckers to participate in the ownership of the Company and share in its wealth creation as they are responsible for the Management growth and success of the Company. The Company has three Employees Stock Option Schemes: Mindteck Employees Stock Option Scheme 2005, Mindteck Employees Stock Option Scheme 2008, and Mindteck Employees Stock Option Scheme 2014.

a. Mindteck Employees Stock Option Scheme 2005

During the year ended March 31, 2019, under this Scheme, the Company granted 24,000 options on May 29, 2018 at an exercise price of Rs. 55.15 per share to eligible employees. There has been no variation in the terms of ESOP Scheme during the year.

b. Mindteck Employees Stock Option Scheme 2008

During the year ended March 31, 2019, under this Scheme, the Company granted 1,70,000 options on August 14, 2018 at an exercise price of Rs. 48.70 to eligible employees. There has been no variation in the terms of ESOP Scheme during the year.

c. Mindteck Employees Stock Option Scheme 2014

During the year ended March 31, 2019, under this Scheme, the Company granted 1,00,000 options on February 26, 2019 at an exercise price of Rs. 34.70 to an eligible employee. There has been no variation in the terms of ESOP Scheme during the year.

The Details of the Employees Stock Option Schemes, as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 are displayed on the website of the Company.

(Weblink: https://www.mindteck.com/assets/investor_pdf/Disclosures-pursuant-to-SEBI-Regulations-2014.pdf).

28. MINDTECK EMPLOYEES WELFARE TRUST

The Mindteck Employees Welfare Trust was set up in the year 2000 to implement the Company's Share Incentive Scheme. As on March 31, 2019, the said Trust holds 4,16,000 shares of the Company and has not yet transferred any shares to the Company's employees under the said scheme.

29. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE AND OUTGO

Particulars that are required to be disclosed under Sub-Section (3)(m) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are set out in **Annexure-9** included in this Report.

30. ACKNOWLEDGEMENTS

The Directors place on record their appreciation of co-operation and continued support extended by customers, shareholders, investors, partners, vendors, bankers, the Government, and statutory authorities for the Company's growth. We thank employees at all levels across the Group for their valuable contribution in our progress and look forward to their continued support.

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Bengaluru, India
May 28, 2019

Annexure-1

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES (AOC 1)

{Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules 2014}

(Amount in Rs.)

Name of the Subsidiary	Mindteck Germany GmbH	Mindteck Software Malaysia SDN. BHD.	Mindteck Middle East Ltd. S.P.C.	Netherlands B V	Mindteck Singapore Pte. Ltd.	Mindteck (UK) Limited	Mindteck, Inc.	Chendle Holdings Ltd.	Mindteck Solutions Philippines, Inc.	Mindteck Canada, Inc.	Hitech Parking Solutions Private Limited
Sl. No.	1	2	3	4	5	6	7	8	9	10	11
Reporting Period	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19	01-04-18 to 31-03-19
Reporting Currency	EUR	MYR	BHD	EUR	SGD	GBP	USD	USD	PHP	CAD	INR
Exchange Rate	77.650	16.941	183.340	77.650	51.051	90.155	69.167	69.167	1.314	51.760	1.000
Share Capital	19,41,250	42,35,250	91,67,000	13,97,700	6,69,02,336	8,73,06,823	56,76,19,141	3,45,83,500	1,25,27,908	1,10,82,777	10,00,000
Reserves & Surplus	(3,74,13,932)	5,66,04,591	(1,44,44,625)	(20,08,767)	3,13,27,025	(7,06,63,128)	(4,20,17,863)	-	(1,11,29,240)	(68,352)	41
Total Assets	3,05,20,923	11,21,98,193	2,27,47,177	2,30,698	13,97,73,350	4,90,89,307	73,22,11,891	3,45,83,500	14,29,057	3,11,15,938	10,00,041
Total Liabilities	6,59,93,604	5,13,58,353	2,80,24,802	8,41,765	4,15,43,989	3,24,45,612	20,66,10,613	-	30,389	2,01,01,514	-
Investments	-	-	-	-	14,56,337	-	1,10,81,314	3,45,83,500	-	-	-
Turnover	7,39,37,492	17,93,43,430	4,88,25,055	-	22,69,85,017	10,76,98,597	1,73,34,95,163	-	-	7,15,74,597	-
Profit before taxation	(2,05,94,606)	6,95,449	(19,21,877)	-	(70,73,402)	(14,33,875)	(11,31,17,395)	-	(25,67,388)	79,302	41
Provision for taxation	-	10,44,448	-	-	44,595	-	65,44,384	-	-	-	-
Profit after taxation	(2,05,94,606)	(3,48,999)	(19,21,877)	-	(71,17,997)	(14,33,875)	(10,65,73,011)	-	(25,67,388)	79,302	41
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100	100	100	100	100	100	100	100	99.99	100	99.99

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Bengaluru, India
May 28, 2019

Annexure-2

PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH THE RELATED PARTIES (AOC 2)

{Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014}

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with the related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at an arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2019, which were not at an arm's length basis.

Details of material contracts or arrangement or transactions at an arm's length basis

The details of material contracts or arrangement or transactions at an arm's length basis for the year ended March 31, 2019 are as follows:

Amount in Rs.

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any*	Date(s) of approval by the Board, if any	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Mindteck, Inc., US	Subsidiary	Buy & Sale of service/ Cross charge transactions	01-04-2008 - ongoing	40,30,85,458	NA	16,43,377
Mindteck Software Malaysia SDN. BHD., Malaysia	Subsidiary	Sale of service/Cross charge transactions	01-04-2009 - ongoing	1,35,30,081	NA	20,07,495
Mindteck Middle East Limited S.P.C., Kingdom of Bahrain	Subsidiary	Sale of service/Cross charge transactions	01-04-2009 - ongoing	19,12,544	NA	21,63,501
Mindteck (UK) Limited, United Kingdom	Subsidiary	Sale of service/Cross charge transactions	01-04-2008 - ongoing	14,95,17,532	NA	24,22,678
Mindteck Singapore Pte. Limited, Singapore	Subsidiary	Buy & Sale of service/ Cross charge transactions	01-04-2009 - ongoing	3,23,06,874	NA	95,275
Chendle Holdings Ltd, BVI	Subsidiary	NIL	NIL	NIL	NA	NIL
Hitech Parking Solutions Private Limited, India	Subsidiary	NIL	NIL	NIL	NA	NIL
Mindteck Netherlands BV, Netherlands	Step-Subsidiary	NIL	01-04-2008 - ongoing	NIL	NA	NIL
Mindteck Germany GmbH, Germany	Step-Subsidiary	Sale of service/Cross charge transactions	01-04-2008 - ongoing	1,54,49,172	NA	30,31,463
Mindteck Solutions Philippines, Inc., Philippines	Step-Subsidiary	NIL	NIL	NIL	NA	NIL
Mindteck Canada, Inc., Canada	Step-Subsidiary	NIL	NIL	NIL	NA	NIL

*Based on TP Agreements.

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)

Bengaluru, India
May 28, 2019



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Annexure-3

WHISTLEBLOWER POLICY/VIGIL MECHANISM

As part of our Corporate Governance practices, the Company has adopted the Whistleblower policy that covers our Directors and employees.

The policy is provided herewith pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is also available on our website.

1. INTRODUCTION

Mindteck (hereinafter referred to as ("the Company")) is committed to the highest standards of transparency, professionalism, legal compliance, honesty, integrity, ethical behavior, corporate governance and accountability in conducting its business. The Company is committed to developing a culture where it is safe for all Directors and employees to raise concerns, grievances on various matters pertaining to any malpractice, fraud, violation of code of conduct, abuse of power or authority by any official and misconduct.

An important aspect of transparency and accountability is a mechanism to enable employees of the Company to voice their Protected Disclosures in a responsible and effective manner. It is a fundamental term of every contract of employment with the Company that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's business and affairs. Nevertheless, where a or an employee discovers information which he/she believes to be a serious malpractice, impropriety, abuse or wrongdoing within the organization, especially at the higher levels, then he/she should be able to disclose or report this information internally without fear of reprisal.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides for a mandatory requirement for all listed companies to establish a mechanism called 'Whistleblower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, this Whistleblower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach various Committees of the Company.

In addition to the Listing Agreement, Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates all listed Companies to constitute a vigil mechanism.

2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code:

a. **"Audit Committee"** - means the Audit Committee constituted by the Board of Directors of the Company

in accordance with Section 177 of the Companies Act, 2013 and read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. **"Alleged Wrongful Conduct"** - wrongful conduct shall mean and includes, but is not limited to:

- Corporate Governance
- Related Party Transactions
- Misappropriation of funds
- Noncompliance to the law of the land or violation of law
- Concealing legal mandatory disclosures
- Breach of fiduciary responsibilities
- Infringement of Company Code of Conduct
- Breach of integrity and ethics policy
- Prohibitive Insider Trading Code of the Company
- Financial Irregularities
- Infringement and misuse of Intellectual Property
- Leak of Unpublished Price Sensitive Information in any manner

c. **"Code"** - means Company Code of Conduct.

d. **"Company"** - means "Mindteck (India) Limited".

e. **"Employee"** - means every employee of the Company (whether working in India or abroad), permanent or temporary including the contracted employee and Directors of the Company whether in the employment of the Company or not.

f. **"Person"** - means any former or current employees, vendors, consultants and any other person(s) who is affiliated with the Company.

g. **"Protected Disclosure"** - means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

h. **"Subject"** - means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

i. **"Whistleblower"** - means any person making a Protected Disclosure under this Policy.

3. SCOPE OF THE POLICY

a. This policy covers all employees of Mindteck (India) Ltd and its subsidiaries.

b. The Policy covers any 'Alleged Wrongful Conduct' and other malpractices which have taken place involving, but not limited to:

- Any unlawful act, whether criminal or not.
- Breach of any Policy or Manual or Code of conduct adopted by the Company.
- Abuse (e.g. through physical, psychological or financial abuse, exploitation or neglect).
- Fraud and corruption (e.g. to solicit or receive any gift/reward as a bribe).
- Any instance of failure to comply with legal or statutory obligation either on behalf of the Company or in any personal capacity in the course of discharging duties of the Company.
- Any kind of financial malpractice.
- Abuse of power (e.g. bullying/harassment).
- Negligence causing substantial and specific danger to public health and safety
- Wastage/misappropriation of Company funds/assets
- Leak of Unpublished Price Sensitive Information in any manner
- Any other unethical or improper conduct.

c. All employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any other subsidiaries.

d. This policy has been introduced by the Company to enable Mindteck employees to raise their Protected Disclosures about any 'Alleged Wrongful Conduct', malpractice, impropriety, abuse or wrongdoing at any stage and in the right way, without fear of victimization, subsequent discrimination or disadvantage. However, employees are not to use this mechanism to question financial or business decisions taken by the Company Management or to reopen issues, which have already been addressed pursuant to disciplinary or other procedures of the Company.

e. The Whistleblower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

f. Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Committee Heads.

4. EFFECTIVE DATE OF POLICY

This revised policy will be effective from May 28, 2019.

5. COMPANY GUARANTEES UNDER THE POLICY

Protection

a. The Company as a matter of policy condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted

against Whistleblowers. Complete protection shall be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his duties/functions including making further Protected Disclosure.

b. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Employees who acted in good faith, and raise genuine Protected Disclosures under this policy will not be at risk of losing their jobs or be subjected to any kind of harassment or pressure from the Management.

Protected Disclosures are not published.

- The Company will take appropriate action to protect the identity of employees who raise Protected Disclosures in good faith, unless forced by circumstances to reveal, in which case the employees will be taken into confidence and his/her interests adequately protected.
- Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

Disqualifications

a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.

c. Whistleblowers, who make three or more Protected Disclosures which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. PROCEDURE FOR DISCLOSURE, ENQUIRY AND DISCIPLINARY ACTION

How to disclose Protected Disclosures?

a. An employee intending to make any Protected Disclosure is required to disclose all relevant information at the earliest from the day on which he/she knew of the Protected Disclosure.

b. Protected Disclosures should preferably be reported in writing, so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in the regional language of the place of employment of the Whistleblower.

c. The Protected Disclosure, if forwarded under a covering letter which shall bear the identity of the Whistleblower.

The Chairman of the Audit Committee shall detach the covering letter and discuss the Protected Disclosure with Members of the Committee.

- d. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained by the Audit Committee as it would not be possible to interview the Whistleblowers.
- e. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

To whom should Protected Disclosures be disclosed?

The Protected Disclosure should be disclosed through E-mail or fax, letter or any other method to the Chairman of Audit Committee as below:

Chairman of Audit Committee

Mindteck (India) Limited
A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru - 560068
Email: auditcommitteeCM@mindteck.com

Investigation Process

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company, who will investigate/oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- b. The Chairman of the Audit Committee may discretionally, consider involving any investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subject shall co-operate with the Chairman of the Audit Committee or any of the Investigators during the investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

g. Subject has a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistleblower. Subject shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

- h. Subject shall not interfere with the investigation
- i. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.
- j. Unless there are compelling reasons not to do so, Subject will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- k. Subject has a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- l. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure

Appeal against the decision of the Audit Committee

If the Complainant or the person complained against is not satisfied with the decision of the Audit Committee, then either of the Parties could prefer an appeal against this decision before the Company's Board and the decision of the Board in the matter will be final and binding on all the parties in relation to the terms of employment. Appropriate appeal procedure may be formulated by the Board, ensuring principles of natural justice and the Subject shall have right of remedies under the law.

Untrue Allegations

If employees make allegations in good faith which are not confirmed by subsequent investigation, no action will be taken against the disclosing employees. In making disclosures, employees should exercise due care to ensure the accuracy of the information.

Maintaining confidentiality of the Protected Disclosure

The employees disclosing the Protected Disclosure, as well as any of the persons to whom the Protected Disclosure has been disclosed, or any of the persons who will be investigating or deciding on the investigation, as well as the members of the Audit Committee, shall not make public the Protected Disclosure disclosed except with the prior written permission of the Audit Committee. However, this restriction shall not be applicable if any employee is called upon to disclose this issue by any judicial process and in accordance with the laws of land.

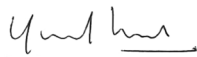
7. COMPLAINTS OF RETALIATION AS A RESULT OF DISCLOSURE

- a. If an employee believes that he/she has been retaliated against in the form of any adverse action for disclosing a Protected Disclosure under this policy, he/she may file a written complaint to the Audit Committee seeking redress.
- b. For the purposes of this policy, an adverse action shall include a disciplinary suspension, a decision not to promote, a decision not to grant a salary increase, a termination, demotion, rejection during probation, a performance evaluation in which the employee's performance is generally evaluated as unsatisfactory, a forced resignation or an unfavorable change in the general terms and conditions of employment.

Amendment

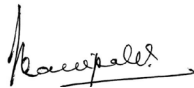
However, no such amendment or modification will be binding on the persons unless the same is notified on the website of the Company.

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)

Bengaluru, India
May 28, 2019



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Annexure-4

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH, 31, 2019

{Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Mindteck (India) Limited (herein after referred to as “Company”) for the period from 1st April 2018 to 31st March 2019. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

1. The Companies Act, 2013, (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) as amended up to the date of audit:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
6. The Company has identified the following laws as applicable to them:
- (i) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - (ii) Employees State Insurance Act, 1948
 - (iii) Environment Protection Act, 1986 and other applicable environmental laws
 - (iv) Indian Contract Act, 1872
 - (v) Income Tax Act, 1961 and other related laws
 - (vi) Payment of Bonus Act, 1965
 - (vii) Payment of Gratuity Act, 1972 and such other applicable labour laws.
 - (viii) The Information Technology Act, 2000
 - (ix) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - (x) The Central Goods and Service Tax Act, 2017, IGST and relevant State GST Acts.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company. I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable as on the date of my audit
- b. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has listed its securities with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the shares of the Company are traded at both the Stock Exchanges.

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

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- (ii) Adequate notice is given to all Directors to schedule the Board and other Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (iv) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (v) During the audit period, the Company has no major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- (vi) During the audit period, there were no Public / Rights issue of shares / debentures / sweat equity by the Company.
- (vii) During the period under review, the Company has NOT allotted any equity shares through various ESOP Schemes to its employees and Directors.
- (viii) During the audit period, there were no instances of:
 - a) Redemption/Buy-back of securities
 - b) Merger/amalgamation/reconstruction etc.,
 - c) Foreign technical collaborations.

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

For S KANNAN AND ASSOCIATES



S Kannan
Company Secretary
FCS No. 6261/C P No.: 13016

Place: Bangalore
Date: 18th May 2019

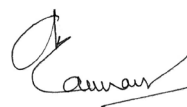
Annexure-A

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068.

Our report of even date is to be read along with this letter.

- a. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- d. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- e. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
- f. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws & Environment laws and Data protection policy.
- g. We further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws, the correctness and appropriateness of financial records and Books of Accounts of the Company have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For S KANNAN AND ASSOCIATES



S Kannan
Company Secretary
FCS No. 6261/C P No.: 13016

Place: Bangalore
Date: 18th May 2019

Annexure-5

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L30007KA1991PLC039702
2	Registration Date	25-07-1991
3	Name of the Company	Mindteck (India) Limited
4	Category/Sub-category of the Company	Indian Non-Government Company
5	Address of the Registered office and contact details	A.M.R. Tech Park, Block 1, 3 rd Floor, #664, 23/24 Hosur Main Road, Bommanahalli, Bengaluru - 560068 Contact Name: Shivarama Adiga S. Designation: Vice President, Legal and Company Secretary Tel: 080-4154 8013
6	Whether listed Company	Yes
7	Name, Address and contact details of the Registrar & Transfer Agent, if any	Universal Capital Securities Private Limited 21/25, Shakil Niwas, Mahakali Caves Road, Opp Satya Saibaba Temple, Andheri (East), Mumbai - 400 093 Contact Person: Santosh Gamare Tel: 022-2820 7203-05

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the Company
1	IT and IT Enabled Services	62-620	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Embtech Holdings Ltd. 4th Floor, IBL House, Caudan Port Louis Republic of Mauritius	OC98004605	Holding	64.13	2(46)
2	Mindteck, Inc. 150 Corporate Centre Drive, Suite 200 Camp Hill, PA 17011, US	0100683427	Subsidiary	100	2(87)
3	Mindteck Middle East Ltd S.P.C. #44, 3rd Floor, Suhail Centre Building 81 Road 1702 Block 317, Diplomatic Area, PO Box-10795 Manama, Kingdom of Bahrain	49063-1	Subsidiary	100	2(87)
4	Mindteck Software Malaysia SDN. BHD. Galleria@Cyberjaya, Unit 16-5 Jalan Tecknokrat 6, Cyber 5, 63000 Cyberjaya Selangor, Darul Ehsan, Malaysia	718964-U	Subsidiary	100	2(87)
5	Mindteck Singapore Pte. Ltd. 7B keppel Road, #05-09 PSA Tanjong Pagar Complex Singapore-089055	199904845D	Subsidiary	100	2(87)
6	Mindteck (UK) Ltd. 4 Imperial Place, Maxwell Road Borehamwood Hertfordshire WD6 1JN, United Kingdom	3051828	Subsidiary	100	2(87)
7	Chendle Holdings Ltd. Mill Mall Suite 6, Wickhams Cay PO Box 308 Road Town, Tortola, British Virgin Islands	494087	Subsidiary	100	2(87)
8	Hitech Parking Solutions Private Limited A.M.R. Tech park, Block 1, 3 rd Floor #664, 23/24, Hosur Main Road Bommanahalli Bengaluru 560068, India	U72900KA2018PTC111136	Subsidiary	99.99	2(87)
9	Mindteck Germany GmbH Herriotstrasse-1, 60528 Frankfurt am Main, Germany	HRB 82178	Step-Subsidiary	100	2(87)
10	Mindteck Netherlands B.V. Schipholweg 103, 2316 XC Leiden Netherlands	27313198	Step-Subsidiary	100	2(87)
11	Mindteck Solutions Philippines, Inc. U802 BSA Twin Towers, Bank Drive Ortigas Center, Mandaluyong 1550 Metro Manila, Philippines	CS201604851	Step-Subsidiary	99.99	2(87)
12	Mindteck Canada, Inc. 2-215 Traders Boulevard E. Mississauga Ontario L4Z 3K5	1057627-1	Step-Subsidiary	100	2(87)

Note: Company holds 100% shareholding in Mindteck, Inc., US along with Chendle Holdings Limited.

IV. SHAREHOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks/FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (A)(1)	-	-	-	0.00%	-	-	-	0.00%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	1,64,31,604	-	1,64,31,604	64.73%	1,64,31,604	-	1,64,31,604	64.13%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (A)(2)	1,64,31,604	-	1,64,31,604	64.73%	1,64,31,604	-	1,64,31,604	64.13%	0.00%
TOTAL (A)	1,64,31,604	-	1,64,31,604	64.73%	1,64,31,604	-	1,64,31,604	64.13%	0.00%
B. Public									
(1) Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks/FI	16,787	25	16,812	0.07%	-	25	25	0.00%	(0.07%)
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1)	16,787	25	16,812	0.07%	-	25	25	0.00%	(0.07%)
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	2,97,229	1,262	2,98,491	1.16%	2,75,712	1,262	2,76,974	1.08%	(0.08%)
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	24,33,621	1,35,836	25,69,457	10.03%	24,90,223	1,26,722	26,16,945	10.21%	0.18%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	9,88,857	-	9,88,857	3.86%	11,27,544	-	11,27,544	4.40%	0.54%
c) Others (specify)									
Non-Resident Indians	4,38,641	17,000	4,55,641	1.78%	4,39,854	17,000	4,56,854	1.78%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	5,30,987	16,000	5,46,987	2.13%	5,45,987	1,000	5,46,987	2.13%	0.00%
Clearing Members	1,65,438	-	1,65,438	0.65%	97,721	-	97,721	0.38%	(0.27%)
Trusts	12,23,148	-	12,23,148	4.77%	12,23,148	-	12,23,148	4.77%	0.00%
Foreign Bodies	24,77,732	64,299	25,42,031	9.92%	24,77,732	64,299	25,42,031	9.92%	0.00%
LLP\Partnership Firm	-	-	-	0.00%	488	-	488	0.00%	0.00%
NBFC Registered with RBI	-	-	-	0.00%	608	-	608	0.00%	0.00%
HUF	2,76,168	-	2,76,168	1.08%	2,63,764	-	2,63,764	1.03%	(0.05%)
Directors and Relatives	1,07,264	-	1,07,264	0.42%	37,205	-	37,205	0.15%	(0.27%)
Sub-total (B)(2)	89,39,085	2,34,397	91,73,482	35.80%	89,79,986	2,10,283	91,90,269	35.87%	0.07%
Total Public (B)	89,55,872	2,34,422	91,90,294	35.87%	89,79,986	2,10,308	91,90,294	35.87%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	2,53,87,476	2,34,422	2,56,21,898	100.00%	2,54,11,590	2,10,308	2,56,21,898	100%	0.00%

(ii) Shareholding of Promoter

Sl. No.	Shareholder's Name	No. of Shares	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
			% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	
1	EMBTech HOLDINGS LIMITED	1,64,31,604	64.13%	NIL	1,64,31,604	64.13%	0.00%

(iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
1	At the beginning of the year			1,64,31,604	64.13%	1,64,31,604	64.13%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			1,64,31,604	64.13%	1,64,31,604	64.13%

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
1	Name: FIRST ASIAN INVESTMENTS SA						
	At the beginning of the year			13,90,569	5.43%	13,90,569	5.43%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			13,90,569	5.43%	13,90,569	5.43%
2	Name: RAVI PRASAD THANTRY						
	At the beginning of the year			8,07,148	3.15%	8,07,148	3.15%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			8,07,148	3.15%	8,07,148	3.15%
3	Name: BANCO EFISA S.A.						
	At the beginning of the year			8,01,467	3.13%	8,01,467	3.13%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			8,01,467	3.13%	8,01,467	3.13%
4	Name: ABDOOL MAGID K						
	At the beginning of the year			4,27,744	1.67%	4,27,744	1.67%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			4,27,744	1.67%	4,27,744	1.67%
5	Name: MINDTECK EMPLOYEES WELFARE TRUST						
	At the beginning of the year			4,16,000	1.62%	4,16,000	1.62%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			4,16,000	1.62%	4,16,000	1.62%
6	Name: TADHAMON INTERNATIONAL ISLAMIC BANK						
	At the beginning of the year			2,85,696	1.12%	2,85,696	1.12%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			2,85,696	1.12%	2,85,696	1.12%
7	Name: MAHESH THARANI						
	At the beginning of the year			2,00,971	0.78%	2,00,971	0.78%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			2,00,971	0.78%	2,00,971	0.78%

8	Name: JM FINANCIALS SERVICES LIMITED						
	At the beginning of the year			1,04,412	0.41%	1,04,412	0.41%
	Changes during the year	31-12-2018	Sale	(82,166)	(0.32%)	22,246	0.09%
	Changes during the year	04-01-2019	Sale	(1)	0.00%	22,245	0.09%
	Changes during the year	11-01-2019	Purchase	21,541	0.08%	43,786	0.17%
	Changes during the year	18-01-2019	Purchase	3,000	0.01%	46,786	0.18%
	Changes during the year	25-01-2019	Sale	(1,408)	0.00%	45,378	0.18%
	Changes during the year	01-02-2019	Sale	(2,500)	(0.01%)	42,878	0.17%
	Changes during the year	08-02-2019	Purchase	88,575	0.35%	1,31,453	0.51%
	Changes during the year	15-02-2019	Sale	(3,000)	(0.01%)	1,28,453	0.50%
	Changes during the year	08-03-2019	Purchase	4,609	0.02%	1,33,062	0.52%
	Changes during the year	15-03-2019	Purchase	1,716	0.01%	1,34,778	0.53%
	At the end of the year			1,34,778	0.53%	1,34,778	0.53%
9	Name: BASSAM MAHMOUD K JABR						
	At the beginning of the year			82,583	0.32%	82,583	0.32%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			82,583	0.32%	82,583	0.32%
10	Name: GOPAL DHALUMAL						
	At the beginning of the year			77,159	0.30%	77,159	0.30%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			77,159	0.30%	77,159	0.30%

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Director and each Key Managerial Personnel			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
1	Name: YUSUF LANEWALA						
	At the beginning of the year			1,07,264	0.42%	1,07,264	0.42%
	Changes during the year	13-04-2018	Sale	(30,000)	(0.12%)	77,264	0.30%
	Changes during the year	16-04-2018	Sale	(3,591)	(0.01%)	73,673	0.29%
	Changes during the year	18-04-2018	Sale	(15,000)	(0.06%)	58,673	0.23%
	Changes during the year	26-04-2018	Sale	(5,330)	(0.02%)	53,343	0.21%
	Changes during the year	27-04-2018	Sale	(19,670)	(0.08%)	33,673	0.13%
	Changes during the year	30-04-2018	Sale	(3,968)	(0.01%)	29,705	0.12%
	At the end of the year			29,705	0.12%	29,705	0.12%
2	Name: SANJEEV KATHPALIA						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	02-04-2018	Purchase	2,500	0.01%	2,500	0.01%
	Changes during the year	03-04-2018	Purchase	1,000	0.00%	3,500	0.01%
	Changes during the year	04-04-2018	Purchase	1,500	0.00%	5,000	0.02%
	Changes during the year	05-04-2018	Purchase	1,500	0.00%	6,500	0.02%
	Changes during the year	06-04-2018	Purchase	1,000	0.00%	7,500	0.03%
	At the end of the year			7,500	0.03%	7,500	0.03%
3	Name: MEENAZ DHANANI						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
4	Name: JAGDISH MALKANI						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%

5	Name: PROCHIE MUKHERJI						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year				0.00%	-	0.00%
6	Name: GUHAN SUBRAMANIAM						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
7	Name: SATISH MENON						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
8	Name: SUBHASH BHUSHAN DHAR						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
9	Name: PRASHANTH IDGUNJI						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
10	Name: SHIVARAMA ADIGA S.						
	At the beginning of the year			13,200	0.05%	13,200	0.05%
	Changes during the year	18-04-2018	Sale	(235)	0.00%	12,965	0.05%
	Changes during the year	20-04-2018	Sale	(750)	0.00%	12,215	0.05%
	Changes during the year	11-05-2018	Sale	(4,000)	(0.02%)	8,215	0.03%
	At the end of the year			8,215	0.03%	8,215	0.03%

V. INDEBTEDNESS

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

Amount in Rs.

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

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs.)
	Name	Sanjeev Kathpalia	
	Designation	Managing Director and CEO	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,24,86,804	1,24,86,804
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-
2	Stock Option	5,00,000	5,00,000
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	1,24,86,804	1,24,86,804
	Ceiling as per the Act	57,62,257	57,62,257

[illegible]

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

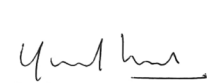
Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs)
	Name	Sanjeev Kathpalia	Prashanth Idgunji	Shivarama Adiga S.	
	Designation	CEO*	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	79,11,101	39,98,452	1,19,09,553
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	1,00,000	5,600	1,05,600
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	79,11,101	39,98,452	1,19,09,553

* The remuneration paid to Mr. Sanjeev Kathpalia for the position held by him as Managing Director and CEO is furnished under table VI A above

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

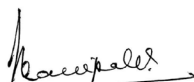
Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL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

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)

Bengaluru, India
May 28, 2019



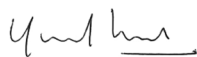
Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Annexure-6

DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	<table> <tr> <th>Name of the Director</th><th>Ratio to the Median</th></tr> <tr> <td>Yusuf Lanewala</td><td>0.89</td></tr> <tr> <td>Sanjeev Kathpalia</td><td>28.07</td></tr> <tr> <td>Meenaz Dhanani</td><td>NIL</td></tr> <tr> <td>Guhan Subramaniam</td><td>0.44</td></tr> <tr> <td>Jagdish Malkani</td><td>0.89</td></tr> <tr> <td>Prochie Mukherji</td><td>0.67</td></tr> <tr> <td>Satish Menon</td><td>0.89</td></tr> <tr> <td>Subhash Bhushan Dhar</td><td>0.67</td></tr> </table>	Name of the Director	Ratio to the Median	Yusuf Lanewala	0.89	Sanjeev Kathpalia	28.07	Meenaz Dhanani	NIL	Guhan Subramaniam	0.44	Jagdish Malkani	0.89	Prochie Mukherji	0.67	Satish Menon	0.89	Subhash Bhushan Dhar	0.67				
Name of the Director	Ratio to the Median																						
Yusuf Lanewala	0.89																						
Sanjeev Kathpalia	28.07																						
Meenaz Dhanani	NIL																						
Guhan Subramaniam	0.44																						
Jagdish Malkani	0.89																						
Prochie Mukherji	0.67																						
Satish Menon	0.89																						
Subhash Bhushan Dhar	0.67																						
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table> <tr> <th>Name of the Director & KMP</th><th>% increase</th></tr> <tr> <td>Yusuf Lanewala</td><td>NIL</td></tr> <tr> <td>Sanjeev Kathpalia</td><td>NIL</td></tr> <tr> <td>Meenaz Dhanani</td><td>NIL</td></tr> <tr> <td>Guhan Subramaniam</td><td>NIL</td></tr> <tr> <td>Jagdish Malkani</td><td>NIL</td></tr> <tr> <td>Prochie Mukherji</td><td>NIL</td></tr> <tr> <td>Satish Menon</td><td>NIL</td></tr> <tr> <td>Subhash Bhushan Dhar</td><td>NIL</td></tr> <tr> <td>Prashanth Idgunji, CFO</td><td>5.5%</td></tr> <tr> <td>Shivarama Adiga S., CS</td><td>7%</td></tr> </table>	Name of the Director & KMP	% increase	Yusuf Lanewala	NIL	Sanjeev Kathpalia	NIL	Meenaz Dhanani	NIL	Guhan Subramaniam	NIL	Jagdish Malkani	NIL	Prochie Mukherji	NIL	Satish Menon	NIL	Subhash Bhushan Dhar	NIL	Prashanth Idgunji, CFO	5.5%	Shivarama Adiga S., CS	7%
Name of the Director & KMP	% increase																						
Yusuf Lanewala	NIL																						
Sanjeev Kathpalia	NIL																						
Meenaz Dhanani	NIL																						
Guhan Subramaniam	NIL																						
Jagdish Malkani	NIL																						
Prochie Mukherji	NIL																						
Satish Menon	NIL																						
Subhash Bhushan Dhar	NIL																						
Prashanth Idgunji, CFO	5.5%																						
Shivarama Adiga S., CS	7%																						
(iii) The percentage increase in the median remuneration of employees in the financial year;	NIL																						
(iv) The number of permanent employees on the rolls of Company;	The total number of Mindteck permanent employees as on March 31, 2019 was 687.																						
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>Average percentage increase was 7% for all the employees and for managerial personnel in the FY 2018-19.</p> <p>Remuneration increase is based on merit performance of individual employees and market benchmark data.</p>																						
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes – the remuneration is as per the Nomination and Remuneration policy of the Company.																						

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)

Bengaluru, India
May 28, 2019



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Annexure-7

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

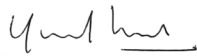
{Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014}

1	A brief outline of the Company's CSR Policy, including an overview of projects or programs proposed to be undertaken and a reference to the Weblink to the CSR Policy and projects or programs.	<p>Company laid down its focus on the following CSR activities in line with the statute governing CSR and for the benefit of the public:</p> <ul style="list-style-type: none"> Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, differently abled and livelihood enhancement projects. Eradicating hunger, poverty and malnutrition, promoting health care, including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. Any other CSR activities as per the Companies Act, 2013 and approved by the Board from time to time. <p>(Weblink: https://www.mindteck.com/assets/investor_pdf/CSR_Policy.pdf)</p>
2	Composition of CSR Committee	<p>Yusuf Lanewala – Chairman (Committee Chairman) Sanjeev Kathpalia– Managing Director and CEO (Member) Satish Menon– Independent Director (Member)</p>
3	Average net profit of the Company for last three financial years	Rs. 8,65,92,966
4	Prescribed CSR expenditure (2% of the average net profit as computed above)	Rs. 17,31,859
5	<p>Details of CSR expenditure during the financial year: Total amount to be spent for the financial year: Amount spent: Rs. 17,80,375 Amount unspent: NIL</p>	<ul style="list-style-type: none"> <i>Gandhi Old Age Home</i>: Purchase of commercial washing and drying machine for elderly people. <i>Mantra Social Services</i>: 'School Readiness Program' in Early Childhood Education <i>Swami Vivekanand Shiksha Samiti</i>: Women Empowerment projects

SL. No	CSR Project or Activities Identified	Subjects in which the project is covered	Projects or Programs	Amount outlay (budget) project or program wise (Rs.)	Amount Spent on the projects or programs	Cumulative Expenditure up-to the reporting period (Rs.)	Amount Spent: Direct or through implementation agency.
			(i) Local Area or other. (ii) Specify the state and District where projects or Programs was undertaken		Subheads: (i) Direct expenditure on projects or programs (ii) Overheads		
1	Gandhi Old Age Home	Purchase of Commercial Washing and Drying Machine for elderly people	Bengaluru, Karnataka	4,20,375	Direct Expenditure on project	4,20,375	Through Gandhi Old Age Home
2	Mantra Social Services	'School Readiness Program' in Early Childhood Education	Bengaluru, Karnataka	8,50,000	Direct Expenditure on project	8,50,000	Through Mantra Social Services
3	Swami Vivekanand Shiksha Samiti	Women Empowerment projects	Bhopal, Madhya Pradesh	5,10,000	Direct Expenditure on project	5,10,000	Through Swami Vivekanand Shiksha Samiti

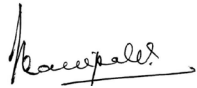
The CSR implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman of the CSR Committee
(DIN: 01770426)

Bengaluru, India
May 28, 2019



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Annexure-8
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: L30007KA1991PLC039702
Nominal Capital: Rs. 33,00,00,000.00

I, S Kannan, Company Secretary, have examined all the relevant records of Mindteck (India) Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period from 1st April, 2018 to 31st March, 2019.

Further, I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification. The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company. In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as applicable under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For S KANNAN AND ASSOCIATES



Place: Bangalore
Date: 18th May, 2019

S KANNAN
Company Secretary
FCS No. 6261/C P No.: 13016
Firm No.: S2017KR473100

Annexure-9

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

1. CONSERVATION OF ENERGY

As previously mentioned, the Company has been conscious of its carbon footprint and has been working to effectively reduce the same in every manner possible. Various initiatives have been taken by the Company to ensure that consumption of energy is at minimal levels in our operations.

Mindteck has been vigilant in its power saving initiatives and has been effectively working to reduce its power conservation across all premises. The steps taken are as follows:

Conservation of Energy:

- (i) Mindteck has deployed an LED-based smart lighting system at the Bengaluru location which is helping in curtailing lighting energy consumption.
- (ii) Mindteck has deployed bio-urinal mats for reduction in water and energy consumption in the toilets.
- (iii) Steps taken by the Company for utilizing alternate source of energy:
 - Monitors are turned off by employees before leaving for the day. Desktops and laptops hibernate when not in use for more than ten minutes.
 - Only 50% of the lifts are kept operational in the various office premises of Mindteck during holidays and weekends.
 - The staff ensures that lights are switched off when employees are not in the office.
 - The office premises is planned to allow effective use of sunlight and thus reduce the need of switching on the lights during the day.
 - Air conditioners are switched off in the evenings and during the weekends.
 - Air conditioner runtime has also been minimised by altering the exhaust system.
 - Within the premises, diesel generator sets are used only in case of extreme necessity, and these are well maintained to increase efficiency, resulting in less wastage of fuel.
 - The water pipes have been resized to reduce water consumption.

Waste Management:

Mindteck ensures the least possible level of waste accumulation through effective disposal and recycling of the Company's waste. The steps taken are:

- The Company operates on a 'paper-free office' policy and storage is encouraged in digital format, rather than on paper.
- All paper waste and shredded paper is sent to a recycling agent, including all cartons, boxes, and packing materials.
- Separate dustbins are used to segregate bio-degradable and non-biodegradable waste to effectively process this disposal mechanism.
- Food waste is processed by organic manure manufacturers.
- STP is set up in the premises to ensure the usage of treated water for common area cleaning and gardening.
- All e-waste is disposed and recycled through e-waste recycling agencies.

2. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

Technology Absorption:

- (i) The efforts made towards technology absorption:
 - Mindteck has developed technologies on its own in the areas of IoT and Smart Cities and has not absorbed any technologies from external sources.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 - Development of homegrown technologies in IoT and Smart City space has helped in reducing the solution costs, delivery timelines and helped in import substitution.
- (iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans.

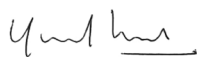
Through off-shore leverage, Mindteck is seeking to increase exports and develop new markets through subsidiaries.

- (ii) Total Foreign Exchange used and earned in Rupees:

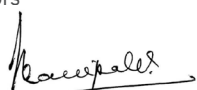
Amount in Rs.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Earnings	64,56,19,884	55,90,86,941
Expenditure	1,57,33,547	29,94,524

for and on behalf of the Board of Directors



Yusuf Lanewala
Chairman
(DIN: 01770426)



Sanjeev Kathpalia
Managing Director and CEO
(DIN: 05257060)

Bengaluru, India
May 28, 2019

Corporate Governance Report

The Corporate Governance framework for Mindteck (India) Limited ('Mindteck' or 'the Company') is a reflection of its culture, policies, relationship with stakeholders and commitment to values. Accordingly, Mindteck always seeks to ensure that its performance is driven by integrity in order to retain the trust of its stakeholders.

The Securities and Exchange Board of India (SEBI) implemented SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as SEBI (LODR)] effective from December 01, 2015, as amended from time to time, to implement comprehensive Corporate Governance norms for listed companies. These norms provide stringent disclosures for the protection of investor rights, including equitable treatment for minority and foreign shareholders. SEBI (LODR) is aligned with the provisions of the Companies Act, 2013, as amended from time to time, and is aimed to encourage companies to adopt best Corporate Governance practices.

Accordingly, the Company complies with Corporate Governance as per SEBI (LODR) and a report containing the details of the Corporate Governance and processes at Mindteck is as under:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its transactions with its stakeholders, including its employees, customers, shareholders, suppliers, partners, supporting agencies, Government, and society at large.

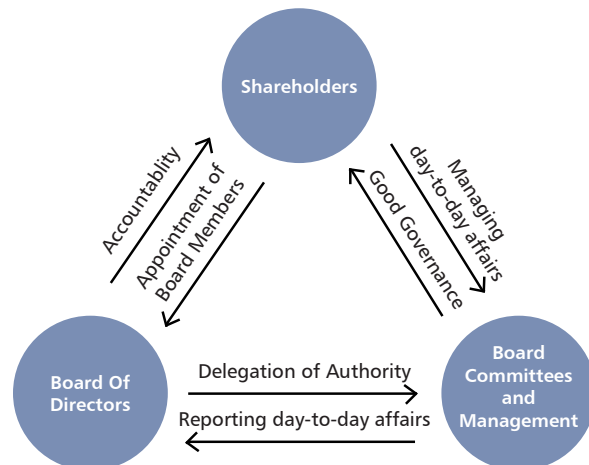
The Management aims to achieve its objective of increasing stakeholders' value while consistently observing the norms laid down in the Code of Corporate Governance. The Management has institutionalized Corporate Governance at all levels within the Company in order to ensure transparency, good practices, accountability, and a systems-driven style of functioning.

The overall responsibility for guiding Corporate Governance within the Company rests with the Board of Directors ('the Board'), which has put in place appropriate policies, guidelines and processes. The day-to-day implementation and monitoring of these policies, guidelines and processes rest with the Management of the Company and are in consonance with the requirements of the Companies Act, 2013, as amended from time to time, and applicable SEBI Regulations, including SEBI (LODR). Keeping in view the Company's size, complexity, global operations and corporate traditions, Mindteck has adopted the following main principles and philosophies:

- (i) Constitution of the Board of the Company and Committees of Directors of appropriate composition, size and expertise.
- (ii) Complete transparency in the operations of the Company.

- (iii) Maintaining prescribed levels of disclosure and complete openness in communication.
- (iv) Independent verification and safeguarding integrity of the Company's financial reporting.
- (v) A sound system of risk management and internal control.
- (vi) Timely and balanced disclosure of all material information concerning the Company to its stakeholders.
- (vii) A system to ensure compliance with applicable laws in countries where the Company operates.
- (viii) Maintenance of high standards of safety and health.
- (ix) Adherence to good governance practices in spirit and not just in letter.

2. THE GOVERNANCE STRUCTURE AT MINDTECK



The governance mechanism adopted at Mindteck:

- (i) The Board is appointed by the shareholders and is vested with the responsibility of conducting the affairs of the Company with the objective of maximizing the returns to all stakeholders.
- (ii) The Board is responsible for the overall vision, strategy and good Corporate Governance. The Board and Committees ensure accountability and transparency in the affairs of the Company to the Stakeholders by directing and controlling the management activities.
- (iii) The Managing Director and CEO along with Senior Management, are responsible for setting up business targets and day-to-day management of the Company in line with the objectives and principles set by the Board.

A. GOVERNANCE BY THE BOARD OF DIRECTORS

Composition:

The Board is at the core of the Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all stakeholders of the Company. The Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors, including a woman Director, with considerable experience in their respective fields to maintain the independence of the Board and to separate the functions

of the Board from the Management of the Company. There is a clear demarcation in the roles and responsibilities of the Chairman, Managing Director and CEO and the Board. The Board of Directors of the Company has the requisite core skills, expertise and competencies, as identified by them, for the nature of business and industry for its effective functioning, with expertise in Information Technology, Finance, Marketing, Legal, Corporate Governance, Management, Human Resources, as well as knowledge of global market conditions.

As at March 31, 2019 the Company had eight Directors, of which five Directors were Independent, as defined in the Companies Act, 2013 and SEBI (LODR). The Chairman of the Company, a Non-Executive Director, conducts all

the Board Meetings and Shareholders' Meetings. The Managing Director and CEO manages the day-to-day affairs of the Company. The Board periodically evaluates the need for change in its composition and size. None of the Directors of the Company are related inter se.

No Directors of the Company held directorships for more than the statutory limit as prescribed under the Companies Act, 2013 and SEBI (LODR), and none of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all companies in which they are Directors. None of the Directors of the Company held directorships in any other listed companies.

Table 01: The names and categories of Directors on the Board, their directorship and shareholding:

Name of the Director	Designation and Category	Age	Equity Shareholding (as on March 31, 2019)	No. of Directorship*		No. of Committees**	
				Public	Private	Chairman	Member
Mr. Yusuf Lanewala	Non-Executive Chairman	65	29,705 shares	-	2	-	-
Mr. Sanjeev Kathpalia	Managing Director and CEO	66	7,500 shares	-	5	-	-
Mr. Meenaz Dhanani	Non-Executive Director	62	NIL	-	-	-	-
Mr. Javed Gaya ⁽¹⁾	Independent Director	63	NIL	-	1	-	-
Mr. Jagdish Malkani	Independent Director	63	NIL	-	4	-	-
Ms. Prochie Sanat Mukherji	Independent Director	70	NIL	-	-	-	-
Mr. Guhan Subramaniam	Independent Director	65	NIL	-	1	-	-
Mr. Satish Menon ⁽²⁾	Independent Director	61	NIL	-	-	-	-
Mr. Subhash Bhushan Dhar ⁽³⁾	Independent Director	53	NIL	-	2	-	-

* Excluding Directorship in Mindteck (India) Limited and Foreign Companies.

**Only membership in Audit Committee and Stakeholders Relationship Committee is taken into consideration.

(1) Mr. Javed Gaya resigned as an Independent Director w.e.f. April 03, 2018 due to personal reasons and the Company has obtained a confirmation from him that there was no other material reason for his resignation.

(2) Mr. Satish Menon was appointed as an Independent Director w.e.f May 14, 2018 and the same was approved by the Shareholders at the Annual General Meeting of 2018.

(3) Mr. Subhash Bhushan Dhar was appointed as an Independent Director w.e.f May 29, 2018 and the same was approved by the Shareholders at the Annual General Meeting of 2018.

Broad Definition of Independent Directors:

The Company has defined the independence as stipulated under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR). Accordingly, an Independent Director means a person who is not an officer or employee of the Company or its subsidiaries, or any other individual having a material pecuniary relationship or transactions with the Company which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. All the Independent Directors have furnished to the Company a declaration at the time of their appointment that they qualify the test of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR), and annually certify their independence. The process of selection of Independent Directors is rigorous, transparent, objective and is aligned with the needs of the Company. None of the Independent Directors have any pecuniary relationship or

transactions with the Company, or served on the Board of the Company for more than ten years. In the opinion of the Board, all Independent Directors are independent of the Management and fulfill the conditions specified in SEBI (LODR).

Pursuant to Regulation 25(3) of SEBI (LODR), the Independent Directors of the Company met once in the FY 2018-19.

Independent Directors Familiarisation Programme:

Mindteck has a well-established familiarisation programme for its Independent Directors. The Managing Director and CEO, Business Heads, and the Company Secretary make presentations on business models, nature of industry and its dynamism, and the roles, responsibilities and liabilities of Independent Directors. Furthermore, business, statutory law and industry updates are made available to Independent Directors, especially to the Audit Committee Members, on an ongoing basis by internal teams, and by

Statutory and Internal Auditors on a quarterly basis.
(Weblink: https://www.mindteck.com/assets/investor_pdf/IDFP050515.pdf).

Board Meetings:

The Board meets once in a quarter and additionally as and when required. The calendar of the Board meetings is decided in consultation with the Board and the schedule of meetings is communicated to all Directors in advance to enable them to plan their effective participation during the Board meetings. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the

information required under Schedule II Part A of SEBI (LODR), the Board is also kept informed of major events/items and approvals taken wherever necessary.

The Board met four times in the FY 2018-19: May 29, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

Sitting Fees:

The Company paid a sitting fee of Rs. 1,00,000 per meeting to its Non-Executive Directors, including Independent Directors, for attending the Board meetings and no fee was paid for attending the Committee meetings.

Table 02: Directors' attendance and sitting fee paid details:

Name of the Director	No. of Board Meetings during FY 2018-19		Whether attended last AGM held on September 28, 2018	Sitting fees for Board and Committee meetings (in Rs.)
	Held	Attended		
Mr. Yusuf Lanewala	4	4	Yes	400,000
Mr. Sanjeev Kathpalia	4	4	Yes	NIL
Mr. Meenaz Dhanani	4	3	No	NIL
Mr. Jagdish Malkani	4	4	No	400,000
Ms. Prochie Sanat Mukherji	4	3	Yes	300,000
Mr. Guhan Subramaniam	4	2	Yes	200,000
Mr. Satish Menon	4	4	Yes	400,000
Mr. Subhash Bhushan Dhar	4	3	No	300,000

Non-Executive/Independent Directors' remuneration:

The remuneration paid to Non-Executive/Independent Directors is fixed by the Board of Directors and is within the limits prescribed under the Companies Act, 2013. The remuneration paid to Non-Executive/Independent Directors of the Company pertaining to FY 2018-19 is attached to the Board's Report as *Annexure-5*. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

Mr. Meenaz Dhanani, a Non-Executive Director of the Company, was not paid any remuneration by the Company but a remuneration of USD 191,268 per annum was paid by the Company's wholly-owned subsidiary, Mindteck Inc., US.

None of the Non-Executive/Independent Directors held shares or any convertible instruments in the Company, except Mr. Yusuf Lanewala, Chairman, held 29,705 Equity shares as on March 31, 2019. Mr. Yusuf Lanewala holds 1,00,000 stock options issued at Rs. 90.75 per share on August 10, 2016 and Mr. Meenaz Dhanani, Non-Executive Director holds 1,00,000 stock options issued at Rs. 90.75 per share on August 10, 2016. Both grants of stock options were not issued at discount and shall vest one-third on the completion of every year from the date of grant. The said stock options can be exercisable for a maximum period of 60 months from the date of vesting.

The criteria for making payments to Non-Executive/Independent Directors is as per the Nomination and Remuneration Policy adopted by the Company which is displayed on the website of the Company.
(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)

Remuneration to Managing Director and CEO:

The Company has executed a formal service contract with Mr. Sanjeev Kathpalia, Managing Director and CEO, with a notice period of 90 days. The criteria for making payment to the Managing Director and CEO is as per the Nomination and Remuneration Policy adopted by the Company which is displayed on the website of the Company.
(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)

The detailed remuneration of Mr. Sanjeev Kathpalia, Managing Director and CEO, is as under:

Gross Salary: Fixed Salary: Rs. 1,25,00,000/- p.a.
Variable Salary: Rs. 55,00,000/- p.a.

Stock Options: 5,00,000

Mr. Kathpalia was granted 2,50,000 stock options at Rs. 78.10 per share on March 30, 2017 and 2,50,000 stock options at Rs. 81.30 per share on April 10, 2017 under the Mindteck Employees Stock Option Scheme 2014 and was not issued at discount. Both grants of stock options shall vest one-third on the completion of every year from the date of grant. The said stock options can be exercisable for a maximum period of 60 months from the date of vesting. Mr. Kathpalia held 7,500 Equity shares of the Company as on March 31, 2019.

Proceedings of Board Meetings:

The agenda items for the Board meetings are decided in advance in consultation with heads of various functions, the Chairman, and the Managing Director and CEO. Every Board Member can suggest additional items for inclusion in the agenda. Functional heads, who can provide additional insights into the items discussed in the Board Meetings,

are also invited for the discussion. A report on the action items is placed before the Board at its succeeding meeting.

Information and updates to Board of Directors:

The following information and updates were made available to the Board of Directors as under:

- Annual operating plans, budgets, and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of the Audit Committee and other Committees of the Board of Directors.
- Information on recruitment and remuneration of senior officers just below the level of Board of Directors, including the appointment or removal of the Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices that are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue involving possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development on the Human Resources/Industrial Relations front such as signing of wage agreements, implementation of Voluntary Retirement Scheme, etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer, etc.

All the information to be provided to the Board as per Part A of Schedule II of SEBI (LODR) has been made available to the Board. The Company's Board reviews and takes on record the statutory compliance reports submitted by the Company's Management on a quarterly basis. In case of business exigencies, resolutions of the Board are passed by circulation. In addition to the above, the Company has complied all Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI (LODR).

Recording minutes of proceedings at Board and Committee Meetings:

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the Members of the Board/Committees for their comments. The minutes are entered in the Minutes book and signed as per Secretarial Standard-1.

Post-meeting follow up mechanism:

The important decisions taken at the Board/Committee meetings are communicated promptly to the concerned departments/divisions and Stock Exchanges wherever and whenever necessary to comply with SEBI (LODR). An Action Taken Report on the decisions/minutes of the previous meeting(s) is placed at the following meeting of the Board/Committee for noting and taking on record. Thus, an effective post-meeting follow up, review and reporting of the decisions taken at the Board/Committee meetings is ensured.

B. GOVERNANCE BY COMMITTEES OF THE BOARD OF DIRECTORS

The Company has the following Committees of the Board of Directors:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Stakeholders Relationship Committee
- (iv) Corporate Social Responsibility Committee

(i) Audit Committee

The Company's Board has constituted an Audit Committee pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR).

(a) Composition and Meetings of the Committee:

Meeting: The Audit Committee Meeting was conducted four times during the year on May 29, 2018, August 14, 2018, November 14, 2018 and February 14, 2019. The approved minutes of the meetings were placed before the Board at the succeeding Board Meeting for information.

Table 03: Composition and attendance details of Audit Committee meetings held during the year:

Members	No. of meetings	
	Held	Attended
Mr. Jagdish Malkani, Chairman	4	4
Mr. Guhan Subramaniam	4	2
Mr. Sanjeev Kathpalia	4	3
Mr. Satish Menon	4	4
Mr. Yusuf Lanewala ⁽¹⁾	4	1

(1) Mr. Yusuf Lanewala ceased to be a Member w.e.f. May 29, 2018.

Mr. Shivarama Adiga S., Company Secretary, acted as Secretary for all the Audit Committee meetings held in FY 2018-19.

(b) Powers:

Powers of the Audit Committee include:

- (i) To investigate any activity within its terms of reference.
- (ii) To seek information from any employee.
- (iii) To obtain outside legal or other professional advice, if considered necessary.
- (iv) To secure attendance of outsiders with relevant expertise, if considered necessary.

(c) Role and Responsibilities:

- (i) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) To recommend appointment, remuneration and terms of appointment of auditors of the Company.
- (iii) To approve payment to Statutory Auditor for any other services rendered by them.
- (iv) To review, with the Management, the annual financial statements and the auditor's report thereon before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by Management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any Related Party Transactions;
 - modified opinion(s) in the draft audit report.
- (v) To review, with the Management, the quarterly financial statements before submission to the Board for approval.
- (vi) To review, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency that monitors the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- (vii) To review and monitor the auditor's independence, performance, and effectiveness of audit process.
- (viii) To approve or subsequently modify transactions of the Company with related parties.
- (ix) To scrutinize inter-corporate loans and investments.
- (x) To carry out valuation of undertakings or assets of the Company, wherever it is necessary.
- (xi) To evaluate internal financial controls and risk management systems.
- (xii) To review with the Management, performance of statutory and internal auditors, adequacy of internal control systems.
- (xiii) To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (xiv) To discuss with internal auditor, any significant findings and follow up thereon.
- (xv) To review the findings of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and report the matter to the Board.
- (xvi) To discuss with Statutory Auditor before the audit commences, the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- (xvii) To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (xviii) To review the functioning of the whistleblower mechanism.
- (xix) To approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate.
- (xx) To carry out any other function as is mentioned in the terms of reference of the Audit Committee.
- (xxi) To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
- (xxii) The Audit Committee mandatorily reviews the following information:
 1. Management Discussion and Analysis of financial condition, and results of operations;
 2. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;

3. Management letters/letters of internal control weaknesses issued by the Statutory Auditor;
4. Internal Audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a. Quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of SEBI (LODR).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR).

(ii) Nomination and Remuneration Committee

(a) Composition and Meetings of the Committee:

Meeting: The Nomination and Remuneration Committee held three meetings during the year: May 29, 2018, August 14, 2018 and November 14, 2018.

Table 04: Composition and attendance details of Nomination and Remuneration Committee meetings held during the year:

Members	No. of meetings	
	Held	Attended
Ms. Prochie Sanat Mukherji, Chairperson	3	2
Mr. Guhan Subramaniam	3	2
Mr. Jagdish Malkani	3	3
Mr. Subhash Bhushan Dhar	3	2
Mr. Yusuf Lanewala ⁽¹⁾	3	1

(1) Mr. Yusuf Lanewala ceased to be a Member on May 29, 2018.

(b) Roles and Responsibilities:

The terms of reference of the Nomination and Remuneration Committee include the following:

- (i) To decide on all matters relating to the Company's stock option/share purchase schemes including the grant of options/shares to the Directors and employees of the Company and/or its subsidiaries.
- (ii) To determine and make suitable recommendations to the Board in all matters relating to qualification, appointment, evaluation and remuneration of the Independent Directors, Executive Directors, Non-Executive Directors and Key Managerial Personnel of the Company under the Companies Act, 2013 and SEBI (LODR).
- (iii) To establish and administer employee compensation and benefit plans.
- (iv) To decide and make suitable recommendations to the Board on any other

matter that the Board may entrust to the Committee with or as may be required by any statutes/regulations/guidelines, etc.

- (v) To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- (vi) To devise a policy on diversity of the Board of Directors.
- (vii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria that is laid down, and recommend to the Board of Directors their appointment and removal.
- (viii) To decide whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
- (ix) To recommend to the Board, all remuneration whatever form, payable to Senior Management.

(c) The Nomination and Remuneration policy is displayed on the Company's website.

(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)

(d) Performance Evaluation criteria for Board of Directors

The Board, along with the Nomination and Remuneration Committee, laid down the evaluation criteria for the Board, including evaluation of the performance of the Board as a whole, Individual Directors (including Independent Directors and Chairperson), and various Committees of the Board, in line with the Companies Act, 2013 and the Guidance Note on Board Evaluation issued by SEBI. The Members of the Board evaluate the performance of all Board Members through peer evaluation. Further, each and every Board member evaluates the effectiveness of the Board dynamics and relationships, the Company's performance strategy, and effectiveness of the Board and its Committees. Questionnaires were devised to gather information from the Board of Directors, which were later consolidated to summarize and provide effective feedback to all Individual Directors, Chairperson and Committees of the Board, as well as the Board as a whole.

Independent Directors are evaluated with some key performance indicators such as:

- Ability to adopt international best practices to address risk and challenges.
- Ability to monitor Corporate Governance practices.
- Commitment to fulfill the obligations and responsibilities.
- Active participation in the boardroom discussion and long-term strategic planning.

(iii) Stakeholders Relationship Committee**(a) Composition and Meetings of the Committee:**

Meeting: During the year, the Committee did not meet.

Table 05: Composition of Stakeholders Relationship Committee Meetings held during the year:

Members
Mr. Satish Menon, Chairman
Mr. Meenaz Dhanani
Mr. Sanjeev Kathpalia

Mr. Shivarama Adiga S., VP, Legal and Company Secretary, acts as the Chief Compliance Officer.

(b) Roles and Responsibilities:

The role of the Committee shall include the following:

- To resolve the grievances of the Shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review the adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensure timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Table 06: Report of Investor complaints received and resolved during year ended March 31, 2019:

	No. of cases outstanding as on April 01, 2018	No. of cases added during the year	No. of cases resolved during the year	No. of cases outstanding as on March 31, 2019
No. of Investor Issues	NIL	1	NIL	1
No. of Legal Cases	NIL	NIL	NIL	NIL

Note: The investor complaint received during the FY 2018-19 was resolved subsequently on April 23, 2019. There were no cases which were not resolved to the satisfaction of the shareholders.

(iv) Corporate Social Responsibility Committee**(a) Composition and Meetings of the Committee:**

Meeting: During the year, the Committee met on August 14, 2018.

Table 07: Composition and attendance details of Corporate Social Responsibility Committee Meetings held during the year:

Members	No. of meetings	
	Held	Attended
Mr. Yusuf Lanewala, Chairman	1	1
Mr. Satish Menon	1	1
Mr. Sanjeev Kathpalia	1	1

(b) Objective:

To formulate and manage CSR activities as approved by the Board of Directors from time to time and to comply with all the statutory requirements under the Companies Act, 2013.

(c) Terms of reference of the Corporate Social Responsibility Committee:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy that shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To recommend appropriate targeted CSR funding to the Board.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To formulate a transparent monitoring mechanism for implementation of CSR projects/programs/activities.
- To monitor the implementation of CSR activities on a quarterly basis.
- To approve such projects/programs/activities as approved by the Central Government.

C. GOVERNANCE BY MANAGEMENT**Related Party Transactions:**

During FY 2018-19, there were no materially significant Related Party Transactions entered into by the Company with the Directors or Management or their relatives that may have a potential conflict with the interest of the Company at large. The details of the transactions with subsidiaries at an arm's length basis are separately shown in the Annexure to the Board's Report and Note 39 of Notes to Accounts of the Standalone Financial Statements as at March 31, 2019. The Company's Related Party Transactions Policy is displayed on its website.

(Weblink: https://www.mindteck.com/assets/investor_pdf/RPT_Policy.pdf)

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or Securities and Exchange Board of India ('SEBI') or any statutory authority, on any matter related to capital markets, during the last three years:

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

Certificate on Corporate Governance:

As required under Point 10(i) of Schedule V of SEBI (LODR), the Certificate is obtained from a Practicing Company Secretary and is also annexed to the Board's Report as *Annexure-8*.

Certificate on Qualification of Directors:

As required under Point 10(i) of Schedule V of SEBI (LODR), a Certificate is obtained from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Authority and is annexed to this Corporate Governance Report.

CEO and CFO Certificate:

The Certificate signed by the Managing Director and CEO, and Chief Financial Officer as per SEBI (LODR) in the prescribed format also forms part of this Annual Report.

Code of Business Conduct and Ethics:

In compliance with the Companies Act, 2013 and SEBI (LODR), the Company has adopted a Code of Business Conduct and Ethics for all employees, and Directors of the Company, and its subsidiaries. All Members of the Board and Senior Management personnel have affirmed compliance with the Company's Code of Business Conduct and Ethics. A copy of the said Code of Business Conduct and Ethics is available on the Company's website.

Compliance with laws:

The Company believes in commitment to values and compliance of laws which are the hallmarks of good Corporate Governance. Legal Compliance Management in the Company transcends to compliances as a yardstick to measure and manage business risks to maximize shareholder value. The Board periodically reviews the status of compliance and the Company continuously aims to be compliant of all applicable laws at all times.

Management Discussion and Analysis:

A Management Discussion and Analysis Report is included in the Annual Report.

Subsidiaries:

The Company has no Indian-listed subsidiary. Hitech Parking Solutions Private Limited is an unlisted wholly-owned Indian subsidiary of the Company which was incorporated on March 14, 2018. The statement pertaining to all Subsidiaries of the Company forms part of the Board's Report as *Annexure-1*.

Material Subsidiaries:

The Company has formulated a Policy on Material Subsidiaries and has established the necessary mechanism under Regulation 16(1)(c) of SEBI (LODR). For the purpose of this Regulation, a subsidiary shall be considered as material if its income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

(Weblink: https://www.mindteck.com/pdf/policies/Material_Subsidiaries_Policy.pdf).

Compliance with mandatory and non-mandatory requirements of SEBI (LODR):

The Company has disclosed all the mandatory requirements under SEBI (LODR) and the status of adoption of non-mandatory requirements is as under:

- Company has moved towards a regime of financial statements with an Unmodified Audit Report.
- Internal Auditor directly reports to Audit Committee.
- Separate posts of Chairperson and Chief Executive Officer.

Policies and Best Practices:

The Company has formulated various policies and procedures in accordance with the requirements of the Companies Act, 2013, SEBI (LODR) and other applicable SEBI Regulations to maintain transparency, professionalism and accountability in the organisation.

Code of Practices and Procedures for Fair Disclosure:

Pursuant to Regulation 8 of Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code for timely, appropriate and adequate disclosure of unpublished price sensitive information.

Code of Conduct for Prohibition of Insider Trading:

Pursuant to Regulation 9 of Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the "Mindteck Code of Conduct to Regulate, Monitor and Report Trading by Insiders" from using unpublished price sensitive information to their advantage. The Company Secretary of the Company is the Compliance Officer for the purpose of this Code of Conduct and maintains a record of the Designated Persons. No Insider of the Company has violated this Code and no unpublished price sensitive information has been communicated or used by them.

Whistleblower Policy:

The Company has adopted a Whistleblower Policy and has established the necessary vigil mechanism in line with the Companies Act, 2013 and SEBI (LODR), for persons to report concerns, alleged wrongful conduct, including unethical behavior, financial irregularities, misuse or leak of unpublished price sensitive information, sexual harassment, infringement and misuse of Intellectual Property. It also provides protection against victimization of persons, who avail this mechanism and also allows them direct access to the Chairman of the Audit Committee. No employees have been denied access to the Chairman of the Audit Committee. The policy is displayed on the website of the Company. (Weblink: https://www.mindteck.com/pdf/policies/Whistle_Blower_Policy.pdf)

Policy for Determining Material Information:

The Company has adopted a Policy for Determining Material Information as per SEBI (LODR). This policy applies with respect to the disclosure of Material Events/Information occurring/arising within the Company and its subsidiaries. This policy is displayed on the website of the Company. (Weblink: https://www.mindteck.com/assets/investor_pdf/Policy-for-Determining-Material-Information.pdf)

Document Retention and Archival Policy:

The Company has adopted a Document Retention and Archival Policy as per SEBI (LODR). This Policy, deals with the retention and archival of all important corporate records of the Company. All employees are mandated to fully comply with this policy. This policy is displayed on the website of the Company. (Weblink: <https://www.mindteck.com/pdf/policies/Document-Retention-and-Archival-Policy.pdf>)

Statutory Auditor's Fees:

The total fees paid by the Company to the Statutory Auditor and all its entities in the network firms/entities of the Statutory Auditor, for all the services provided to the Company and its subsidiaries, on a consolidated basis is as under:

Table 08: Details of total fees paid to Statutory Auditor and its network firms/entities during FY 2018-19:

Amount in Rs.

Description	Amount	Out-of-pocket Expenses	Total
Payment to S.R. Batliboi & Associates LLP			
Audit Fees	34,50,000	4,48,437	38,98,437
Tax Audit	3,00,000	31,506	3,31,506
Certification and Annual Performance Report	4,00,000	16,661	4,16,661
US GAAP audit	7,00,000	10,304	7,10,304
Total (A)	48,50,000	5,06,908	53,56,908
Payment to Ernst & Young LLP			
TP and Tax filing	6,25,000	7,944	6,32,944
Total (B)	6,25,000	7,944	6,32,944
TOTAL (A+B)	54,75,000	5,14,852	59,89,852

Internal Auditor:

The Audit Committee of the Company or the Board shall, in consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit. Accordingly, the Internal Auditor shall act upon and shall produce the audit report for each Quarter before the Audit Committee.

Sexual Harassment Complaints:

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is as under:

Table 09: Report of Sexual Harassment Complaints received and disposed of during year ended March 31, 2019:

	Outstanding as on April 01, 2018	Received during the year	Resolved during the year	Outstanding as on March 31, 2019
No. of Complaints	NIL	NIL	NIL	NIL

SOFTWARE DEVELOPMENT CENTERS:**Bengaluru, India:**

A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road
Bommanahalli, Bengaluru-560068

Kolkata, India:

Millennium Towers
Unit: T-29C, Tower II, Level IX, Plot No. 62, Block DN
Sector V, Salt Lake, Kolkata-700 091

INVESTOR CONTACTS:**Registered Office Address for correspondence:****Mindteck (India) Limited**

A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road
Bommanahalli, Bengaluru-560068.

Tel: 91 80 4154 8000

Fax: 91 80 4112 5813

For additional information on the Company, please refer to its website: www.mindteck.com

For queries relating to financial statements:**Mr. Prashanth Idgunji**

Chief Financial Officer

Tel: 91 80 4154 8000, Ext. 8113

E-mail: prashanth.idgunji@mindteck.com**For queries relating to shares/dividend/compliance:****Mr. Shivarama Adiga S.**

Vice President, Legal and Company Secretary

Tel: 91 80 4154 8000, Ext. 8013

Email: shivarama.adiga@mindteck.com**Address of Registrar and Transfer Agent:****Universal Capital Securities Private Limited**

21/25, Shakil Niwas, Opp. Satya Saibaba Temple
Mahakali Caves Road, Andheri (East)
Mumbai-400093, India

Contact: Mr. Santosh Gamare

Tel: 91 22 2820 7203-05

Email: gamare@unisec.in

Addresses of Regulatory Authority/Stock Exchanges:

Securities and Exchange Board of India (SEBI)

Plot No. C4-A, G Block, Bandra Kurla Complex
Bandra (East), Mumbai-400051, India
Tel: 91 22 2644 9000/4045 9000
Email: sebi@sebi.gov.in

Registrar of Companies, Karnataka

'E' Wing, 2nd Floor
Kendriya Sadana, Koramangala
Bengaluru-560034, India
Tel: 91 80 2563 3105/2553 7449
E-mail: roc.bangalore@mca.gov.in

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001, India
Phone: 91 22 2272 1233/4, 91 22 6654 5695
Email: corp.comm@bseindia.com

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai-400051
Tel: 91 22 2659 8100-14
Email: gifaq@nse.co.in

Depository for Equity Shares - India:

National Securities Depository Limited

Trade World, A Wing, 4th and 5th Floors
Kamala Mills Compound, Senapati Bapat Marg
Lower Parel, Mumbai-400013, India
Tel: 91 22 2499 4200
Email: info@nsdl.co.in

Central Depository Services (India) Limited

Unit No. A-2501, Marathon Futurex
Mafatlal Mills Compound, N.M. Joshi Marg
Lower Parel (E) Mumbai-400013
Tel: 91 22 2305 8640
Email: helpdesk@cdslindia.com

D. INFORMATION FOR SHAREHOLDERS

Corporate Profile:

Mindteck (India) Limited was incorporated in Mumbai in 1991 as Hinditron Informatics Limited under the Companies Act, 1956. The name was changed to Mindteck (India) Limited in September, 1999. Later on, in the year 2006, the Registered Office of the Company was shifted from Mumbai to Bengaluru. The Company's CIN is L30007KA1991PLC039702.

Forthcoming Annual General Meeting (AGM):

The AGM for the FY 2018 -19 is scheduled for Wednesday, August 14, 2019 at 12:00 Noon at Hotel Paraag (behind 'The Capitol Hotel'), #3, Rajbhavan Road, Bengaluru-560001, Karnataka, India.

Table 10: Location and time of last three AGMs held:

Date of AGM	Time of AGM	Location
August 11, 2016	12.00 Noon	Hotel Woodlands, "Sri Krishna Hall" No-5, Rajaram Mohan Roy Road, Bengaluru-560025
August 11, 2017	12.00 Noon	Hotel Woodlands, "Sri Krishna Hall" No-5, Rajaram Mohan Roy Road, Bengaluru-560025
September 28, 2018	12.00 Noon	Hotel Paraag, #3, Rajbhavan Road, Bengaluru-560001

Table 11: List of Special Resolutions passed by the Company at Annual General Meetings during last three years:

August 11, 2016	<ul style="list-style-type: none"> To approve the re-appointment of Mr. Meenaz Dhanani as an Executive Director. To approve the appointment and payment of remuneration to Mr. Sanjeev Kathpalia as Managing Director and CEO.
August 11, 2017	<ul style="list-style-type: none"> To approve the Alteration of Articles of Association of the Company. Preferential Issue of 64,299 Equity Shares to Black Horse Limited (Erstwhile Investor of Chendle Holdings Limited).
September 28, 2018	<ul style="list-style-type: none"> No Special Resolutions were passed

No resolutions were passed through postal ballot during the FY 2018-19

Financial Year:

April 01, 2018 to March 31, 2019

Book Closure dates for the forthcoming AGM:

August 08, 2019 to August 14, 2019 (both days inclusive)

Listing and Payment of Annual Fees

The Company's equity shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') as at March 31, 2019; Scrip code is "517344" and the Symbol is "MINDTECK", respectively.

The annual listing fee for the FY 2019-20 has been paid by the Company to BSE and NSE. The Annual Custodial fee for the FY 2019-20 has been paid by the Company to National Securities Depository Limited and Central Depository Services (India) Limited.

Dividend:

Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved at the ensuing Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those Members whose names appear on the Register of Members as on August 07, 2019.

Share Transfer System:

The Company's Registrar and Transfer Agent, Universal Capital Securities Pvt. Ltd., processed physical shares sent for transfer/transmission, etc. in two batches every month and ensures that the share transfers/transmissions, etc. are effected within stipulated time. Transfers/transmissions which are complete in all respects were processed and the certificates in respect thereof are returned to the lodger/shareholder within 15 days of lodgement.

Secretarial Audit:

As per the requirements of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 (previously Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996), the Company has appointed Mr. Rajnikant N. Shah, a Practicing Company Secretary, to undertake the reconciliation

of the share capital of the Company for its submission to BSE and NSE. The audit reconciles on a Quarterly basis, the total admitted capital with NSDL and CDSL with the total issued and listed capital of the Company. The audit has confirmed that the total issued/paid up capital has been in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

During the year, Mr. S. Kannan, a Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for the FY 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the FY 2018-19 is attached to the Board's Report as **Annexure-4**.

The Board noted the reports given by the Secretarial Auditor and confirmed that there is no qualification, reservation, adverse remark or disclaimer.

Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. NSDL and CDSL. Equity Shares of the Company representing 99.18% of the Company's equity share capital are dematerialized as on March 31, 2019. The Company continues to facilitate requests for dematerialization of shares on a regular basis and the request can be routed through the respective investors' Depository Participant (DP) to the Company's RTA, Universal Capital Securities Private Limited for further action. Under the Depository system, the International Securities Identification Number (ISIN) allotted to Mindteck shares is INE110B01017.

Commodity price risk or foreign exchange risk and hedging activities:

There was no commodity price risk during the FY 2018-19. The Board has taken a conscious decision not to have a formal hedging strategy for the foreign exchange exposures of the Company.

Shareholding Pattern as on March 31, 2019:

The details of Shareholding pattern are attached to Board's Report as **Annexure-5**.

Table 12: Distribution of Shareholding as on March 31, 2019:

Range	As on March 31, 2019				As on March 31, 2018			
	Shareholders		Shares		Shareholders		Shares	
No. of Shares	Number	% to Total	Number	% to Total	Number	% to Total	Number	% to Total
1 – 500	9,481	88.66	9,42,320	3.68	9,616	88.82	9,74,857	3.81
501 – 1,000	591	5.53	4,82,965	1.89	596	5.51	4,88,306	1.91
1,001 – 2,000	259	2.42	3,89,680	1.52	265	2.45	3,95,223	1.54
2,001 – 3,000	98	0.92	2,49,060	0.97	96	0.89	2,43,863	0.95
3,001 – 4,000	45	0.42	1,58,682	0.62	31	0.28	1,09,218	0.42
4,001 – 5,000	49	0.46	2,26,018	0.88	48	0.44	2,22,971	0.87
5,001–10,000	87	0.81	6,33,366	2.47	91	0.84	6,70,181	2.62
10,001 & above	84	0.78	2,25,39,807	87.97	83	0.77	2,25,17,279	87.88
Total	10,694	100.00	2,56,21,898	100.00	10,826	100.00	2,56,21,898	100.00

Unclaimed Dividend:

Section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as 'IEPF Rules') mandates that companies transfer Dividend that has been unclaimed for a period of seven years from Unpaid Dividend Account to the Investor Education and Protection Fund (IEPF). Further,

the IEPF Rules mandate the transfer of corresponding shares with respect to the dividend which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, the Dividend for the years mentioned as under, if remains unclaimed within a period of seven years, and corresponding shares will be transferred to IEPF as per the date appended below.

Table 13: Details of Unclaimed Dividend:

Dividend Year	Type of Dividend	Dividend Rate	Date of Declaration	Due date for transfer to IEPF	Amount Unclaimed ⁽¹⁾ in Rs.
2013-14	Final Dividend	10%	14-08-2014	18-10-2021	1,13,789.00
2014-15	Final Dividend	10%	11-08-2015	15-10-2022	1,47,039.19
2015-16	Final Dividend	10%	11-08-2016	15-10-2023	1,66,210.97
2016-17	Final Dividend	10%	11-08-2017	15-10-2024	1,70,814.29
2017-18	Final Dividend	10%	28-09-2018	02-12-2025	1,43,802.00

(1) Amount unclaimed as at March 31, 2019

The Shareholders may write to Universal Capital Securities Private Limited before the due dates to claim their unclaimed dividend. Any shareholder whose unclaimed dividend and corresponding shares are transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed back from the IEPF following the procedure prescribed in the IEPF Rules. Shareholders are cautioned that once unclaimed dividend is transferred to IEPF account, no claim shall lie in respect thereof with the Company.

The statement of the entire unclaimed dividend amount as on the last AGM-September 28, 2018 has been published on the website of the Company as per Form- IEPF-2.

In accordance with the above provision, during the FY 2018-19, no amount was due to be credited to the IEPF.

Communication to the Shareholders:**(i) Quarterly Results:**

The Company has published its quarterly and year-end financial results in the Business Standard (English) and Hosadigantha (Bengaluru Edition - Kannada) newspapers during the FY 2018-19. The results have also been submitted to BSE and NSE where the Company's equity shares are listed and published on the Company's website. (www.mindteck.com).

(ii) News Releases and Presentations:

Official news releases, detailed presentations made to media, analysts, etc., if any, are displayed on the Company's website: (www.mindteck.com)

(iii) Website:

The Company's website www.mindteck.com contains a separate dedicated "Investors" section where all shareholder information is available, along with the full Annual Reports of the Company.

(iv) Annual Report:

The physical copy of the Annual Report of the

Company, containing the annual audited financial statements (both standalone and consolidated), along with the Auditor's Report thereon, the Board's Report, Management Discussion & Analysis Report and other important information, is circulated to all the shareholders, whose email IDs are not registered with the Company. We have also sent soft copies of the Annual Report, to all the investors whose email IDs are registered/made available to us as per Regulation 36 of SEBI (LODR), Section 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014.

(v) Green Initiatives:

Section 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 allows paperless compliance by Companies through electronic mode. As per Regulation 36(1)(a) of SEBI (LODR), electronic copies of the full annual report shall be sent to all those shareholder(s) who have registered their email address(es) either with their DPs or with the Company. Thus, Companies are now permitted to send various notices/documents, including Annual Reports, to its shareholders through electronic mode. We request all shareholders to be a part of this "Green Initiative" by updating their email IDs for all future correspondence with their respective DPs (for shares held in Demat form) or to the email ID of RTA, Universal Capital Securities Private Limited by sending an email to mindteck.investors@unisec.in or to the Company Secretary of the Company at shivarama.adiga@mindteck.com (for shares held in physical form). The soft copy of the Annual Report is made available on the website of the Company. Any shareholder of the Company may also opt to receive a physical copy by writing to shivarama.adiga@mindteck.com. If not opted, it is deemed as accepted to receive a soft copy via e-mail.

Market Price Data:**Table 14: High/Low of BSE Sensex and Company's share price on BSE Limited, month wise for FY 2018-19:**

Month	Sensex		Share Price		Trade	
	High	Low	High Rs.	Low Rs.	No. of shares traded	Value Rs.
April 2018	35,213.30	32,972.56	76.50	52.95	2,92,089	2,02,28,282
May 2018	35,993.53	34,302.89	70.15	52.65	46,703	27,09,014
June 2018	35,877.41	34,784.68	54.00	42.70	58,283	28,52,892
July 2018	37,644.59	35,106.57	49.60	41.85	25,171	11,48,734
August 2018	38,989.65	37,128.99	55.70	43.20	32,648	16,18,827
September 2018	38,934.35	35,985.63	55.00	37.55	25,558	11,81,715
October 2018	36,616.64	33,291.58	55.90	35.10	2,15,549	1,09,01,197
November 2018	36,389.22	34,303.38	44.75	37.85	27,587	11,22,111
December 2018	36,554.99	34,426.29	41.85	35.20	32,558	12,39,562
January 2019	36,701.03	35,375.51	43.45	36.25	22,833	9,01,829
February 2019	37,172.18	35,287.16	39.30	32.05	21,589	7,39,572
March 2019	38,748.54	35,926.94	44.00	32.00	32,928	12,80,012

Table 15: High/Low of Nifty and Company's share price on NSE, month wise for FY 2018-19:

Month	Nifty		Share Price		Trade	
	High	Low	High Rs.	Low Rs.	No. of shares traded	Value Rs.
April 2018	10,759.00	10,111.30	76.90	52.10	9,89,171	6,96,17,144
May 2018	10,929.20	10,417.80	70.90	52.70	87,665	50,70,883
June 2018	10,893.25	10,550.90	54.90	42.65	80,853	38,90,047
July 2018	11,366.00	10,604.65	49.80	40.50	1,08,656	48,15,829
August 2018	11,760.20	11,234.95	55.00	45.30	89,793	45,02,785
September 2018	11,751.80	10,850.30	54.80	38.25	53,418	24,88,557
October 2018	11,035.65	10,004.55	54.00	33.50	3,41,969	1,61,22,678
November 2018	10,922.45	10,341.90	43.90	38.25	52,414	21,24,914
December 2018	10,985.15	10,333.85	41.55	36.05	40,186	15,29,159
January 2019	10,987.45	10,583.65	43.50	36.10	67,614	26,86,798
February 2019	11,118.10	10,585.65	38.60	30.55	56,065	19,34,199
March 2019	11,630.35	10,817.00	44.55	32.60	1,83,645	70,59,582

Table 16: Company's quoted share price in comparison to broad-based BSE Index and BSE IT Index:

Month	Closing share price on month's last trading day (Rs.)	BSE Index	BSE IT Index
April 2018	70.15	35,160.36	13,567.69
May 2018	53.05	35,322.38	13,452.83
June 2018	45.30	35,423.48	13,920.07
July 2018	47.05	37,606.58	14,527.23
August 2018	49.75	38,645.07	15,548.52
September 2018	38.25	36,227.14	15,628.94
October 2018	40.85	34,442.05	14,531.60
November 2018	38.30	36,194.30	14,296.74
December 2018	39.60	36,068.33	14,089.56
January 2019	37.50	36,256.69	15,264.10
February 2019	33.90	35,867.44	15,253.86
March 2019	36.80	38,672.91	15,280.30

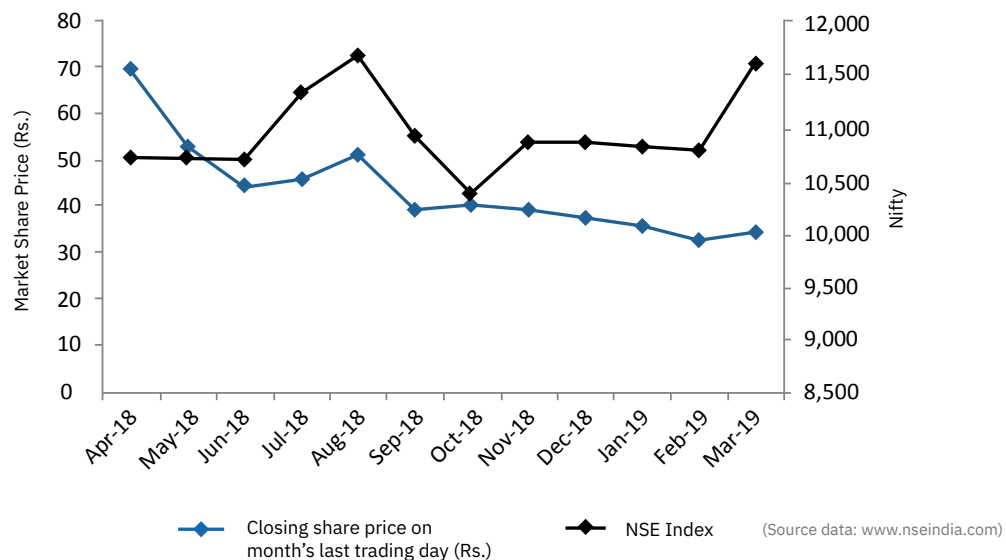
Table 17: Company's quoted share price in comparison to broad-based NSE Index and NSE IT Index:

Month	Closing share price on month's last trading day (Rs.)	NSE Index	NSE IT Index
April 2018	70.05	10,739.35	13,986.25
May 2018	53.30	10,736.15	13,666.00
June 2018	44.55	10,714.30	13,989.50
July 2018	46.55	11,356.50	14,587.80
August 2018	51.10	11,680.50	15,811.40
September 2018	38.95	10,930.45	15,838.05
October 2018	41.25	10,386.60	14,940.10
November 2018	39.35	10,876.75	14,638.05
December 2018	38.05	10,862.55	14,440.30
January 2019	36.50	10,830.95	15,499.30
February 2019	33.10	10,792.50	15,732.00
March 2019	34.55	11,623.90	15,628.20

Performance of Mindteck shares in comparison to BSE Index:




Performance of Mindteck shares in comparison to NSE Index:



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Business Conduct and Ethics for its Senior Management including the Managing Director and Non-Executive Directors/Independent Directors. I confirm that the Company has, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Business Conduct and Ethics as applicable to them in respect of the FY ended March 31, 2019.

for and on behalf of the Board of Directors



Bengaluru
May 28, 2019

Sanjeev Kathpalia
Managing Director and CEO
(DIN - 05257060)

Annexure

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

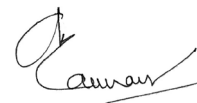
I, S Kannan, Company Secretary, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mindteck (India) Limited having CIN L30007KA1991PLC039702 and having registered office at A M R Tech Park, Block 1, 3rd Floor, No.664, 23/24, Hosur Main Road, Bommanahalli, Bangalore – 560 068 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN No.	Date of appointment in Company
1	Satish Menon Kumar	00114149	14/05/2018
2	Subramaniam Guhan	00131687	20/05/2016
3	Jagdish Dayal Malkani	00326173	08/08/2013
4	Yusuf Lanewala	01770426	13/02/2013
5	Subhash Bhushan Dhar	03603891	29/05/2018
6	Sanjeev Kathpalia	05257060	01/03/2017
7	Meenaz Dhanani	06705048	04/10/2013
8	Prochie Sanat Mukherji	07158863	11/08/2015

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S KANNAN AND ASSOCIATES



Place: Bangalore
Date: 18th May, 2019

S KANNAN
Company Secretary
FCS No. 6261/C P No.: 13016

Management Discussion and Analysis

In addition to historical information, this Annual Report contains certain forward looking statements which are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. Factors that might cause the difference include, but are not limited to, those discussed in the Management Discussion and Analysis of financial performance and elsewhere in this report. Readers are cautioned not to place undue reliance on these forward looking statements, which reflect management's analysis as of the date hereof.

MACROECONOMIC OUTLOOK

The IMF's World Economic Outlook forecasts global growth of 3.3% this year and 3.6 % in 2020, a downgrade compared with the previous forecast. The downward revision of 0.2% points for global growth is across the board. A United Nations economic analysis cites that global risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks. Impacted developed economies include the US, the UK and the Eurozone. The growth forecast for the US remains unchanged: growth is expected to decline to 2.5% in 2019 and further to 1.8% in 2020.

Growth in emerging and developing Asia reduced from 6.5% in 2018 to 6.3% in 2019, and is forecasted to reach 6.4% in 2020. China's economy will slow due to the combined influence of needed financial regulatory tightening and trade tensions with the US, while India's economy is expected to increase in 2019, benefiting from lower oil prices and a slower pace of monetary tightening than previously expected.

Beyond 2020, global growth is expected to stabilize at around 3.5 %, bolstered mainly by growth in China and India and their increasing role in world income. Growth in emerging market and developing economies will stabilize at 5%, though with considerable variance as emerging Asia continues to grow faster than other regions.

INDUSTRY OUTLOOK

As per the IMF, India's GDP is supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. National Association of Software and Services Companies (Nasscom) cites that digital opportunities and skills will pave the future of the IT-BPM industry in India.

As per Deloitte, companies need to take even greater advantage of cloud platforms that make powerful artificial intelligence (AI) tools and services available to broad ranges of users. These tools are helping accelerate experimentation, democratize innovation, boost agility, and power organizations' digital transformation journeys.

Everything-as-a-service (XaaS) solutions make it faster and easier to experiment and innovate—dramatically shortening the journey toward enhancing customer experience. And, XaaS capabilities are making it affordable and easier for broad ranges of users to access cutting-edge technologies

and services, such as AI and Internet of Things (IoT)-based solutions. Now, large, medium, and small enterprises can harness powerful capabilities once limited to a select few.

Nowhere does this trend appear to be more apparent than in the area of AI, where large software companies are integrating AI capabilities into cloud-based enterprise software and bringing them to the mass market. The most popular path to acquiring AI capabilities is enterprise software with integrated AI. Overwhelmingly, this software is cloud-based, either through public or private cloud deployments. In 2019, flexible consumption models should continue to boost both cloud and AI adoption. Sixty percent of enterprises are expected to move their IT systems to the cloud by 2019 as a part of their digital transformation initiatives.

As the pace and complexity of new technology developments continue to increase, partnerships—both internal and external—have become essential.

Robotic Process Automation (RPA) and AI top the investment wish list. Buyers and service providers alike believe they have made little progress in these emerging technologies. Accordingly, they want to ramp up their investments in these areas as the relevant technologies become more advanced and more accessible.

During the year, blockchain and biometrics were increasingly on the radar. As people and devices increasingly become connected, identity/privacy protection has become a prime concern. These technologies promise to provide a robust way to secure and manage user identities. Companies may even combine them to make their offerings more secure.

Global regulatory uncertainties will likely continue to cast a shadow over the US technology sector in 2019: Technology companies may have a particularly daunting task in 2019 as they try to address their customers' privacy concerns.

Top outsourcing trends

As per the National Outsourcing Association, 70% of companies surveyed are going to outsource more in the upcoming years. And 35% of them plan to do so significantly. In this regard, 84% of service providers expect the outsourcing industry to grow and 37% believe it will do so remarkably. Companies were found to outsource primarily for: cost savings (35% cited this as the prime driver for outsourcing); improving customer experience (23%); and transitioning from legacy IT to as-a-service models (17%). This differs from the traditional prime reasons why companies outsource: cost savings; increasing operational flexibility and for accessing new skills.

Less focus on driving cost reductions

Increasingly, clients will focus more on the value delivered rather than on cutting costs. IT outsourcing companies will become systems integrators and partners to their customers. They will share greater risk and focus on delivering value-added services.

Shift away from a single IT outsourcing provider

Businesses will likely outsource their services to multiple vendors. They will look for partners that have deep expertise in specific areas. The world of IT outsourcing will be moving towards narrower specialization. Vendors will concentrate on attracting clients from specific industries.

The rise of alternative IT outsourcing destinations

In the years to come, the countries of Central and Eastern Europe will provide stiff competition to India and China. In particular, Poland, Ukraine, Romania, and Belarus will become new software development hot spots. The IT dynamics in Ukraine has already ensured a fertile soil for setting up an offshore software development team.

Brand-new contract models

Software development providers will be contracted as service integrators sharing risk and responsibility. Procurement will become an important part of the contracting process. Notice periods will be significantly shorter. Competition between service providers will increase. Outcome-based contracts will help clients select the best IT vendor who can deliver value.

Outsourcing of core business services

Supplier-customer relationships will change from the outsourcing of non-core services to the outsourcing of core business operations. Vendors will be strategic partners of clients and bearers of the niche-specific knowledge.

Intelligent automation of manual processes

Automation is one of the major IT outsourcing trends that will drive a revolution in the future. The use of virtual agents and bots streamlining routine tasks will be powering all industries. Vast investments will flow into RPA and AI.

Cloud sourcing

With businesses migrating to cloud, demand for cloud computing will skyrocket. As companies move to cloud outsourcing, there will be an increased need for public cloud platforms for data storage. Service providers will need to provide more online data centres and equipment. At the same time, security threats will become an even larger concern for enterprises that operate in cloud environments. Thus, they will outsource their security services to eliminate possible breaches.

**MARKET OUTLOOK BY INDUSTRY
STORAGE**

Hybrid cloud architectures will pick up pace in 2019. But, for more demanding workloads and sensitive data, on-premise remains the most popular. Automated, intelligent and scalable storage provisioning makes deploying large-scale container environments to an enterprise data centre possible.

Storage will be 'cloudified' with the capability to transparently move data from on-premises configurations to public clouds and across private cloud deployments. Most new AI development will use the cloud as a proving ground within which there is a rapidly growing body of AI software and service tools.

IoT edge processing must be local for real-time decision-making. IoT devices and applications – with built-in services such as data analysis and data reduction – will get better, faster and smarter about deciding what data requires immediate action, what data gets sent home to the core or to the cloud, and what data can be discarded.

With containerisation and serverless technologies, the trend toward abstraction of individual systems and services will drive IT architects to design for data and data processing and to build hybrid, multi-cloud data fabrics rather than just data centres.

Hybrid, multi-cloud will be the default IT architecture for most larger organisations while others will choose the simplicity and consistency of a single cloud provider. Larger organisations will demand the flexibility, neutrality and cost-effectiveness of being able to move applications between clouds. They'll leverage containers and data fabrics to break lock-in.

Software-defined storage (SDS) will gain majority market share over the next three to five years, leaving Storage Area Network (SAN) arrays behind.

ANALYTICAL INSTRUMENT

As per 2019 Forecast Report from Instrument Business Outlook (IBO):

Mass spectrometry is predicted to have strong and steady growth from 2018 through 2020. 2019 is expected to see above market average sales for this technology, buoyed by robust demand from pharma, biotech, food testing and environmental. Chromatography is also forecast to perform healthily in 2019, after a strong year in 2018. Clinical High Performance Liquid Chromatography (HPLC) is identified to be the standout performer of 2019. The lab automation market is forecast to see more modest growth than mass spectrometry and chromatography, after a strong 2018. Demand is predicted to come predominantly from pharma, biotech and contract research organizations (CROs).

Strong performance of the life science sector will drive demand for products from the molecular spectroscopy segment. The total market in 2019 is forecast to underperform against the overall market. All product categories within lab equipment are expected to underperform the overall lab instrumentation market, including lab balances, dissolution testing, continuous flow analysis and discrete analysers, electrochemistry, radioactivity and lab equipment. While biotech and pharma are pushing demand, the overall market for lab equipment is expected to underperform the overall market in 2019.

As per MarketWatch (published by Dow Jones & Co), North America will lead the life science and analytical instruments market owing to higher drug discovery and growing research studies. The US will be the largest contributor followed by Europe. The life science and analytical instruments market in the APAC region will experience a major growth as well.

The market for analytical instruments in India has fared well during the last couple of years and is further anticipated to

increase at a strong growth rate over next few years. The reasons behind higher growth are stringent government regulations and the rapidly booming pharmaceuticals and life science industry in India. Apart from this, petrochemical and food and beverage are also emerging as prominent sectors which are expected to fuel the market for analytical instruments in India.

The big performances continue to come from expected segments such as life science, which accounts for 25% of the analytical instrument and lab products industry. Biotech is identified as the area predicted to have the fastest growth in demand for instrumentation in 2019.

MEDICAL DEVICE

As per Deloitte, health care spending in 2019 will likely be driven by the shared factors of aging and growing populations, developing market expansion, clinical and technology advances, and rising labour costs. Digital innovations such as blockchain, cloud-based computing, virtual health, AI and robotics, digital reality, the Internet of Medical Things (IoMT), and others are helping to reshape the future by making health care delivery more efficient and more accessible.

Already, increased data access and data sharing via digital solutions are improving personalization, self-service, and patient experience. Among the most recent technologies, blockchain has the potential to enhance collaboration, trust, interoperability, traceability, and auditability across a range of functions such as clinical trials, supply chain management, financial transactions, credentialing, and claims processing.

Digital reality (DR—an umbrella term for augmented reality (AR), virtual reality (VR), mixed reality (MR), 360-degree, and immersive technologies) will provide for deeply engaging, multi-sensory, digital experiences. On the other hand, Internet of Medical Things (IoMT) brings together people (patients, caregivers, and clinicians) data (patient or performance data) processes (care delivery and patient support), and enablers (sensors, connected medical devices—such as wrist bands and smart clothing—and mobile apps) to deliver improved patient outcomes more efficiently.

According to Embergo, advisors and subject matter experts in Life and Health Sciences:

The US, the world's largest medical device market, has no signs of slowing down. The Indian medical device market is growing steadily. It was valued at USD 3.5 billion in 2015 and could expand to approximately USD 4.8 billion by 2019. As India's economic, healthcare, and social landscapes evolve, its medical device market emerges as a promising opportunity for foreign manufacturers. The medical tourism and luxury healthcare markets are among India's fastest-growing industries, which create significant demand for specialized, high-tech medical equipment. There is consistent demand for surgical instruments, cancer diagnostics, orthopaedic and prosthetic equipment, imaging, orthodontic and dental implants, and electro medical equipment.

Other industry experts' predicts that in 2019, wearable medical devices will become more common; and a finalized version of ISO 14971 revision is expected.

SEMICONDUCTOR

As per KPMG's 2019 Global Semiconductor industry report, IoT is becoming the main driver of the industry and expected to supplant wireless communications. Other technologies include 5G, autonomous vehicles, AR/VR (augmented/virtual reality), and AI. The first half of the year is likely to be slow for the semiconductor industry with the adoption of the above technologies picking up in the second half.

Semiconductor industry leaders expect that the U.S. and China will remain the top revenue-generating markets over the next three years. Smaller companies are becoming more and more important as the source of many 'promising developments' in the semiconductor industry with mainly IoT and AI as their focus, and the looming talent gap will also present a huge challenge to the industry.

As per Deloitte, major industry trends are as follows:

IoT: Connected revolution

Semiconductors serve as the foundation for enabling emerging Internet of Things (IoT) technologies. The IoT revolution has increased the demand for semiconductor chips but also shifted value capture to software and solutions.

Digital supply networks

Digitalization is transforming supply chains in every industry. In most cases the transformation is a shift from a structured, linear system to an open, interconnected, often cloud-based system that is able to integrate information from many different sources. In order to enhance the value of digitalization, semiconductor companies should consider taking a look at emerging digital supply network technologies in order to solve age old problems in the industry stemming from limited information transparency across the manufacturing and supply chain.

Consolidation through M&A

As semiconductor industry growth slows in individual segments, companies are increasingly turning towards M&A to sustain profitability, seek new sources of revenue, and reduce revenue volatility through a diversified portfolio of products or solutions in the case of IoT.

INSURANCE

As per PwC, the global insurance industry's outlook is improving. The mature economies of Europe and North America are moving towards recovery, while the emerging markets of Asia and Latin America continue to grow. As the role of technology in insurance expands over the coming decade, its influence on M&A will grow rapidly. Automation and digitisation will become ever more important to achieving efficiency. Insurers will also increasingly require technical expertise in areas such as data analytics, intelligent pricing, anti-fraud and telematics. M&A could provide the fastest way to improve in-house capabilities and counter the threat of new entrants. The demographic effects of ageing are not confined to developed markets. They will put increasing strain on social security programmes around the world, and could accelerate demand for life insurance, health insurance and long-term savings from current levels – even in emerging markets.

As per Deloitte, while 2018 and 2019 are shaping up as great years for insurers, some concerns are being raised about an economic slowdown, if not a full-fledged recession, as early as 2020. Many are worried about the potential for ongoing disputes between the United States and China as well as other nations over tariffs and trade rules. As insurers work to incorporate technologies such as AI, drones, and blockchain into their operations, one development poised to have a big effect in 2019 is the cloud. Insurers are looking to the cloud to power advanced analytics, enhance data gathering through IoT and fuel cognitive applications. Carriers may want to consider placing a higher priority on migrating existing systems to the cloud as well as on launching new applications offsite to prepare for a cloud-enabled future. Coinciding with the growth in technology solutions, insurance companies are looking to increase staff, especially in the areas of analytics and technology, where talent is increasingly scarce. Some pressure may be relieved by an expanded use of RPA and AI, which could reinvent or eliminate a broad spectrum of insurance job functions, freeing up existing personnel for more complex tasks.

OPPORTUNITIES AND THREATS

- *Niche Industry Knowledge:* Clients across the globe come to us for our deep engineering and technology skills and know-how. Our niche offerings and innovative approach have consistently provided our clients with optimised solutions to provide innovation, cost advantage, reduced integration risk, and improved user productivity.
- *Emerging Technologies:* Our portfolio of offerings expanded to include cloud, analytics, automation test frameworks for platform and storage testing, as well as robotic process automation (RPA) – a technology that harnesses artificial intelligence to transform business processes.
- *Long-standing and Diverse Client Base:* Our client relationships are strong, and have lasted to upwards of 16 years across industries and geographies.
- *Global Delivery Teams:* Mindteck's global delivery capabilities provide clients with the right expertise to deliver quality solutions at the client's site virtually anywhere in the world. We have offshore delivery centres in Kolkata and Bengaluru, India.
- *R&D and Centres of Excellence:* A dedicated Research and Technology Group (RTG) augments our existing R&D group with SMEs in focused technologies, such as Analytics, RPA, IoT and Cloud. A Centre of Excellence for Automation, which is currently being developed, will help support the Group's effort in best practices and thought leadership.
- *Cross-selling of our Full Portfolio:* Increased collaboration between our delivery units and sales team has led to opportunities to cross-sell our services within our 'blue chip' client base. In addition, our global geographic footprint allows us to service our global clients in multiple geographies.
- *New Competition:* Mindteck continues to face new competition in the marketplace. Our long-standing client relationships and preparedness for future technologies has given us an edge over competitors.
- *Mergers and Acquisitions:* Infusion of repatriated cash may very well spur a sizable increase in mergers and acquisitions

across the technology sector in 2019, resulting in increased competition and monopolies.

- *Outcome-based pricing model:* In 2018-19, Mindteck worked closely with a long-standing client to develop a new business relationship hinged on outcome-based projects.

RISKS AND CONCERNS

Rise of New IT Outsourcing Destination: As per a Statista report, the countries of Central and Eastern Europe will provide stiff competition to India and China. In particular, Poland, Ukraine, Romania, and Belarus will become new software development hot spots. The IT dynamics in Ukraine has already ensured a fertile soil for setting up an offshore software development team.

- *Economic Uncertainties:* Despite continuing uncertainties the world over, Mindteck has retained its footing across all geographies owing to its mindful approach, and delivering knowledge that matters—with increasingly better client experiences overall.
- *Global IT Skill Shortage:* Shortage of skills in the market often delays staffing for new projects. Mindteck reduces this risk by partnering with smaller companies who can provide the required staffing at short notice.
- *High Attrition Rate:* High demand for skilled employees in the market increases the attrition rate. Mindteck strives to counteract these challenges by continually focusing on providing a good work environment and culture. As an answer to this, we have an innovative endeavour under our WE CARE umbrella—Consultant Care, which helps retain valuable IT talent and avoid disruption.
- *Price Pressure:* BCG notes that tech companies face ever-intensifying price pressure threatening long-term profitability. While clients are continuing to conduct multiple rounds of negotiation to reduce costs, Mindteck is working to overcome such pressures and introducing new business models, including one that is outcome-based.
- *Selling, General and Administrative Cost Containment (SG&A):* Taking a holistic approach and observing certain caveats can help bring SG&A expenses in line. As revenue grows, it is imperative to not allow SG&A costs to grow proportionally. Efforts to reengineer internal processes and re-vamp internal systems have increased productivity and helped contain costs. Improvements to customer relationship management, time and expense reporting, asset management, as well as job posting and recruiting processes, have been implemented.

DISCUSSION ON FINANCIAL PERFORMANCE

Business

During the year under review your Company Recorded Consolidated Revenue of Rs. 2,994.10 million as against Rs. 2,968.42 million in the previous year. Of the revenues that were recorded, 69% is attributed to the US and the rest to Europe and Asia.

Mindteck's Consolidated net profit for the year stood at Rs. 27.40 million, as against net loss of Rs. 56.50 million in the corresponding previous year. On an operating margin level,

Mindteck recorded Consolidated EBIDTA of Rs. 72.50 million this fiscal year as against Rs. 33.51 million last year.

Share Capital

Mindteck has an issued share capital base of 25,621,898 equity shares of Rs. 10/- face value. All shares are fully paid up. In addition, 38,579 equity shares are reserved for allotment to certain allottees as at March 31, 2019, in relation to discharge of consideration for the acquisition of Chendle Holdings Limited, one of the Company's wholly-owned subsidiaries. The allotment has been pending owing to the non-availability of Permanent Account Number (PAN) for these shareholders.

Further, issued capital also includes 416,000 equity shares allotted to the Mindteck Employees Welfare Trust (MEWT). The trust was set up with the objective of transferring its holding in Mindteck (India) Limited to deserving employees, by way of share-based compensation. Consequent to ESOP schemes issued by the Company in 2005, 2008 and 2014, the shares continue to be held by the MEWT. Owing to the consolidation of the Trust's accounts with that of Mindteck, the number of shares and corresponding capital and share premium, held by the Trust are deducted from the issued share capital and securities.

Reserves and Surplus

Mindteck has retained earnings of Rs. 474.58 million in the Consolidated Balance Sheet as at March 31, 2019. Shareholders' Funds, excluding capital reserves, increased from Rs. 1,837.84 million in FY 2018 to Rs. 1,874.52 million in FY 2019.

Non-Current Liabilities

Non-current liabilities in the Consolidated Balance Sheet include rental deposit, rent equalization reserve and provision for employee benefits. Non-current liabilities, increased from Rs. 70.58 million in FY 2018 to Rs. 101.13 million in FY 2019. The increase is mainly due to provision made for employee benefits and service concession arrangement.

Current Liabilities

Current liabilities in Consolidated Balance Sheet include trade payables, provision for employee benefits, provision for tax and other current liabilities. Current liabilities decreased from Rs. 367.21 million in FY 2018 to Rs. 336.74 million in FY 2019.

Trade payables increased from Rs. 98.79 million in FY 2018 to Rs. 147.87 million in FY 2019. Other current liabilities comprise unearned income and statutory liabilities such as PF, TDS etc, amounting to Rs. 61.92 million as at March 31, 2019 compared to Rs. 63.75 million as at March 31, 2018.

Provisions under Current Liabilities stood at Rs. 49.43 million as at March 31, 2019 compared to Rs. 85.82 million as at March 31, 2018. The decrease is mainly due to employee benefits. (Refer consolidated notes 25).

Non-Current Assets

Consolidated Non-current assets include fixed assets, deferred tax asset (net), long-term loans and advances and other non-current assets.

Mindteck invested Rs. 12.42 million in property, plant and equipment during the fiscal year, which primarily relates to Computer Equipment, Office Equipment in India & USA and Lease hold improvements.

Loans under Non-Current assets comprise security deposits totalling to Rs. 27.47 million as at March 31, 2019 compared to Rs. 23.93 million as at March 31, 2018.

Other Non-Current assets consist of prepaid expense amounting to Rs. 3.79 million as at March 31, 2019.

Current Assets

Consolidated Current assets include trade receivables, cash and bank balances, investment in mutual funds, short-term loans and advances, and other current assets.

Mindteck's accounts receivables as at March 31, 2019 amounts to Rs. 707.31 million, representing about 83 days of sales. All debts doubtful of recovery have been provided for in the financial statements.

Cash and Bank balances amounted to Rs. 105.18 million compared to Rs. 312.00 million in the previous year which includes both rupee and foreign currency accounts.

Loans under Current Assets include security deposits. The balance as at March 31, 2019 stood at Rs. 8.24 million compared to Rs. 12.29 million as at March 31, 2018.

Other current assets include prepaid expenses and balance with government authorities. The balance as at March 31, 2019 stood at Rs. 67.75 million.

Investments

Mindteck (India) Limited has seven wholly-owned subsidiaries and four step-down subsidiaries as at March 31, 2019. The nature of operations of these subsidiaries is as follows:

- Mindteck, Inc., US - Operating company
- Mindteck Singapore Pte. Ltd, Singapore - Operating company
- Mindteck (UK) Ltd. - Operating company
- Mindteck Middle East Limited S.P.C. - Operating company
- Mindteck Software Malaysia Sdn Bhd - Operating company
- Chendle Holdings Limited - Investment arm, holding stock in Mindteck, Inc., US
- Hitech Parking Solutions Private Limited- a newly incorporated company
- Mindteck Germany GmbH - Selling and marketing company (step-down subsidiary)
- Mindteck Netherlands BV- Selling and marketing company (step-down subsidiary)
- Mindteck Solutions Philippines Inc.- Operating company (step-down subsidiary)
- Mindteck Canada, Inc.- Selling and marketing company (step-down subsidiary)

RESULTS OF OPERATION**Income**

The Company recorded Rs. 2,994.10 million in FY19 as against Rs. 2,968.42 million in FY18. The items of other income include rental income from own property, net foreign exchange gain, interest income from deposits and other miscellaneous item.

Expenses

Employee benefit expenses and cost of technical sub-contractors for the FY19 stood at Rs. 2,507.40 million as against Rs. 2,580.65 million in FY18. Manpower expense decreased to 84% of revenue compared to 87% last year.

Finance cost in FY19 was Rs. 10.00 million as compared to Rs. 5.50 million in FY18. The increase is on account of Bank Guarantees issued or Government Contracts.

Other expenses of FY19 amounted to Rs. 442.70 million compared to Rs. 375.09 million last year. The Company

has contributed Rs. 1.78 million towards Corporate Social Responsibility during the FY19. The Company during the year, implemented several cost rationalization measures to reduce expense base. Mindteck will continue to focus on cost effective measures to further productivity and increase efficiency in the operations.

Tax expense for the year amounting to Rs. 16.22 million (net) is the aggregate of current tax liability in all tax jurisdictions in which Company operates and deferred tax. Tax provision in India is based on the normal tax computation in accordance with the prevailing tax laws.

Operating Profit and Net Profit

Consolidated EBIDTA for the year amounted to Rs. 72.50 million as against Rs. 33.51 million the previous year. Net Profit is Rs. 27.40 million in FY19, as against Net Loss of Rs. 56.50 Million in FY18.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations for Standalone Financial Statements:

Sl. No.	Description	As at March 31, 2019	As at March 31, 2018	Reasons for variance
i	Debtors Turnover	4.79	5.25	
ii	Inventory Turnover	NA	NA	Not applicable to IT Industry
iii	Interest Coverage Ratio	NA	NA	No Interest on Loans
iv	Current Ratio	3.25	3.17	
v	Debt Equity Ratio	0.15	0.13	
vi	Operating Profit Margin (%)	1.20%	0.06%	
vii	Net Profit Margin (%)	6.68%	2.17%	
viii	Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof	4%	1%	Margin improvement due to new business

HR Initiatives

During the year, a number of programs were initiated:

- Provided 3-6 months of training (campus to colleague) prior to allocating campus-recruits to their respective projects.
- Initiated the Project Managers Forum for sharing and adopting best practices.
- Regular Employee Connect programs were held by the HR Business Partners, to facilitate suitable feedback mechanism of team members to their respective managers and higher-ups.
- Continuous upskilling initiatives for employees on latest technologies to prepare them for any upcoming assignments.

- Initiated the Star Program for retaining and rewarding business-critical resources

- Attrition Rate: Mindteck annualized attrition rate for 2018-19 was 32.4% as against the Industry standards, which vary between 25-30%.

Head count details:

Year	Permanent	Contractual	Total
2018-19	687	15	702
2017-18	640	17	657

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,

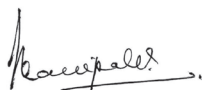
The Board of Directors

Mindteck (India) Limited

We, Sanjeev Kathpalia, Managing Director and Chief Executive Officer and Prashanth Idgunji, Chief Financial Officer, to the best of our knowledge and belief, certify that:

- 1) We have reviewed financial statements for the Quarter and Year ended March 31, 2019 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2019, which are fraudulent, illegal or which violate the Company's code of conduct.
- 3) We are responsible for establishing and maintaining internal controls for financial reporting and we have:
 - a) Evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
 - b) Disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware; and
 - c) The steps we have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the Company's Auditors and the Audit Committee of the Board of Directors
 - a) Significant changes that have occurred in the internal control over financial reporting during the quarter;
 - b) All significant changes in accounting policies during the quarter, if any, and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud, if any, of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting;
 - d) All deficiencies, if any, in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's Auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

Bengaluru, India
May 28, 2019



Sanjeev Kathpalia
Managing Director and CEO



Prashanth Idgunji
Chief Financial Officer

Independent Auditor's Report

To the Members of Mindteck (India) Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Mindteck (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 ("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, 2019, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Service Concession Arrangement (as described in Note 42 of the standalone Ind AS financial statements)	
<p>The gross balance of capital expenditure as at March 31, 2019 is Rs. 1,002 lakhs relating to service concession agreements for maintaining and developing the smart parking system, against which amortization amounting to Rs. 70 lakhs was charged.</p> <p>The Company had obtained the contract from Bhopal Municipal Corporation (BMC) for implementation of smart parking systems which would be governed by the specific regulations issued by BMC. The revenue from parking is collected by the Company for which rates are determined by the BMC. In lieu of the contract, the Company has to pay authorization fees to BMC over the period of the contract. This arrangement has been treated as 'Service Concession Arrangements' as per Appendix D of Ind AS – 115.</p> <p>Due to the nature of the arrangement, recognition of the amounts including capitalization of intangible assets involve significant judgments and assumptions, identification and recognition of contractual/onerous obligation.</p>	<p>Our audit procedures included the following amongst others:</p> <ul style="list-style-type: none"> ▪ We assessed the assumptions around the application of Appendix D of Ind AS – 115 involving determination of relative fair value of the service delivered, recognition of assets to the extent of cost incurred or to be incurred (including obligations arising out of the arrangement with BMC) towards getting the right to charge users of the public service. ▪ We evaluated the Company's processes and controls over capitalisation of expenditure incurred. ▪ With reference to capital expenditure during the year, we selected a sample of transactions and tested that they were recognised in accordance with the capitalisation criteria established by the Company. ▪ We obtained the impairment test from the Company and held meetings with management to understand the method applied.

At the end of the year, management also performed the annual test for impairment of the intangible assets recorded under this arrangement.	<ul style="list-style-type: none"> ▪ We assessed Company's assumptions around the key drivers of the cash flow forecasts including, discount rates applied, projected revenue growth rates used.
In view of the above, we identified it as a key audit matter.	<ul style="list-style-type: none"> ▪ We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. ▪ We tested the arithmetical accuracy of the model. ▪ We also assessed the disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Contingencies (as described in Note 32 of the standalone Ind AS financial statements)

<p>The Company is involved in various legal proceedings relating to taxes. As of March 31, 2019, there was Rs. 387 lakhs disclosed as contingent liability in the standalone Ind AS financial statement. In relation to these proceedings, management assesses the impact of the eventual outcome on its standalone Ind AS financial statements.</p> <p>Since the aforesaid estimates require significant judgments by management, based on the available information, including that obtained from its tax advisors, we identified it as a key audit matter area.</p>	<p>Our audit procedures included the following amongst others:</p> <ul style="list-style-type: none"> ▪ We obtained an understanding and assessed the internal control environment relating to the identification, recognition and measurement of provisions for disputes and disclosures of contingent liabilities in relation to taxes. ▪ We obtained details of completed tax assessments, demands issued by tax authorities, orders/notices received in this regard from the management. ▪ We held discussions with management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases. ▪ We obtained confirmation from management's expert on ongoing litigations along with risk assessment. We have evaluated the competences, capabilities and objectivity of the management's expert and obtained an understanding of the scope of work and the terms of engagement. ▪ We involved our tax specialists to obtain and evaluate management's assessment of the likely outcome and potential exposures arising from all significant contingencies and considered the requirements of any provisions and related disclosures. ▪ We also assessed the disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements under the accounting standards.
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Impairment of Investments in Subsidiaries (as described in Note 6 of the standalone Ind AS financial statements)

<p>As at March 31, 2019, the carrying value of investment in subsidiaries in the standalone Ind AS balance sheet amounts to Rs. 12,384 lakhs, which is assessed for impairment.</p> <p>The management assesses annually the existence of impairment indicators of shareholdings in subsidiaries, in compliance with its strategy of managing legal entities within the group and, in case of occurrence or annually, these assets are subject to impairment test.</p> <p>During the current year, an impairment assessment was carried out by the Company by comparing the carrying value of these investments to their recoverable amount to determine whether an impairment was required to be recognized.</p>	<p>Our audit procedures included the following amongst others:</p> <ul style="list-style-type: none"> ▪ We evaluated the Company's internal controls over its annual impairment test. ▪ We have evaluated the competences, capabilities and objectivity of the management's expert and obtained an understanding of the scope of work and the terms of engagement. ▪ We assessed Company's valuation methodology applied, assumptions around the key drivers of the cash flow forecasts including, discount rates applied, projected revenue growth rates and terminal growth rates used.
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For the above impairment testing, basis valuation conducted by an external valuation specialist ('management's expert'), value in use has been determined by forecasting and discounting future cash flows which has been reviewed and approved by Audit Committee / Board of Directors of the Company. Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows. Further, the determination of the recoverable amount of the investments involved significant judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these investments.

Accordingly, the impairment of investments was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

- We discussed potential changes in key drivers as compared to previous year / actual performance, relevant market data, inputs and assumptions used to support projected future performance.
- We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
- We tested the arithmetical accuracy of the model.
- We also assessed the disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance 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 standalone Ind AS 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 Standalone Ind AS Financial Statements

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls 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. In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32(A) 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; and
 - 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

Rajeev Kumar

per Rajeev Kumar
Partner
Membership number: 213803

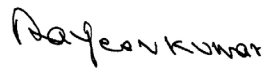
Place: Bengaluru
Date : May 28, 2019

Annexure 1 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Mindteck (India) Limited**Statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order")**

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- b. Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/investment property 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) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given by the management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans to directors including entities in which they are interested and in respect of loans and advances given, making investments and providing guarantees and securities, as applicable.
- (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.
- (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 Act for the services of the Company.
- (vii) a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in remittance of provident fund, employees' state insurance, professional tax, goods and services tax and serious delays in remittance of withholding taxes in few cases.
- b. According to the information and explanations given by the management, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, goods and services 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. Also, refer Note 32(B) of the standalone Ind AS financial statements.
- c. According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax and cess which have not been deposited on account of any dispute, except the following:
- | Name of the Statute | Nature of the Dues | Disputed amount (Rs. in Lakhs) | Amount paid/refund adjusted under protest | Period to which the amount relates (Assessment Year) | Forum where dispute is pending |
|----------------------|--------------------|--------------------------------|---|--|--|
| | | 26.26 | - | 2006-07 | Deputy Commissioner of Income Tax |
| Income Tax Act, 1961 | Income tax | 234.10 | 168.07 | 2010-11 | Deputy Commissioner of Income Tax/
Transfer Pricing Officer |
| | | 34.38 | - | 2012-13 | Deputy Commissioner of Income Tax |
- (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 financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by the way of initial public offer/further public offer (including debt instruments) and term loans during the year. Hence, reporting under clause 3(ix) of the Order 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 Standalone Ind AS 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 managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the Standalone Ind AS Financial Statements, as required by the applicable accounting standards.
- (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.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (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



per Rajeev Kumar
Partner
Membership number: 213803

Place: Bengaluru
Date: May 28, 2019

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Mindteck (India) 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 Mindteck (India) Limited ("the Company") as of March 31, 2019 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 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, 2019, 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

Rajeev Kumar

per Rajeev Kumar
 Partner
 Membership number: 213803

Place: Bengaluru
 Date : May 28, 2019

Standalone Balance Sheet as at March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	281	256
Investment property	4	68	70
Intangible assets	5	957	606
Financial assets			
Investments	6	12,384	12,369
Loans	7	650	617
Other financial assets	8	89	27
Deferred tax assets (net)	37	202	287
Income tax assets (net)	9	951	671
Other non-current assets	10	37	297
		15,619	15,200
Current assets			
Financial assets			
Investments	11	1,351	810
Trade receivable	12	2,598	1,895
Cash and cash equivalents	13	285	953
Other bank balances	13	36	346
Loans	14	151	183
Other financial assets	15	743	654
Other current assets	16	523	276
		5,687	5,117
Total assets		21,306	20,317

Standalone Balance Sheet as at March 31, 2019 (Contd.)

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	2,562	2,562
Other equity	18	15,981	15,434
		18,543	17,996
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	19	20	19
Other non-current liabilities	20	14	29
Provisions	21	977	658
		1,011	706
Current liabilities			
Financial liabilities			
Borrowings	22	-	1
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	23	197	1
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	23	942	560
Other financial liabilities	24	22	33
Provisions	25	202	482
Income tax liabilities (net)	9	117	239
Other current liabilities	26	272	299
		1,752	1,615
Total liabilities		2,763	2,321
Total equity and liabilities		21,306	20,317
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala**

Chairman

DIN - 01770426

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Jagdish Malkani

Director

DIN - 00326173

Prashanth Idgunji

Chief Financial Officer

Shivarama Adiga S

Company Secretary

Place: Bengaluru

Date: May 28, 2019

Place: Bengaluru

Date: May 28, 2019

Standalone Statement of Profit and Loss for the year ended March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from operations	27	10,763	8,842
Other income	28	245	190
Total income		11,008	9,032
EXPENSES			
Cost of technical sub-contractors		267	114
Employee benefits expense	29	6,563	6,165
Finance costs	30	64	22
Depreciation and amortization expense	3, 4 & 5	174	115
Other expenses	31	2,913	2,188
Total expenses		9,981	8,604
Profit before tax		1,027	428
Tax expense (net):	37		
Current tax		215	329
Tax relating to earlier years		28	-
Deferred tax charge/(credit)		65	(92)
Total tax expense		308	237
Profit for the year		719	191
Other comprehensive income (OCI), net of tax			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Re-measurement gain/(loss) on defined benefit plan		71	(13)
Income tax relating to items that will not be reclassified to profit or loss		(20)	4
Other comprehensive income for the year (net of taxes)		51	(9)
Total comprehensive income for the year		770	182
Earning per share (equity shares, par value Rs. 10 each) (March 31, 2018: Rs. 10 each)	34		
Basic (in Rs.)		2.81	0.75
Diluted (in Rs.)		2.80	0.71
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala**

Chairman

DIN - 01770426

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Jagdish Malkani

Director

DIN - 00326173

Prashanth Idgunji

Chief Financial Officer

Shivarama Adiga S

Company Secretary

Place: Bengaluru

Date: May 28, 2019

Place: Bengaluru

Date: May 28, 2019

Standalone Statement of Changes in Equity for the year ended March 31, 2019**A. Equity share capital**

All amounts in Rs. lakhs unless otherwise stated

Particulars	Number	Amount
Balance as at April 01, 2017	2,53,83,895	2,538
Changes in equity share capital during the year: 2017-18	2,38,003	24
Balance as at March 31, 2018	2,56,21,898	2,562
Changes in equity share capital during the year: 2018-19	-	-
Balance as at March 31, 2019	2,56,21,898	2,562

B. Other equity

All amounts in Rs. lakhs unless otherwise stated

Particulars	Share application money pending allotment	Reserves & Surplus				Total other equity
		Capital reserve	Securities premium	Retained earnings	Employee stock options reserve	
Balance as at April 01, 2017	76	357	10,408	4,364	135	15,340
Add: Profit for the year	-	-	-	191	-	191
Less: Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	(9)	-	(9)
Less: Cash dividend	-	-	-	(254)	-	(254)
Less: Dividend distribution tax	-	-	-	(52)	-	(52)
Add/(less): Additions during the year on exercise of employee stock options	-	-	68	-	(26)	42
Add/(less): Transfer to retained earnings in the expiry or lapse of employee stock options after vesting	-	-	-	19	(19)	-
Add/(less): Allotment of shares	(48)	-	41	-	-	(6)
Add: Employee share-based expense (refer Note no. 41)	-	-	-	-	182	182
Balance as at March 31, 2018	28	357	10,518	4,259	272	15,434
Add: Profit for the year	-	-	-	719	-	719
Add: Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	51	-	51
Less: Cash dividend	-	-	-	(256)	-	(256)
Less: Dividend distribution tax	-	-	-	(52)	-	(52)
Add/ (less): Additions during the year on exercise of employee stock options	-	-	-	-	-	-
Add/ (less): Transfer to retained earnings in the expiry or lapse of employee stock options after vesting	-	-	-	23	(23)	-
Add: Employee share-based expense (refer Note no. 41)	-	-	-	-	85	85
Balance as at March 31, 2019	28	357	10,518	4,744	334	15,981

Corporate information and significant accounting policies (refer Note no. 1 & 2)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala**

Chairman

DIN - 01770426

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Jagdish Malkani

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DIN - 00326173

Prashanth Idgunji

Chief Financial Officer

Shivarama Adiga S

Company Secretary

Place: Bengaluru
Date: May 28, 2019Place: Bengaluru
Date: May 28, 2019

Standalone Statement of Cash Flows for the year ended March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2019	Year ended March 31, 2018
Operating activities		
Profit before taxation	1,027	428
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	174	115
Provision for doubtful allowance	-	(4)
Provision for doubtful debts	(29)	77
Provision for doubtful input credit receivable	-	79
Finance costs	46	5
Interest income	(80)	(132)
Unrealised exchange differences	10	(10)
Loss on sale of assets	-	1
Share based payment expenses	80	161
Rental income	(1)	(1)
Rent expense	4	4
Fair value gain on mutual funds	(15)	(7)
Changes in operating assets and liabilities:		-
(Increase) in trade receivables	(661)	(489)
(Increase) in loans and advances and other assets	(79)	(75)
Increase in current liabilities and provisions	124	318
Net cash from operating activities before taxes	600	470
Income taxes paid	(646)	(456)
Net cash from/ (used in) operating activities	(46)	14
Investing activities		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(147)	(246)
Interest income received	82	128
Movement in fixed deposits and other bank balances	247	(337)
Investment in Subsidiaries	(15)	-
Investment in mutual funds	(5069)	(1000)
Proceeds from sale of mutual funds	4596	197
Net cash used in investing activities	(306)	(1258)

Standalone Statement of Cash Flows for the year ended March 31, 2019 (Contd.)

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2019	Year ended March 31, 2018
Financing activities		
Issue of share capital	-	59
Movement in working capital loans (net)	(1)	(99)
Finance cost paid	-	(1)
Dividends paid (including distribution tax)	(315)	(300)
Net cash used in financing activities	(316)	(341)
Net decrease in cash and cash equivalents	(668)	(1,585)
Cash and cash equivalents at the beginning of the year	953	2,538
Cash and cash equivalents at the end of the year (refer Note no. 13)	285	953

Corporate information and significant accounting policies (refer Note no. 1 & 2)

The accompanying notes are an integral part of the standalone financial statements

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

per Rajeev Kumar
Partner
 Membership number: 213803

**for and on behalf of the Board of Directors of
 Mindteck (India) Limited**

Yusuf Lanewala
Chairman
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 DIN - 00326173

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Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
 Date: May 28, 2019

Place: Bengaluru
 Date: May 28, 2019

Notes to Standalone Financial Statements for the year ended March 31, 2019

1. Corporate information

Mindteck (India) Limited ('Mindteck' or 'the Company'), a public limited company incorporated in the year 1991 and is engaged in the business of rendering engineering and IT services to customers across various industry verticals in specific service horizontals. Mindteck's core offerings are in Product Engineering, Application Software, Electronic Design, Testing and Enterprise Business services.

In the Product Engineering space, Mindteck renders Electronic Design, Firmware and Software in key vertical areas of Life Sciences and Analytical Instruments, Semiconductor Fab Equipment, Medical Instruments and in the high-end Storage Products segment. The Enterprise Business services line provides services in the areas of support and maintenance of enterprise-wide applications. Application Software services are centered around providing solutions to independent software vendors in the Banking and Financial Services Industry (BFSI) space and a broad range of services for custom Application Development, Application Management, Re-engineering, Validation and Verification across the spectrum.

The Company also provides offshore-based employee resourcing, marketing and pre-sales support and other services to its subsidiaries.

Mindteck has its registered office in Bengaluru, India and is headquartered in Bengaluru with a branch office in Kolkata, Mumbai. The software development centers in Bengaluru and Kolkata are 100% Export Oriented Units ('EOU') set up under the Software Technology Parks of India (STPI) Scheme of the Government of India.

Mindteck has subsidiaries (including step-down subsidiaries) in the United States of America, Canada, Singapore, Philippines, Malaysia, Bahrain, United Kingdom, Netherlands, Germany and India. Mindteck is listed in India on the Bombay Stock Exchange and National Stock Exchange.

These standalone financial statements for the year ended March 31, 2019 are approved by the Board of Directors on May 28, 2019.

2. Basis of Preparation and significant accounting policies:

2.1. Basis of preparation:

The standalone financial statements of the Company have been prepared and presented in accordance with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read 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, (Ind AS compliant Schedule III).

These standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

- certain financial assets and liabilities that is measured at fair value/amortized cost,
- defined benefit plans - plan assets measured at fair value
- Employee stock option contracts – measured at grant date fair value, and
- Investment property – fair value for disclosure purpose

The standalone financial statements are presented in Rs. ('₹') and all the values are rounded off to the nearest lakhs (Rs. 00,000) except when otherwise indicated.

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 realized in normal operating cycle or within twelve months after the reporting period
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents 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 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.

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

b. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the accompanying

disclosures, and the disclosure of contingent assets and contingent liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

Revenue recognition:

The Company uses the percentage of completion method in accounting for revenue from implementation and customization projects. Use of the percentage of completion method requires the Company to estimate the efforts to date as a proportion of the total efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become probable based on the expected contract estimates at the reporting date.

Employee stock options plan:

The Company initially measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of the liability incurred. 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 estimate also 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 assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note no. 41.

Defined benefit plans (gratuity and other employee benefits):

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate

discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those 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 for the respective countries.

Further details about gratuity obligations are given in note no. 38.

Determination of applicability of Appendix A of Service Concession Arrangement ('SCA'), under Ind AS - 11 'Construction contracts':

The Company has entered into concession arrangement in relation to smart/IT based parking system with government/ statutory body under Public Private Partnership model. The arrangement gives Company right to design, construct, install and maintain the smart parking system. Management has evaluated the arrangement and concluded that Appendix A of Service Concession Arrangement ('SCA'), under Ind AS - 11 'Construction contracts' applies. Refer note no. 42.

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note no. 43 for further disclosures.

Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company 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.

Impairment of financial assets:

The Company assesses impairment of financial assets ('Financial instruments') and recognizes expected credit losses in accordance with Ind AS 109. Also, refer note no. 2(d).

The Company assesses for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.

c. Fair value measurement:

The Company measures financial instruments 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 principal or the most advantageous market must be accessible by the Company.

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 economic best interest.

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

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

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.

d. 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.

i. Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

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

- Debt instruments assets at amortized cost
- Financial assets at fair value through Other Comprehensive Income ("OCI") (FVTOCI)
- Financial assets at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

When assets are measured at fair value, gains and losses are either recognized entirely in the standalone statement of Profit and Loss (i.e. fair value through Profit and Loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortized cost:

A Debt instrument is measured at amortized cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured

at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the standalone statement of Profit and Loss. The losses arising from impairment are recognized in the standalone statement of Profit and Loss.

Financial assets at fair value through OCI (FVTOCI):

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through Profit and Loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through Profit and Loss ('FVTPL'):

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

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the standalone statement of Profit and Loss.

In addition, the Company may elect to designate an 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.

Derecognition:

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, 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.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Profit and Loss or at amortized cost, as appropriate.

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

The Company's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the standalone statement of Profit and Loss.

Derecognition:

A financial liability is derecognized 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 recognized in the standalone statement of Profit and Loss.

iii. 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv. 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. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. 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. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

e. Property, plant and equipment:

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost. Capital work-in-progress comprises of expenditure incurred for construction of leasehold improvements. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the plant and equipment to its working condition for the intended use and cost of replacing part of the plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in standalone statement of Profit and Loss in the year of occurrence.

f. Depreciation and amortization:

Depreciation on property, plant and equipment with finite useful lives is calculated on a straight-line basis over the useful lives of the assets estimated by the management. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipment	5 years
Motor Car	5 years

Leasehold improvements are amortized over the period of lease term or the estimated useful life of assets, whichever is shorter.

g. Investment property:**i. Recognition and measurement:**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Initial direct costs incurred by the Company in negotiating and arranging an operating lease are added to the carrying amount of the respective Investment property and are amortized over the lease term on the same basis as the lease income.

ii. Depreciation:

Depreciation on Investment Properties is provided on the straight-line method as per the useful life estimated by the management.

The estimated useful life of building classified as an investment property is 58 years.

h. Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern and are treated as changes in accounting estimates.

The estimated useful lives of the amortizable intangible assets are as follows:

Category	Useful life
Computer software	3 years
Service concession arrangements	10 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the standalone statement of Profit and Loss when the asset is derecognized.

i. Impairment of non-financial assets:

Non-financial assets including Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the standalone statement of Profit and Loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU'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, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the standalone statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets,

even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognized as an expense in the standalone statement of Profit and Loss on a straight line basis unless the lease escalations are linked to inflation, in such a case the lease expense is recognized as per the terms of the lease arrangement.

Company as a lessor:

In the case of investment property which is given under operating lease, operating lease receipts are recognized as other income in the standalone statement of Profit and Loss on a straight-line basis.

k. Equity investments in Subsidiary:

Investments in subsidiaries are classified as non-current investments. The Company has availed the option available in Ind AS 27 to carry its investment in subsidiaries at cost. Impairment recognized, if any, is reduced from the carrying value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the standalone statement of Profit and Loss.

l. Revenue recognition:

The Company derives its revenues from software and IT-enabled service including services provided to related parties.

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using

the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and /or revised accounting policies related to revenue recognition.

The application of Ind AS 115 did not have significant impact on the financial statements.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from software services provided on a time-and-material basis is recognized upon performance of services and at the agreed contractual rates. Revenue from fixed price contracts is recognized over the period of the contracts using the percentage completion method determined by relating the actual cost incurred to date to the estimated total cost of the contract.

Revenue from implementation service under concession arrangement are recognized in line with Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers'.

In case of multiple element arrangements for sale of software license, related implementation and maintenance services, the Company has applied the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements generally meet the criteria for considering the sale of software license, related implementation and maintain services as distinct performance obligation. For allocating the consideration, the Company has measured the revenue in respect of each distinct performance obligation of a transaction at its standalone selling price, in accordance with principles given in Ind AS 115. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company has used a residual method to allocate the arrangement consideration. In these cases, the balance of the consideration, after allocating the standalone selling price of undelivered components of a transaction has been allocated to the delivered components for which specific standalone selling price do not exist.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates. 'Unbilled revenue' included in the other financial

assets represent revenues in excess of amounts billed to clients as at the balance sheet date. 'Unearned revenue' included in the current liabilities represent billings in excess of revenues recognized.

The Company collects goods and services tax and other taxes as applicable in the respective tax jurisdictions where the Company operates, on behalf of the government and therefore it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

ii. Other income:

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

Interest income is recognized as it accrues in the standalone statement of Profit and Loss using effective interest rate method.

Rental Income from investment property is recognized as part of other income in the standalone statement of Profit or Loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognized as an integral part of the total rental income, over the term of lease.

iii. Service concession arrangements (SCA):

The Company implement or upgrades infrastructure (implementation or upgrade services) used to provide the smart/IT-based parking service and maintains that infrastructure (operation service) for a specified period of time. This arrangement may include infrastructure used in a service concession arrangement for its entire useful life.

Under Appendix D – Service Concession Arrangements to Ind AS 115 –Revenue from contracts with customers, the arrangement is accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the construction/implementation service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, implementation, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are separately identifiable.

The intangible assets model recognizes the asset to the extent of cost incurred or to be incurred (including certain obligations arising out the arrangement) towards getting the right to charge users of the public service. The intangible asset is amortized over the concession period i.e. 10 years, from the date they are available for use.

An asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal.

The Company recognizes a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor.

m. Foreign currencies:

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

The Company's standalone financial statements are presented in Rs. The Company determines the functional currency as Rs. on the basis of primary economic environment in which the entity operates.

n. Taxes :

Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates

and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside Profit and Loss is recognized outside Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized 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. Tax liability under Minimum Alternate Tax ("MAT") is considered as current tax. MAT entitlement is considered as deferred tax.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of 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 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 recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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 deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside Profit and Loss is recognized outside Profit and Loss (either in OCI or in equity). Deferred tax items are recognized 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.

o. Provision and contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the standalone statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

p. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders 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 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.

q. Employee stock compensation cost :

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

The Company measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102, Share-Based Payment.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in Stock Option Outstanding reserves in equity, over the vesting period of the option in which the performance and/or service conditions are fulfilled in a graded manner. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired (net of forfeitures) and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in

cumulative expense recognized as at the beginning and end of that period and is recognized 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. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

r. Segment reporting :

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

s. Retirement and other employee benefits

Employee benefits include provident fund, ESI, gratuity and compensated absences.

Defined contribution plans:

Contributions payable to recognized provident funds, ESI which are defined contribution schemes, are charged to the standalone statement of Profit and Loss.

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to the standalone statement of Profit and Loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to "surplus/ (deficit) in the statement of Profit and Loss".

The Company has an employees' gratuity fund managed by the Life Insurance Corporation of India (LIC). Provision for gratuity liabilities, pending remittance to the fund, is carried in the balance sheet.

Short-term employee benefits:

Short-term employee benefits expected to be

paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. Compensated absences, which are expected to be utilized within the next 12 months, are treated as short-term employee benefits. 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.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the standalone statement of Profit and Loss and are not deferred.

The Company presents the entire compensated absences balance as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

t. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise 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 are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

u. Statement of cash flow:

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

v. Corporate Social Responsibility (CSR) expenditure:

CSR expense is recognized as it is incurred by the Company or when the Company has entered into any legal or constructive obligation for incurring such an expense.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3. Property, plant and equipment

Amount in Rs. lakhs

Particulars	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total	Capital work in progress
Cost							
As at April 01, 2017 (Deemed Cost)	98	72	14	3	-	187	37
Additions	11	65	8	-	130	214	-
Disposals / Adjustments	-	(2)	(10)	-	-	(12)	-
Transfer from capital work in progress	-	-	-	-	37	37	(37)
As at March 31, 2018	109	135	12	3	167	426	-
Additions	68	32	8	-	7	115	-
Disposals / Adjustments	-	-	-	-	-	-	-
Transfer from capital work-in progress	-	-	-	-	-	-	-
As at March 31, 2019	177	167	20	3	174	541	-
Accumulated depreciation							
As at April 01, 2017	73	22	7	3	-	105	-
Charge for the year	19	31	5	-	21	76	-
Disposals / Adjustments	-	(2)	(9)	-	-	(11)	-
As at March 31, 2018	92	51	3	3	21	170	-
Charge for the year	20	31	3	-	36	90	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2019	112	82	6	3	57	260	-
Net block as at March 31, 2018	17	84	9	-	146	256	-
Net block as at March 31, 2019	65	85	14	-	117	281	-

4. Investment property

Amount in Rs. lakhs

Particulars	Building - Asset given under operating lease
Cost	
As at April 01, 2017	73
Additions	-
As at March 31, 2018	73
Additions	-
As at March 31, 2019	73
Accumulated depreciation	
As at April 01, 2017	2
Charge for the year	1
As at March 31, 2018	3
Charge for the year	2
As at March 31, 2019	5
Net block as at March 31, 2018	70
Net block as at March 31, 2019	68

Information regarding income and expenditure of Investment property

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rental income derived from investment property	25	26
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	1	1
Profit arising from investment properties before depreciation and indirect expenses	24	25
Less: Depreciation	(2)	(2)
Profit arising from investment property before indirect expenses	22	24

Determination of fair values

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	
Investment properties	Market Approach		March 31, 2019	March 31, 2018
		Area of subject unit (sq. ft.)	3,001	3,001
		Adopted market rent per sq.ft. per month	68	68
		Derived unit rate (per sq.ft.)	11,000	11,000
		Estimated rental value (per sq. ft.)	Rs. 65 - 70	Rs. 65 - 70
		Discount rate	7.25%	7.50%

The fair value of investment property has been determined by independent professional valuers. The independent professional valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The independent professional valuers have considered valuation techniques including direct comparison method, capitalisation approach and discounted cash flows in arriving at the fair value

as at the reporting date. These valuation methods involve certain estimates. The management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a

present value using a market-corroborated capitalisation rate. The discounted cash flows method involves the estimation of an income stream over a period and discounting the income stream with an expected internal rate of return and terminal yield. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/ (higher) fair value.

All resulting fair value estimates for investment properties are included in level 3.

Reconciliation of fair value

Amount in Rs. lakhs

Particulars	Amount
Opening balance as at April 01, 2017	324
Fair value differences	6
Closing balance as at March 31, 2018	330
Fair value differences	8
Closing balance as at March 31, 2019	338

5. Intangible assets

Amount in Rs. lakhs

Particulars	Computer software	Service concession arrangement	Total
Intangible Assets:			
Cost			
As at April 01, 2017 (Deemed Cost)	98	-	98
Additions	7	572	579
As at March 31, 2018	105	572	677
Additions/Adjustment	4	430	434
As at March 31, 2019	109	1,002	1,111
Accumulated depreciation			
As at April 01, 2017	34	-	34
Charge for the year	28	9	37
As at March 31, 2018	62	9	71
Charge for the year	22	61	83
As at March 31, 2019	84	70	154
Net block as at March 31, 2018	43	563	606
Net block as at March 31, 2019	25	932	957

6. Investments - Non-current

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Investments - Non-current		
Un-quoted equity instruments at cost,		
Investment in equity instruments- subsidiaries		
13,000 (March 31, 2018: 13,000) equity shares of USD 1 par value of Mindteck Inc, USA, fully paid	9,365	9,362
500 (March 31, 2018: 500) equity shares of BHD 100 par value of Mindteck Middle East SPC, Bahrain, fully paid	18	18
250,000 (March 31, 2018: 250,000) equity shares of MYR 1 par value of Mindteck Software Malaysia SDN. BHD, fully paid	33	32
1,310,500 (March 31, 2018: 13,10,500) equity shares of SGD 1 par value of Mindteck Singapore Pte Ltd., fully paid	851	851
968,408 (March 31, 2018: 968,408) equity shares of GBP 1 par value of Mindteck UK Limited, fully paid	153	152
2 (March 31, 2018: 2) equity shares of USD 1 par value of Chendle Holdings Limited, fully paid	1,954	1,954
100,000 (March 31, 2018: Nil) equity shares of Rs. 10 par value of Hitech Parking Solutions Pvt. Ltd., fully paid	10	-
Total	12,384	12,369
Aggregate amount of unquoted investments in subsidiaries	12,384	12,369

a. On March 14, 2018, Hitech Parking Solutions Private Limited (Hitech) was incorporated as a subsidiary of the Company.

b. Also refer Note no. 41(h)

7. Loans - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security deposits	249	216
Advances to related party (refer note 39)	401	401
Unsecured, Credit Impaired		
Security deposits	50	50
Provision for doubtful deposits	(50)	(50)
Total	650	617

8. Other financial assets - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed deposits with bank with original maturity of more than 12 months*	89	27
Total	89	27

*Represents restricted bank balances of Rs. 89 lakhs (March 31, 2018: Rs. 27 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

9. Taxes

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax assets (net) - Non-current	951	671
Income tax liabilities (net) - Current	117	239

Also, refer to Note no. 37 for further details.

10. Other non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at April 01, 2018
Taxes paid under protest	-	249
Prepaid expense	37	48
Total	37	297

11. Investments - Current

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at April 01, 2018
Quoted mutual funds measured at fair value through statement of profit and loss		
1,888.70 Units (March 31, 2018 - Nil) in AXIS Treasury Advantage Fund - Growth	39	-
346473.889 Units (March 31, 2018 - Nil) in ICICI Money Market Fund -Drt Growth	901	-
148570.138 Units (March 31, 2018 - Nil) in ICICI Liquid fund-DP growth	411	-
Nil Units (March 31, 2018 - 660,044.223) in HSBC Low Duration Fund - Growth	-	101
Nil Units (March 31, 2018 - 10,407.427) in AXIS Advantage Fund - Growth	-	201
Nil Units (March 31, 2018 - 20,069.901) in AXIS Liquid Fund - Daily Dividend	-	201
Nil Units (March 31, 2018 - 1,071,593.138) in AXIS Short Term Fund - Growth	-	202
Nil Units (March 31, 2018 - 38,911.729) in ICICI Prudential savings Fund - Direct Plan- Growth	-	105
Total	1,351	810
Aggregate book value of quoted investments in mutual funds	1,351	810
Aggregate market value of quoted investments in mutual funds	1,351	810

12. Trade receivables - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at April 01, 2018
Unsecured, carried at amortized cost		
<i>Considered good</i>		
Other than related parties	1,569	1,034
Related parties (refer Note no. 39)	1,029	861
<i>Considered doubtful</i>	75	104
Less: Provision for doubtful debts and loss allowance	(75)	(104)
Total	2,598	1,895

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, there are no trade or other receivables due from firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

13. Cash and cash equivalents - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	8	2
Balances with banks		
in current accounts	135	448
in fixed deposits with original maturity for less than three months	142	503
	285	953
Other bank balances - Current assets		
Balances with banks		
Fixed deposits with original maturity > 3 months but less than 12 months	29	332
Unpaid dividend account	7	14
	36	346
Total	321	1,299

Cash and cash equivalents as at March 31, 2019 and March 31, 2018 include restricted cash and bank balances of Rs. 36 lakhs and Rs. 346 lakhs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividend bank accounts.

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2018	Cash flows	As at March 31, 2019
Borrowings	1	(1)	-
Total liabilities from financing activities	1	(1)	-

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2017	Cash flows	As at March 31, 2018
Borrowings	101	(100)	1
Total liabilities from financing activities	101	(100)	1

14. Loans - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at April 01, 2018
Unsecured, considered good		
Security deposits	37	61
Recoverable from related parties (refer note 39)	114	122
Total	151	183

15. Other financial assets - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Claimable expenses	160	176
Unbilled revenue	531	391
Accrued interest	2	4
Employee advances	50	83
Total	743	654
Break up of financial assets carried at amortized cost:		
Trade receivable (current) (Note no. 12)	2,598	1,895
Cash and cash equivalents (current) (Note no. 13)	285	953
Other bank balances (current) (Note no. 13)	36	346
Fixed deposits with bank with original maturity of more than 12 months (Note no. 8)	89	27
Claimable expenses (current) (Note no. 15)	160	176
Unbilled revenue (current) (Note no. 15)	531	391
Accrued interest (current) (Note no. 15)	2	4
Employee advances (current) (Note no. 15)	50	83
Security deposits (non-current) (Note no. 7)	249	216
Advances to related party (non-current) (Note no. 7)	401	401
Security deposits (current) (Note no. 14)	37	61
Advances to related party (current) (Note no. 14)	114	122
Total	4,552	4,675

16. Other current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Advances recoverable in cash or kind	46	12
Balances with government authorities *	460	261
Less: Provision for doubtful input credit receivable	(79)	(79)
Net balance with government authorities	381	182
Prepaid expenses	96	82
Total	523	276

* Represents amount of service tax input credit receivable

17. Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised capital		
Equity shares		
28,000,000 (March 31, 2018: 28,000,000) equity shares of Rs 10 each	2,800	2,800
Preference shares		
500,000 (March 31, 2018: 500,000) cumulative, non-convertible, redeemable preference shares of Rs 100 each	500	500
Issued, subscribed and paid-up share capital		
25,621,898 (March 31, 2018: 25,621,898) equity shares of Rs 10 each	2,562	2,562
	2,562	2,562

Notes:**a. Deconsolidation of the Mindteck Employees Welfare Trust ('Trust')**

Effective January 01, 2015, the Trust was deconsolidated subsequent to the SEBI (Share Based Employee Benefits) Regulations, issued on October 28, 2014.

- b. On April 01, 2008, the Company acquired 100% equity in its fellow subsidiary Chendle Holdings Limited, BVI ('Chendle Holdings') including its wholly owned subsidiary Primetech Solutions Inc., USA at an agreed valuation of USD 6,600,000 (approximately Rs 264,664,741) and the purchase consideration was agreed to be settled by a fresh issue of the equity shares of the Company to the shareholders of Chendle Holdings. The issue of equity shares to discharge the

purchase consideration has been recorded at a price of Rs 73.54 per equity share, being the fair value of the equity shares issued as per the valuation carried out by the independent valuer.

Of the total purchase consideration payable, 38,579 equity shares (March 31, 2018) have been reserved for allotment to certain shareholders of Chendle Holdings, subject to the furnishing of Permanent Account Number ('PAN') and other requirements by these shareholders. The submission of PAN is a pre-requisite to complete the allotment of shares. The Company is in the process of following up with the shareholders of Chendle Holdings to obtain the PAN and upon receiving the PAN, the Company would allot the remaining shares to these shareholders.

c. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (Rs. in Lakhs)	No. of shares	Amount (Rs. in Lakhs)
Outstanding at the beginning of the year	2,56,21,898	2,562	2,53,83,895	2,538
Add: Additions during the year on exercise of employee stock options			1,73,704	18
Add: Shares issued to shareholders of Chendle Holdings (refer Note no. 17(b))*			64,299	6
Outstanding at the end of the year	2,56,21,898	2,562	2,56,21,898	2,562

* Represents shares issued for consideration other than cash or kind

d. Terms/rights attached to equity and preference shares

The Company has two class of shares referred to as equity shares having a par value of Rs 10 and cumulative, non-convertible, redeemable preference shares having a par value of Rs 100. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The 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, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Equity shares held by holding company and subsidiary of holding company is given below:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
Embtech Holdings Limited	16,431,604	64.13%	16,431,604	64.13%

f. Equity shareholders holding more than 5 percent shares in the Company:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
Embtech Holdings Limited	16,431,604	64.13%	16,431,604	64.13%
First Asian Investments S.A	1,390,569	5.43%	1,390,569	5.43%

g. The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

h. Shares reserved for issue

Terms attached to stock options granted to employees are described in Note no. 41 regarding share based payments. Also, refer Note no. 17(b) above.

18. Other Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve	357	357
Securities premium	10,518	10,518
Retained earnings	4,744	4,259
Other component of equity (Share application money pending allotment)	28	28
Employee stock option reserve	334	272
Total	15,981	15,434

Notes:**i. Capital reserve**

The Company has in the past created capital reserve in accordance with the provisions of the Act.

ii. Securities premium

Security premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

iii. Employee stock option reserve account

The Company has established various equity settled share based payment plans for certain categories of employees of the Company and subsidiaries. Refer Note no. 41 for further details on these plans.

iv. Distribution made and proposed

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash dividends on equity shares declared and paid		
Final dividend	256	254
Dividend Distribution Tax (DDT)	52	52
Total	308	306
Dividend proposed		
Final dividend	256	256
Dividend Distribution Tax	52	52
Total	308	308

On May 28, 2019, the Board of Directors of the Company proposed final dividend of Re. 1 per equity share for the year ended March 31, 2019. The total dividend payable amounting to Rs. 308 lakhs (including dividend distribution tax) is not recognised as a liability as at March 31, 2019.

19. Other non-current financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Rental deposit	20	19
Total	20	19

20. Other non-current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred lease rental income	-	1
Rent equalization reserve	14	28
Total	14	29

21. Provision - Non- current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for employees benefits		
Provision for Gratuity (refer Note no.38)	245	233
Other provisions		
Provision towards obligation under service concession arrangements	732	425
Total	977	658

22. Borrowings - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Loan repayable on demand from banks (Secured)		
Bank overdraft	-	1
Total	-	1

Note: Bank overdraft carry interest of 10.85 percent per annum, computed on a monthly basis on the actual amount utilized and / or repayable on demand. The bank overdraft is secured by way of first and exclusive charge in all present and future book debts which are lesser than 90 days.

23. Trade payables - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to Micro, Small and Medium Enterprises (refer note below)	197	1
Payable to related parties (refer note 39)	459	250
Payable to other than related parties	483	310
Total	1,139	561

Terms and conditions of the above financial liabilities

- trade payables are non-interest bearing and are normally settled on 30 - 45 day terms.
- for explanations on the Company's credit risk management, refer to Note no. 44.

The dues to Micro and Small enterprises as defined in “The Micro, Small & Medium Enterprises Development Act, 2006” are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	197	1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

24. Other financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unpaid dividend	7	14
Employee related liabilities	15	19
Total	22	33
Break up of financial liabilities carried at amortized cost:		
Rental deposit (non-current) (Note no. 19)	20	19
Borrowings (current) (Note no. 22)	-	1
Trade payables (current) (Note no. 23)	1,139	561
Unpaid dividend (current) (Note no. 24)	7	14
Employee related liabilities (current) (Note no. 24)	15	19
Total	1,181	614

25. Provisions - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for compensated absences	95	90
Provision towards obligation under service concession arrangements	39	59
Other provision	68	333
Total	202	482

26. Other current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unearned income	40	114
Capital creditors	43	3
Statutory dues	176	168
Rent equalization reserve	13	14
Total	272	299

27. Revenue from operations

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of services	10,763	8,842
Total	10,763	8,842

Disaggregated revenue information

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue by contract type		
- Fixed Price	1,541	434
- Time and material	9,222	8,408
Total	10,763	8,842

28. Other income

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Finance income (includes interest income on deposits for year ended March 31, 2019: Rs. 49 lakhs; March 31, 2018: Rs.115 lakhs)	80	132
Rental income	25	26
Fair value gain on mutual fund at fair value through Profit and loss statement	15	7
Foreign exchange gain, net	80	10
Gain on sale of investments in mutual funds, net	38	3
Other non-operating income	7	12
Total	245	190

29. Employee benefits expense

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	5,975	5,562
Contribution to provident and other funds	256	244
Staff welfare expenses	166	120
Gratuity (refer note 38)	86	78
Share-based payment expense (refer Note no. 41)	80	161
Total	6,563	6,165

30. Finance costs

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense and bank charges	18	18
Other Finance Charges	46	4
Total	64	22

31. Other expenses

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	413	485
Hiring charges	67	57
Directors sitting fees	26	27
Travel expenses	212	263
Power and fuel	154	145
Communication expenses	62	43
Professional charges	169	171
Repairs and maintenance		
-Buildings	1	-
-Others	128	132
Project supply and services	1,223	401
Rates and taxes	48	65
Insurance	18	17
Remuneration to auditors (refer Note no. 33)	41	45
Membership and subscription	60	26
Printing and stationery	13	9
Recruitment expenses	78	62
Provision for doubtful debts (net) and loss allowance	(29)	77
Contribution towards corporate social responsibility (Refer Note 36)	18	27
Loss on sale/disposal of property, plant and equipment, net	-	1
Bad-Debt written off	65	-
Provision for doubtful input credit receivable	-	79
Miscellaneous expenses	146	56
Total	2,913	2,188

32. Contingent liabilities and commitments

Amount in Rs. lakhs

(A) Particulars	As at March 31, 2019	As at March 31, 2018
(i) Income tax matters: The Company is involved in certain tax disputes pertaining to transfer pricing and other adjustments which are pending at various forums. Management is confident that the Company has a good case to defend as such cases are not tenable and no liability is expected in this regard.		
(a) in relation to AY: 2006-07 and AY: 2010-11	387	-
(b) in relation to AY: 2006-07, AY: 2009-10, AY: 2010-11 and AY: 2012-13	-	860
(ii) Company has utilised bank guarantee facilities against the bank guarantees provided to Customers, Customs and Excise Departments for Software Technology Park of India (STPI) bonding facilities.	276	514

(B) The Supreme Court of India in a judgment on Provident Fund (PF) dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. The Company determined that they had not previously included some such components in Basic Salary. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Company evaluated its provision on a prospective basis from the date of the SC order and concluded it to be insignificant. The Company will update its provision, on receiving further clarity on the subject.

33. Auditors' remuneration

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
As auditor		
Audit fees	29	36
Tax audit fees	1	3
Other certification services	5	4
Reimbursement of expenses	6	2
Total	41	45

Notes:

a) Remuneration for the year ended March 31, 2018 includes Rs. 9 lakhs paid to the predecessor auditor.

34. Earnings per share

The following table sets forth the computation of basic and diluted earnings per share:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net profit for the year attributable to equity holders	719	191
Earnings per share, basic (in Rs.)	2.81	0.75
Earnings per share, diluted (in Rs.)	2.80	0.71

35. Operating leases

The Company leases office under operating lease arrangements.

Lease rental expense for office facilities are given below:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cancellable	143	215
Non-cancellable	270	270
Total	413	485

The future minimum lease rental payable under non-cancellable operating leases in aggregate are as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Not later than one year	283	283
Later than one year and not later than five years	284	567
Total	567	850

36. Expenditure on corporate social responsibility activities

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a. Gross amount required to be spent by the Company during the year	17	26
b. Amount spent during the year ending on March 31, 2019:	In Cash Yet to be paid in the cash	Total
i) construction acquisition of any asset	- -	-
ii) on the purpose other than (i) above	18 -	18
c. Amount spent during the year ending on March 31, 2018:	In Cash Yet to be paid in the cash	Total
i) construction acquisition of any asset	- -	-
ii) on the purpose other than (i) above	27 -	27

37. Income tax

Income tax expense in the statement of profit and loss consists of:

Amount in Rs. lakhs

Statement of profit or loss	Year ended March 31, 2019	Year ended March 31, 2018
Current tax	215	329
Deferred tax credit	65	(92)
Income tax expense related to current year	280	237
Tax relating to Earlier years	28	-
Income tax expense reported in the statement of profit or loss	308	237
Income tax recognised in other comprehensive income		
- Tax arising on income and expense recognised in other comprehensive income	(20)	4
Total	(20)	4

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian income tax rate to profit before taxes is as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	1,027	428
Enacted income tax rate in India	27.82%	33.06%
Computed expected tax expense	286	142
Effect of:		
Tax effect on changes in enacted tax rate to 27.82%	-	54
Non-deductible expenses for tax purpose	45	22
Others	(51)	19
Total income tax expense	280	237

Deferred tax

Deferred tax relates to the following:

Amount in Rs. lakhs

Particulars	Balance sheet		Statement of profit and loss and other comprehensive income	
	As at March 31, 2019	As at March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Property, plant and equipment and intangible assets	(188)	27	(215)	3
Provision for doubtful debts, loss allowance and deposits	44	43	1	24
Compensated absences	26	27	(1)	(1)
Gratuity	68	65	3	5
Others	252	125	127	65
Deferred tax assets (net)	202	287	(85)	96

38. Employee benefits**A. Gratuity**

The Company offers Gratuity benefits to employees, a defined benefit plan, Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables set out the funded status of the gratuity plan and the amount recognized in the Company's financial statements as at and for the year ended March 31, 2019 and March 31, 2018:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Change in benefit obligations		
Benefit obligations at the beginning	301	258
Service cost	63	61
Interest expense	24	20
Actuarial loss/ (gain) due to change in financial assumptions	(47)	(6)
Actuarial loss/ (gain) due to experience adjustments	(25)	16
Benefits paid	(32)	(48)
Benefit obligations at the end	284	301
Change in plan assets		
Fair value of plan assets at the beginning	68	76
Contribution	3	40
Interest income	5	7
Administration Expenses	(4)	(4)
Return on plan assets excluding amounts included in interest income	(1)	(3)
Benefits paid	(32)	(48)
Fair value of plan assets at the end	398	68
Reconciliation of fair value of assets and defined benefit obligations		
Present value of obligation as at the end of the year	284	301
Fair value of plan assets as at the end of the year	39	68
Amount recognised in the Balance Sheet	245	233
	Year ended March 31, 2019	Year ended March 31, 2018
Expense recognised in profit or loss		
Current service cost	63	61
Interest expense	24	20
Interest income	(5)	(7)
Administrative expenses	4	4
	86	78
Remeasurement gain/(loss) recognised in other comprehensive income		
Actuarial loss/ (gain) due to change in financial assumptions	47	6
Actuarial loss/ (gain) due to experience adjustments	25	(16)
Return on plan assets excluding amounts included in interest income	(1)	(3)
	71	(13)

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Five year pay-outs		
Year 1	53	49
Year 2	45	42
Year 3	41	42
Year 4	39	40
Year 5	38	38
After 5th Year	197	247
Actuarial assumptions		
Discount rate	7.30%	7.20%
Salary growth rate	7.00%	10.00%
Attrition rate	20.00%	20.00%
Retirement age	58 years	58 years

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(12)	13	(14)	15
Salary growth rate (1% movement)	14	(13)	16	(15)
Attrition rate (1% movement)	(3)	3	(7)	8

The Company's Gratuity Fund is managed by Life Insurance Corporation of India (LIC). The plan assets under the fund are deposited under approved securities.

The expected rate of return on assets is based on the expectation of the average long term rate of return on investment of the fund, during the estimated term of obligation.

The expected contribution in next year is Nil (March 31, 2018: Nil).

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

B. Contribution to provident fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit

and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs. 252 lakhs (March 31, 2018: Rs. 241 lakhs).

39. Related party disclosures**(i) Names of related parties and description of relationship:****A. Enterprises who exercise Control**

Transcompany Ltd., British Virgin Islands (BVI) - Ultimate holding company
Embatech Holdings Ltd., Mauritius - Holding company

B. Enterprises where control exists - Subsidiaries (including step down subsidiaries)

Mindteck, Inc., USA (formerly Infotech Consulting, Inc.)
Mindteck Software Malaysia SDN. BHD, Malaysia
Mindteck Middle East Limited SPC, Kingdom of Bahrain
Mindteck (UK) Limited, United Kingdom
Mindteck Singapore Pte. Limited, Singapore
Mindteck Solutions Philippines, Inc.
Mindteck Netherlands BV, Netherlands
Mindteck Germany GmbH, Germany
Chendle Holdings Ltd, BVI
Mindteck Canada, Inc., Canada w.e.f January 10, 2018
Hitech Parking Solutions Private Limited w.e.f. March 14, 2018

C. Enterprises where control exists - Other than subsidiaries

Mindteck Employees Welfare Trust

D. Key management personnel

Meenaz Dhanani	Non- Executive Director (Appointed with effect from June 16, 2017)
Sanjeev Kathpalia	Managing Director and Chief Executive Officer
Narayan A. Menon	Independent director (Deceased on December 11, 2017)
Jagdish Malkani	Independent director
Javed Gaya	Independent director (Resigned with effect from April 03, 2018)
Guhan Subramaniam	Independent director
Prochie Mukherji	Independent director
Satish Menon	Independent director (Appointed with effect from May 14, 2018)
Subhash Bhushan Dhar	Independent director (Appointed with effect from May 29, 2018)
Yusuf Lanewala	Chairman (Appointed with effect from April 01, 2017)
Anand Balakrishnan	Chief Financial Officer (Resigned from the position with effect from July 21, 2017)
Prashanth Idgunji	Chief Financial Officer (Appointed with effect from November 08, 2017)
Shivarama Adiga S.	Company Secretary

(ii) Related party transactions:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a. Income from software and IT-enabled services:		
Mindteck, Inc., USA	3,856	3,922
Mindteck (UK) Limited	1,408	1,228
Mindteck Singapore Pte. Limited	284	133
Mindteck Middle East Limited SPC	18	15
Mindteck Software Malaysia SDN. BHD	121	101
Mindteck Germany GmbH	146	60
Total	5,833	5,459
b. Cost of technical sub-contractors:		
Mindteck Inc., USA	58	-
Mindteck Singapore Pte. Limited	2	-
Total	60	-
c. Recovery of expenses from:		
Mindteck, Inc., USA	116	182
Mindteck (UK) Limited	85	70
Mindteck Singapore Pte. Limited	14	11
Mindteck Middle East Limited SPC	1	5
Mindteck Software Malaysia SDN. BHD	13	16
Mindteck Germany GmbH	9	35
Total	238	319
d. Reimbursement of expenses to:		
Mindteck, Inc., USA	1	-
Mindteck (UK) Limited	2	21
Mindteck Singapore Pte. Limited	23	59
Mindteck Software Malaysia SDN. BHD	1	-
Total	27	80
e. Investment made in form of capital contribution:		
Hitech Parking Solutions Private Limited	10	-
Total	10	-
f. Transactions with the key management persons for the year ended are as follows:		
Compensation of key management personnel of the Company		
Short-term employee benefits *	253	227
Share-based payment transactions	58	124
Benefits paid to Non-executive directors/independent directors	26	27
Total	337	378

* The remuneration to the key managerial personnel does not include the provision/ accruals made on best estimate basis as they are determined for the Company as a whole.

g. Refer to Note no. 41 (h) for grant of stock options to employees of the subsidiary companies.

(iii) Amounts outstanding as at balance sheet date:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance due to/due from subsidiaries:		
a. Amounts receivable:		
Mindteck, Inc., USA	421	473
Mindteck (UK) Limited	121	155
Mindteck Singapore Pte. Limited	123	79
Mindteck Software Malaysia SDN. BHD	92	40
Mindteck Middle East Limited SPC	26	8
Mindteck Germany GmbH	246	106
Total	1,029	861
b. Financial assets - loans:		
Mindteck, Inc., USA	16	3
Mindteck (UK) Limited	25	23
Mindteck Singapore Pte. Limited	1	10
Mindteck Middle East Limited SPC	22	18
Mindteck Software Malaysia SDN. BHD	20	15
Mindteck Germany GmbH	30	53
Total	114	122
c. Unbilled revenue:		
Mindteck Germany GmbH	11	7
Mindteck Inc., USA	211	155
Mindteck Middle East Limited SPC	1	-
Mindteck Singapore Pte. Limited	23	2
Mindteck Software Malaysia SDN. BHD	10	-
Mindteck UK Limited	15	113
Total	271	277
d. Amounts payable:		
Mindteck, Inc., USA	363	134
Mindteck (UK) Limited	24	21
Mindteck Singapore Pte. Limited	71	95
Mindteck Software Malaysia SDN. BHD	1	-
Total	459	250
e. Loans and advances:		
Mindteck Employees Welfare Trust	401	401
Total	401	401

40. Segment information

In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial results of the Company and therefore no separate disclosure on segment information is given in these standalone financial results.

41. Employee stock options

As at March 31, 2019, the Company has the following share-based payment arrangements:

a. Employee Share Incentive Scheme 2000

The Company has an Employee Share Incentive Scheme 2000 ('ESIS 2000') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust'). The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. These shares are to be distributed amongst the employees, based on the recommendations made by the Company's Nomination

& Remuneration Committee. No equity shares have been distributed under the ESIS 2000 and therefore, no stock compensation expense has been recorded.

b. Mindteck Employees Stock Option Scheme 2005 (ESOP 2005)

During the year ended March 31, 2006, the Company introduced the 'Mindteck Employees Option Scheme 2005' ('the Option Scheme 2005') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting

held on July 04, 2005 and the shareholders meeting held on July 29, 2005. The Option Scheme 2005 provides for the creation and issue of 500,000 options that would eventually convert into equity shares of Rs 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting.

During the year ended March 31, 2019, the Company has granted 24,000 options on May 29, 2018 at an exercise price of Rs. 55.15 per share.

During the year ended March 31, 2018, the Company has granted 9,600 options on May 22, 2017 at an exercise price of Rs. 81.55 per share and 30,900 options on August 08, 2017 at an exercise price of Rs. 71.85 per share.

c. Mindteck Employees Stock Option Scheme 2008 (ESOP 2008)

During the year ended March 31, 2009, the Company introduced 'Mindteck Employees Stock Option Scheme 2008' ('the Option Scheme 2008') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting held on May 27, 2008 and the shareholders meeting held on July 30, 2008. The Option Scheme 2008 provides for the creation and issue of 1,200,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and

the period over which the options are exercisable is to be decided by the Nomination & Remuneration Committee.

During the year ended March 31, 2019, the Company has granted 170,000 options on August 14, 2018 at an exercise price of Rs. 48.70 per share.

During the year ended March 31, 2018, the Company has granted 118,600 options on November 08, 2017 at an exercise price of Rs. 79.65 per share and 193,400 options on February 13, 2018 at an exercise price of Rs. 73.60 per share.

d. Mindteck Employees Stock Option Scheme 2014 (ESOP 2014)

During the year ended March 31, 2015, the Company introduced 'Mindteck Employees Stock Option Scheme 2014' ('the Option Scheme 2014') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting held on May 29, 2014 and the shareholders meeting held on August 14, 2014. The Option Scheme 2014 provides for the creation and issue of 2,500,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to be decided by the Nomination and Remuneration Committee.

During the year ended March 31, 2019, the Company has granted 100,000 options on February 26, 2019 at an exercise price of Rs. 34.70 per share.

During the year ended March 31, 2018, the Company has granted 250,000 options on April 10, 2017 at an exercise price of Rs. 81.30 per share.

e. Employees' Stock Options details as on the balance sheet date are:

Particulars	2018-19		2017-18	
	Option (no.)	Weighted average exercise price per stock option	Option (no.)	Weighted average exercise price per stock option
Options outstanding at the beginning of the year				
ESOP 2005	1,72,800	68.03	2,00,100	71.56
ESOP 2008	6,73,553	76.37	6,05,624	65.42
ESOP 2014	5,00,000	79.70	2,50,000	78.10
Options granted during the year				
ESOP 2005	24,000	55.15	40,500	74.15
ESOP 2008	1,70,000	48.70	3,12,000	75.90
ESOP 2014	1,00,000	34.70	2,50,000	81.30
Cancelled, surrendered or lapsed during the year				
ESOP 2005	74,200	63.78	57,300	90.25
ESOP 2008	2,29,134	74.18	80,867	79.13
ESOP 2014	-	-	-	-
Exercised during the year on exercise of employee stock options/ restricted shares+				
ESOP 2005	-	-	10,500	37.64
ESOP 2008	-	-	1,63,204	33.45
ESOP 2014	-	-	-	-
Options outstanding at the end of the year				
ESOP 2005	1,22,600	67.10	1,72,800	68.03
ESOP 2008	6,14,419	69.90	6,73,553	76.37
ESOP 2014	6,00,000	73.51	5,00,000	79.70
Options exercisable at the end of the year				
ESOP 2005	82,600	67.12	97,400	58.66
ESOP 2008	2,92,086	74.11	2,01,020	65.61
ESOP 2014	2,50,000	79.17	83,333	78.10

+ The weighted average share price at the date of exercise:

Particulars	2018-19	2017-18
ESOP 2005	-	73.47
ESOP 2008	-	72.63
ESOP 2014	-	-

f. Details of Weighted average remaining contractual life and range of exercise prices for the options outstanding at the balance sheet date

Particulars	Weighted average remaining contractual life (years)*		Range of exercise prices		Fair value of options granted during the year	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
ESOP 2005	2.0	3.3	13.55 - 92.10	13.55 - 92.10	28.46	39.18
ESOP 2008	3.2	4.6	43.60 - 130.80	43.60 - 130.80	24.12	33.96
ESOP 2014	5.6	6.9	34.70 - 81.30	78.10 - 84.45	13.60	42.37

* considering vesting and exercise period

g. Fair value methodology

The following table list the inputs to the models used for the three plans for the year ended March 31, 2019 and March 31, 2018, respectively:

Particulars	March 31, 2019			March 31, 2018		
	ESOP 2005	ESOP 2008	ESOP 2014	ESOP 2005	ESOP 2008	ESOP 2014
Risk-free interest rate	7.99%	7.55%	6.93%	7.89%	7.50%	6.83%
Expected volatility of share	62.30%	62.51%	57.24%	62.60%	62.98%	62.73%
Expected dividend yield	2.07%	2.44%	1.74%	2.13%	2.53%	1.91%
Expected life (years)	4.77	4.55	4.50	4.69	4.59	4.50
Model used	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes

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

h. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Amount in Rs. lakhs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Expense arising from equity-settled share-based payment transactions	80	161
Total expense arising from share-based payment transactions	80	161

Further, as a part of the above schemes, stock options are also granted to employees of the Company and its subsidiaries. Below is the entity-wise break -up:

Particulars	As at March 31, 2019	As at March 31, 2018
Mindteck (UK) Limited	1	-
Mindteck, Inc., USA	3	22
Mindteck Singapore Pte. Ltd	-	-
Mindteck Software Malaysia SDN. BHD	1	(1)
Total	5	21

Accordingly, Rs. 5 lakhs (March 31, 2018: Rs. 21 lakhs) is treated as investments made in subsidiaries. Refer Note no. 6.

42. Service concession arrangement (SCA)**a. Significant terms of Service concession arrangement are provided below:**

Particulars	Authorisation agreement signed with Municipal Corporation Bhopal ("MCB")
Nature of the asset recognised under SCA accounting	Intangible assets
Carrying value as at March 31, 2019 (Rs. in lakhs)	Rs. 932 Lakhs (March 31, 2018: Rs. 563 Lakhs)
Year when SCA granted	FY 2017-18
Concession period	10 years
Extension of concession period	Not applicable
Work in progress - status	Phase 1 completed & Phase 2 partially completed (March 31, 2018: Phase 1 completed)
Premature termination	Not applicable
Brief description of concession	The Company has been awarded a contract under Public Private Partnership on July 26, 2017 with Municipal Corporation of Bhopal (MCB) for designing, implementation/ construction, installation, financing, and maintenance of Smart Parking System (SPS).

b. Intangible asset under development under SCA

Amount in Rs. lakhs		
Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	563	-
Add:		
Cost of supplies including profit margin	93	91
Provision towards obligation under service concession arrangements	337	481
Less: Amortization for the year	61	9
Total	932	563

43. Financial instruments

The carrying value of financial instruments by categories is as below:

Amount in Rs. lakhs		
Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets -		
Non-current (measured at amortized cost)		
Security deposits ^	249	216
Advances to related party #	401	401
Fixed deposits bank with original maturity of more than 12 months #	89	27
Financial assets -		
Current (measured at fair value through profit & loss)		
Investments in mutual funds \$	1,351	810
Financial assets -		
Current (measured at amortized cost)		
Trade receivables #	2,598	1,895
Cash and cash equivalents #	285	953
Other bank balances #	36	346
Employee advances #	50	83
Security deposits ^	37	61
Advances to Related Party #	114	122
Claimable expenses #	160	176
Unbilled revenue #	531	391
Accrued interest #	2	4
Total assets	5,903	5,485
Financial liabilities -		
Non-current (measured at amortized cost)		
Rental deposit ^	20	19
Financial liabilities -		
Current (measured at amortized cost) #		
Bank overdraft	-	1
Trade payables	1,139	561
Unpaid dividend	7	14
Others	15	19
Total liabilities	1,181	614

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

\$ The carrying value of this account is measured at fair value through profit & loss and are classified as level 1 of fair value hierarchy.

Management has assessed these carrying balances approximates their fair value largely due to the short term maturities/ liquid nature.

^ These balances are determined by using discounted cash flows using discount rate that reflects the issuer's borrowing rate/ lending rate for the respective financial assets/ liabilities as at the end of the reporting period.

44. Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- interest risk
- liquidity risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relations to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is

exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) from its financing activities including deposits with banks and financial institutions.

i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers as at March 31, 2019 and March 31, 2018

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables and unbilled revenue:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Gross amount	Provision and loss allowance	Gross amount	Provision and loss allowance
Trade receivables and unbilled revenue	3,204	75	2,390	104
Total	3,204	75	2,390	104

Reconciliation of provision for doubtful debts and loss allowance:

Particulars	Amount
Provision and loss allowance on April 01, 2017	27
Changes in provision and loss allowance	77
Provision and loss allowance on March 31, 2018	104
Changes in provision and loss allowance	(29)
Provision and loss allowance on March 31, 2019	75

ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent is limited as (including bank balances, fixed deposits and margin money with banks) the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

b. Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in United States Dollars ('USD')). The Company's exposure to the risk of changes in foreign

exchange rates relates primarily to the Company's operating activities. The Company also has exposures to Great Britain Pound ('GBP') and Singapore Dollar ('SGD').

Unhedged foreign currency exposure

Foreign currency exposures that have not been hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at March 31, 2019	As at March 31, 2018
		Amount in Rs. lakhs	Amount in Rs. lakhs
Trade receivables towards services rendered	USD	774	662
	GBP	115	139
	BHD	6	5
	EUR	141	38
	MYR	30	15
	SGD	120	45
Advances recoverable	USD	105	60
	BHD	1	-
	EUR	7	48
	SGD	1	3
	GBP	1	11
Trade payables for services availed	USD	404	157
	GBP	1	1
	MYR	1	1
	SGD	71	95

Sensitivity analysis

Every 1% increase or decrease of the respective foreign currencies compared to functional currency of the Company would cause the profit before tax in proportion to revenue to decrease or increase respectively by 0.08% (profit before exceptional items for the year ended March 31, 2018 by 1.80%).

to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Company's risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

c. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on entity's loss before tax due to change in the interest rate/ fair value of financial liabilities are as disclosed below:

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Change in interest rate	Effect on profit before tax	Change in interest rate	Effect on profit before tax
Borrowings	+1%	-	+1%	(0.02)
	-1%	-	-1%	0.02

d. Liquidity risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions,

without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities

based on the earliest date on which the Company can be required to pay.

Amount in Rs. lakhs

		Contractual cash flows			
Particulars	Carrying value	Total	On demand	< 1 Yr	>1 Yr
March 31, 2019					
Rental deposit	20	20	-	20	-
Trade payables	1,139	1,139	-	1,139	-
Unpaid dividend	7	7	7	-	-
Others	15	15	15	-	-
	1,181	1,181	22	1,159	-
March 31, 2018					
Rental deposit	19	19	-	-	19
Bank overdraft	1	1	-	1	-
Trade payables	561	561	-	561	-
Unpaid dividend	14	14	14	-	-
Others	19	19	19	-	-
	614	614	33	562	19

45. Capital management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business

and to maximise the shareholders value. The capital management focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company's adjusted net debt to equity ratio is analysed as follows:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Total equity attributable to shareholders of the Company (A)	18,543	17,996
Total borrowings (B)*	-	1
Total Capital (C) = (A)+(B)	18,543	17,997
Total borrowings as a percentage of total capital (B/C)	0.00%	0.01%
Total equity as a percentage of total capital (A/C)	100.00%	99.99%

*Total borrowings represents bank overdraft.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

46. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(i) Ind AS 116, Lease Accounting:

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for

both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019.

(ii) Ind AS 12 - Appendix C - Uncertainty over Income Tax treatments:

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income

tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

(iii) Amendment to Ind AS 19 - Employee benefits:

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 – Employee Benefits in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019, though early application is permitted.

(iv) Amendment to Ind AS 12 – ‘Income Taxes’:

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 – Income Taxes. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to

owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Company is evaluating the effect of the aforementioned on its standalone financial statements.

47. The Company has entered into ‘International transactions’ with ‘Associated Enterprises’ which are subject to Transfer Pricing regulations in India. The Company is in the process of carrying out transfer pricing study for the year ended March 31, 2019 in this regard, to comply with the requirements of the Income Tax Act, 1961. The Management of the Company, is of the opinion that such transactions with Associated Enterprises are at arm’s length and hence in compliance with the aforesaid legislation. Consequently, this will not have any impact on the standalone financial statements, particularly on account of tax expense and that of provision for taxation.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

Place: Bengaluru

Date: May 28, 2019

**for and on behalf of the Board of Directors of
Mindteck (India) Limited**

Yusuf Lanewala

Chairman

DIN - 01770426

Prashanth Idgunji

Chief Financial Officer

Place: Bengaluru

Date: May 28, 2019

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Shivarama Adiga S

Company Secretary

Jagdish Malkani

Director

DIN - 00326173

Independent Auditor's Report

To the Members of Mindteck (India) Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Mindteck (India) 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, 2019, 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, 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, 2019, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Service Concession Arrangement (as described in Note 43 of the consolidated Ind AS financial statements)	
<p>The gross balance of capital expenditure as at March 31, 2019 is Rs. 1,002 lakhs mainly relating to service concession agreements for maintaining and developing the smart parking system, against which amortization amounting to Rs. 70 lakhs was charged.</p> <p>The Holding Company had obtained the contract from Bhopal Municipal Corporation (BMC) for implementation of smart parking systems which would be governed by the specific regulations issued by BMC. The revenue from parking is collected by the Holding Company for which rates are determined by the BMC. In lieu of the contract, the Holding Company has to pay authorization fees to BMC over the period of the contract. This arrangement has been treated as 'Service Concession Arrangements' as per Appendix D of Ind AS – 115.</p> <p>Due to the nature of the arrangement, recognition of the amounts including capitalization of intangible assets involve significant judgments and assumptions, identification and recognition of contractual/onerous obligation.</p>	<p>Our audit procedures included the following amongst others:</p> <ul style="list-style-type: none"> We assessed the assumptions around the application of Appendix D of Ind AS – 115 involving determination of relative fair value of the service delivered, recognition of assets to the extent of cost incurred or to be incurred (including obligations arising out of the arrangement with BMC) towards getting the right to charge users of the public service. We evaluated the Holding Company's processes and controls over capitalisation of expenditure incurred. With reference to capital expenditure during the year, we selected a sample of transactions and tested that they were recognised in accordance with the capitalisation criteria established by the Holding Company. We obtained the impairment test from the Holding Company and held meetings with management to understand the method applied.

<p>At the end of the year, management also performed the annual test for impairment of the intangible assets recorded under this arrangement.</p>	<ul style="list-style-type: none"> ▪ We assessed Holding Company’s assumptions around the key drivers of the cash flow forecasts including, discount rates applied, projected revenue growth rates used.
<p>In view of the above, we identified it as a key audit matter.</p>	<ul style="list-style-type: none"> ▪ We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. ▪ We tested the arithmetical accuracy of the model. ▪ We also assessed the disclosures in the consolidated Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Contingencies (as described in Note 33 of the consolidated Ind AS financial statements)

<p>The Group is involved in various legal proceedings and uncertain tax positions relating to taxes. As of March 31, 2019, there was Rs. 387 lakhs disclosed as contingent liability in the consolidated Ind AS financial statement. In relation to these proceedings, management assesses the impact of the eventual outcome on its consolidated Ind AS financial statements.</p>	<p>Our audit procedures included the following:</p>
<p>Since the aforesaid estimates require significant judgments by management, based on the available information, including that obtained from its tax advisors, we identified it as a key audit matter area.</p>	<ul style="list-style-type: none"> ▪ We obtained an understanding and assessed the internal control environment relating to the identification, recognition and measurement of provisions for disputes and disclosures of contingent liabilities in relation to taxes. ▪ We obtained details of completed tax assessments, demands issued by tax authorities, orders/notices received in this regard from the management. ▪ We held discussions with management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases. ▪ We obtained confirmation from management’s expert on ongoing litigations along with risk assessment. We have evaluated the competences, capabilities and objectivity of the management’s expert and obtained an understanding of the scope of work and the terms of engagement. ▪ We involved our tax specialists to obtain and evaluate management’s assessment of the likely outcome and potential exposures arising from all significant contingencies and considered the requirements of any provisions and related disclosures. ▪ Contingencies were evaluated for triggers that could result in creation or reversal of provisions for uncertain positions. Such contingencies were evaluated and discussed with experts on compliance with local laws and regulations. ▪ We also assessed the disclosures in the consolidated Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Impairment of Goodwill (as described in Note 6 of the consolidated Ind AS financial statements)

The Group's consolidated Ind AS financial statement includes Rs. 8,754 lakhs of goodwill. In accordance with Ind AS, these balances are allocated to Cash Generating Unit (CGU) which is tested annually for impairment using discounted cash-flow model of the CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment.

For the above impairment testing, basis valuation conducted by an external valuation specialist ('management's expert'), value in use has been determined by forecasting and discounting future cash flows which has been reviewed and approved by Audit Committee / Board of Directors of the Company.

The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include:

- Projected revenue growth, operating margins and operating cash-flows in the years 1-5; and
- Country and business specific discount rates (pre-tax).

The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate.

The annual impairment testing is considered to be a significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.

Our audit procedures included the following, amongst others:

- We evaluated the Group's internal controls over its annual impairment test.
- We have evaluated the competences, capabilities and objectivity of the management's expert and obtained an understanding of the scope of work and the terms of engagement.
- We assessed the Group's valuation methodology applied, judgements in determining the CGU's to which goodwill is allocated, assumptions around the key drivers of the cash flow forecasts including, discount rates applied, projected revenue growth rates and terminal growth rates used.
- We discussed potential changes in key drivers as compared to previous year / actual performance, relevant market data, inputs and assumptions used to support projected future performance.
- We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
- We tested the arithmetical accuracy of the impairment models.
- We also assessed the disclosures in the consolidated Ind AS financial statements in this regard for compliance with disclosure requirements under the accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance 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 Ind AS 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 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 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

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 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 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, 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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 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 and its Subsidiary Company incorporated in India as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and its Subsidiary Company incorporated in India respectively, none of the directors of the Holding Company and its Subsidiary Company incorporated in India is disqualified as on March 31, 2019 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 Company incorporated in India, refer to our separate Report in “Annexure” to this report;
- g. In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company and its Subsidiary Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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:

- 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 33(A) 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, 2019; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company incorporated in India during the year ended March 31, 2019.

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

Rajeev Kumar

per Rajeev Kumar
Partner
Membership number: 213803

Place: Bengaluru
Date : May 28, 2019

Annexure to the Independent Auditor’s Report of even date on the Consolidated Ind AS Financial Statements of Mindteck (India) 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 Ind AS financial statements of Mindteck (India) Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Mindteck (India) Limited (hereinafter referred to as the “Holding Company”) and its subsidiary company, 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 and its Subsidiary Company, 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 and its Subsidiary Company, which are companies incorporated in India, 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 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, 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 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 consolidated 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 consolidated 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 consolidated Ind AS financial statements.

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

A company's internal financial control over financial reporting with reference to these consolidated 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 principles. A company's internal financial control over financial reporting with reference to these consolidated 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 Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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 Holding Company and its Subsidiary Company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company and its Subsidiary Company, which are companies incorporated in India, 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

Rajeev Kumar

per Rajeev Kumar
Partner
Membership number: 213803

Place: Bengaluru
Date: May 28, 2019

Consolidated Balance Sheet as at March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	301	283
Investment property	4	68	70
Intangible assets	5	1,229	872
Goodwill on consolidation	6	8,481	8,481
Financial assets			
Loans	7	275	239
Other financial assets	8	89	27
Deferred tax assets (net)	38	202	287
Income tax assets (net)	9	991	729
Other non-current assets	10	38	298
		11,674	11,286
Current assets			
Financial assets			
Investments	11	1,351	810
Trade receivables	12	7,073	5,734
Cash and cash equivalents	13	1,016	2,772
Other bank balances	13	36	348
Loans	14	82	123
Other financial assets	15	2,012	2,102
Other current assets	16	677	379
		12,247	12,268
Total assets		23,921	23,554

Consolidated Balance Sheet as at March 31, 2019 (Contd.)

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	2,521	2,521
Other equity	18	17,022	16,655
Equity attributable to equity holders of the parent		19,543	19,176
LIABILITIES			
Non-current liabilities			
<i>Financial liabilities</i>			
Other financial liabilities	19	20	19
Other non-current liabilities	20	14	29
Provisions	21	977	658
		1,011	706
Current liabilities			
<i>Financial liabilities</i>			
Borrowings	22	-	1
Trade payables	23	1,479	988
Other financial liabilities	24	611	689
Provisions	25	494	858
Income tax liabilities (net)	9	164	499
Other current liabilities	26	619	637
		3,367	3,672
Total liabilities		4,378	4,378
Total equity and liabilities		23,921	23,554
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the consolidated financial statements

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

per Rajeev Kumar
Partner
Membership number: 213803

Place: Bengaluru
Date: May 28, 2019

**for and on behalf of the Board of Directors of
Mindteck (India) Limited**

Yusuf Lanewala
Chairman
DIN - 01770426

Sanjeev Kathpalia
Managing Director and CEO
DIN - 05257060

Jagdish Malkani
Director
DIN - 00326173

Prashanth Idgunji
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 28, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from operations	27	29,941	29,684
Other income	28	285	208
Total income		30,226	29,892
EXPENSES			
Cost of technical sub-contractors		4,793	5,369
Employee benefits expense	29	20,281	20,438
Finance costs	30	100	55
Depreciation and amortization expense	3, 4 & 5	189	130
Other expenses	31	4,427	3,750
Total expenses		29,790	29,742
Profit before tax and exceptional items		436	150
Exceptional items	32	-	162
Profit/(Loss) before tax		436	(12)
Tax expense (net):	38		
Current tax		244	431
Tax relating to earlier years		(147)	-
Deferred tax charge/(credit)		65	122
Total tax expense		162	553
Profit/(Loss) for the year		274	(565)
Other comprehensive income (OCI)			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Net exchange difference on translation of foreign operation		261	157
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Re-measurement gain/(loss) on defined benefit plan		71	(13)
Income tax relating to items that will not be reclassified to profit or loss		(20)	4
Other comprehensive income for the year (net of taxes)		312	148
Total comprehensive income for the year attributable to equity holders of the parent		586	(417)
Earning per share (equity shares, par value Rs. 10 each) (March 31, 2018: Rs. 10 each) attributable to equity holders of the parent	35		
Basic (in Rs.)		1.09	(2.26)
Diluted (in Rs.)		1.06	(2.26)

Corporate information and significant accounting policies

1 & 2

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala**

Chairman

DIN - 01770426

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Jagdish Malkani

Director

DIN - 00326173

Prashanth Idgunji

Chief Financial Officer

Shivarama Adiga S

Company Secretary

Place: Bengaluru

Date: May 28, 2019

Place: Bengaluru

Date: May 28, 2019

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

A. Equity share capital

All amounts in Rs. lakhs unless otherwise stated

Particulars	Number	Amount
Balance as at April 01, 2017	2,49,67,895	2,497
Changes in equity share capital during the year: 2017-18	2,38,003	24
Balance as at March 31, 2018	2,52,05,898	2,521
Changes in equity share capital during the year: 2018-19	-	-
Balance as at March 31, 2019	2,52,05,898	2,521

B. Other equity

All amounts in Rs. lakhs unless otherwise stated

Particulars	Share application money pending allotment	Reserves & Surplus				Foreign currency translation reserve	Total other equity
		Capital reserve	Securities premium	Retained earnings	Employee stock options reserve		
Balance as at April 01, 2017	76	798	10,046	5,559	135	542	17,156
Add: Profit/(Loss) for the year	-	-	-	(565)	-	-	(565)
Add: Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	(9)	-	-	(9)
Add/(Less): Exchange difference on translating the financial statement through other comprehensive income	-	-	-	-	-	157	157
Less: Cash dividend	-	-	-	(250)	-	-	(250)
Less: Dividend distribution tax	-	-	-	(52)	-	-	(52)
Add/(less): Additions during the year on exercise of employee stock options	-	-	68	-	(26)	-	42
Add/(less): Transfer to retained earnings in the expiry or lapse of employee stock options after vesting	-	-	-	19	(19)	-	-
Add/(less): Allotment of shares	(48)	-	42	-	-	-	(6)
Add: Employee share-based expense	-	-	-	-	182	-	182
Balance as at March 31, 2018	28	798	10,156	4,702	272	699	16,655

**Consolidated Statement of Changes in Equity for the year ended
March 31, 2019 (Contd.)****B. Other equity**

All amounts in Rs. lakhs unless otherwise stated

Particulars	Share application money pending allotment	Reserves & Surplus				Foreign currency translation reserve	Total other equity
		Capital reserve	Securities premium	Retained earnings	Employee stock options reserve		
Add: Profit for the year	-	-	-	274	-	-	274
Add/(Less): Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	51	-	-	51
Add/(Less): Exchange difference on translating the financial statement through other comprehensive income	-	-	-	-	-	261	261
Less: Cash dividend	-	-	-	(252)	-	-	(252)
Less: Dividend distribution tax	-	-	-	(52)	-	-	(52)
Add/(Less): Transfer to retained earnings in the expiry or lapse of employee stock options after vesting	-	-	-	23	(23)	-	-
Add: Employee share-based expenses	-	-	-	-	85	-	85
Balance as at March 31, 2019	28	798	10,156	4,746	334	960	17,022

Corporate information and significant accounting policies (refer Note no. 1 & 2)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala**

Chairman

DIN - 01770426

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Jagdish Malkani

Director

DIN - 00326173

Prashanth Idgunji

Chief Financial Officer

Shivarama Adiga S

Company Secretary

Place: Bengaluru

Date: May 28, 2019

Place: Bengaluru

Date: May 28, 2019

Consolidated Statement of Cash Flows for the year ended March 31, 2019

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2019	Year ended March 31, 2018
Operating activities		
Profit/(Loss) before taxation	436	(12)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization expense	189	130
Finance cost	46	5
Interest income	(81)	(133)
Unrealised exchange differences	26	5
Loss on sale of fixed assets	-	1
Provision for doubtful allowance	(176)	35
Provision for doubtful input credit receivable	-	79
Share based payment expenses	85	182
Rental income	(1)	(1)
Rent expense	5	5
Fair value gain on mutual funds	(15)	(7)
<i>Changes in operating assets and liabilities:</i>		
(Increase)/Decrease in trade receivables	(1,341)	1,390
(Increase)/Decrease in loans and advances and other assets	17	(271)
Increase/(Decrease) in current liabilities and provisions	216	(492)
Net cash from/(used in) operating activities before taxes	(594)	916
Income taxes paid (net)	(694)	(529)
Net cash from/(used in) operating activities	(1,288)	387
Investing activities		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(108)	(248)
Movement in fixed deposits and other bank balances	250	(316)
Investment in mutual funds	(5,069)	(1,000)
Proceeds from sale of mutual fund	4,596	197
Interest income received	83	128
Net cash from/ (used in) investing activities	(248)	(1239)

Consolidated Statement of Cash Flows for the year ended March 31, 2019 (Contd.)

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2019	Year ended March 31, 2018
Financing activities		
Issue of share capital	-	59
Movement in working capital loans (net)	-	(99)
Dividends paid (including distribution tax)	(311)	(297)
Net cash used in financing activities	(311)	(337)
Net decrease in cash and cash equivalents	(1,847)	(1,189)
Cash and cash equivalents at the beginning of the year	2,772	3,906
Effect of exchange differences on translation of foreign currency cash and cash equivalents	91	55
Cash and cash equivalents at the end of the year (refer Note no. 13)	1,016	2,772

Corporate information and significant accounting policies (refer Note no. 1 & 2)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar*Partner*

Membership number: 213803

**for and on behalf of the Board of Directors of
Mindteck (India) Limited****Yusuf Lanewala***Chairman*

DIN - 01770426

Sanjeev Kathpalia*Managing Director and CEO*

DIN - 05257060

Jagdish Malkani*Director*

DIN - 00326173

Prashanth Idgunji*Chief Financial Officer***Shivarama Adiga S***Company Secretary*

Place: Bengaluru

Date: May 28, 2019

Place: Bengaluru

Date: May 28, 2019

Notes to Consolidated Financial Statements for the year ended March 31, 2019

1. Corporate information

Mindteck (India) Limited ('Mindteck' or 'the Company' or 'parent') with its subsidiaries, set out below, collectively, referred to as 'the Group', is a public limited company incorporated in 1991, a provider of complete range of Information Technology ('IT') services to a wide range of Fortune 500 companies, multinationals and small and medium enterprises worldwide. The Company renders engineering and IT services to customers spanning across various industry verticals in specific service horizontals. Mindteck's core offerings are in Product Engineering, Application Software, Electronic Design, Testing, IT Infrastructure & Managed Services, R&D Services, Energy Management Software Solutions and Enterprise Business services.

The Group's clientele constitutes varied industry verticals, including Public Sector (Government), High Technology (such

as Semiconductor, Data Storage, Cloud Services), Smart Energy and Product Engineering (such as Life Sciences and Analytical Instruments, Industrial Systems, Medical Systems).

The Company has its registered office in Bengaluru, India and the Group has four global delivery centers located in the United States, India and Singapore and has offices across India, the United States, United Kingdom, Netherlands, Germany, Bahrain, Singapore, Philippines and Malaysia.

Mindteck has subsidiaries (including step-down subsidiaries) in the United States of America, Canada, Singapore, Philippines, Malaysia, Bahrain, United Kingdom, Netherlands, Germany and India. Mindteck is the flagship Group and is listed in India on the Bombay Stock Exchange and National Stock Exchange.

List of subsidiaries with percentage holding		
Subsidiaries	Country of incorporation and other particulars	Percentage of ultimate holding company (%) as at March 31, 2019 and March 31, 2018
Chendle Holdings Limited ('Chendle')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of British Virgin Islands	100
Mindteck UK Limited ('Mindteck UK')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of the United Kingdom	100
Mindteck Netherlands BV ('Mindteck Netherlands')	A subsidiary of Mindteck UK from October 17, 2008, incorporated under the laws of Netherlands	100
Mindteck Germany GmbH ('Mindteck Germany')	A subsidiary of Mindteck UK from April 02, 2008, incorporated under the laws of Germany	100
Mindteck Singapore Pte Ltd. ('Mindteck Singapore')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of Singapore	100
Mindteck Inc., USA*	A subsidiary of Mindteck incorporated under the laws of the Commonwealth of Pennsylvania, USA	100
Mindteck Software Malaysia SDN. BHD ('Mindteck Malaysia')	A subsidiary of Mindteck incorporated under the laws of Malaysia	100
Mindteck Middle East Ltd SPC, Kingdom of Bahrain ('Mindteck Middle East')	A subsidiary of Mindteck incorporated under the laws of the Kingdom of Bahrain	100
Mindteck Solutions Philippines Inc. (Mindteck Philippines)	A subsidiary of Mindteck Singapore Pte Ltd. from March 08, 2016, incorporated under the laws of Philippines	99.99
Hitech Parking Solutions Private Limited	A subsidiary of Mindteck (India) Limited from March 14, 2018, incorporated under Companies Act, 2013.	99.99
Mindteck Canada Inc.	A subsidiary of Mindteck Inc. USA from January 10, 2018, incorporated under Canadian law.	100

*including shares held through Chendle Holdings Limited.

The Group had created an Employee Welfare Trust for providing share-based payments to its employees. The balances of the trust have been appropriately consolidated in the Company's consolidated financial statements.

These consolidated financial statements for the year ended March 31, 2019 are approved by the Board of Directors on May 28, 2019.

2. Basis of Preparation and significant accounting policies:**2.1. Basis of preparation:**

The consolidated financial statements of the Company have been prepared and presented in accordance with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read 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, (Ind AS compliant Schedule III).

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

- Certain financial assets and liabilities that is measured at fair value/amortized cost
- Defined benefit plans – plan assets measured at fair value
- Employee stock option contracts – measured at grant date fair value, and
- Investment property – fair value for disclosure purpose

The consolidated financial statements are presented in Rs. ('₹') and all the values are rounded off to the nearest lakhs (Rs. 00,000) except when otherwise indicated.

2.2. Summary of significant accounting policies**a. 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 realized in normal operating cycle or within twelve months after the reporting period
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents 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 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 realization in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

b. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

Revenue recognition:

The Company uses the percentage of completion method in accounting for revenue from implementation and customization projects. Use of the percentage of completion method requires the Company to estimate the efforts to date as a proportion of the total efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become probable based on the expected contract estimates at the reporting date.

Employee stock options plan:

The Group initially measures the cost of equity-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. 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 estimate also 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 assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note no. 42.

Defined benefit plans (gratuity and other employee benefits):

The Group's obligation on account of gratuity and

compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those 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 for the respective countries.

Further details about gratuity obligations are given in note no. 39.

Determination of applicability of Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers':

The Company has entered into concession arrangement in relation to smart/IT based parking system with government/ statutory body under Public Private Partnership model. The arrangement gives Company right to design, construct, install and maintain the smart parking system. Management has evaluated the arrangement and concluded that Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers') applies. Refer note no. 43.

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note no. 44 for further disclosures.

Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') (including

goodwill, where applicable) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on DCF model. The cash flows are derived from the budget for future years 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. Also, refer note 2(j) and 2(l).

Impairment of financial assets:

The Group assesses impairment of financial assets ('Financial instruments') and recognizes expected credit losses in accordance with Ind AS 109. Also, refer note 2(e).

The Group assesses for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.

c. Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in note no. 1. Control exists when the parent 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

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.

Consolidation procedure:

- (i) Combine like items of assets, liabilities, 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 recognized in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the date on which the investment in the subsidiaries were made, is recognized as 'Goodwill' being an intangible asset in the consolidated financial statements and is tested for an impairment on an annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Company, it is recognized as 'Capital Reserve' and shown in Other equity, in the consolidated financial statements. The 'Goodwill' is determined separately for each subsidiary company and such amounts are not set off between different entities.
- (iii) Eliminate in full intragroup assets and liabilities, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the parent of the Group.

d. Fair value measurement

The Group measures financial instrument such as investments 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 principal or the most advantageous market must be accessible by the Group

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 economic best interest.

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

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

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.

e. 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.

i. Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

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

- Debt instruments assets at amortized cost
- Financial assets at fair value through Other Comprehensive Income (“OCI”) (FVTOCI)
- Financial assets at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

When assets are measured at fair value, gains and losses are either recognized entirely in the consolidated statement of profit and loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortized cost:

A Debt instrument is measured at amortized cost (net of any write down for impairment) if both of the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (“EIR”) method. Amortized 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 amortization is included in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognized in the consolidated statement of profit and loss.

Financial assets at fair value through OCI (FVTOCI):

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 OCI. However, the Group recognizes

interest income, impairment losses & reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through Profit and Loss (‘FVTPL’):

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

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of Profit and Loss.

In addition, the Group may elect to designate an 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.

Derecognition:

When the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured

at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, 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.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate.

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

The Group's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the consolidated statement of profit and loss.

Derecognition:

A financial liability is derecognized 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 recognized in the consolidated statement of profit and loss.

iii. 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv. 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. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. 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. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

f. Property, plant and equipment:

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost. Capital work-in-progress comprises of expenditure incurred for construction of leasehold improvements. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the plant and equipment to its working condition for the intended use and cost of replacing part of the plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the

consolidated statement of profit and loss in the year of occurrence.

g. Depreciation and amortization:

Depreciation on property, plant and equipment with finite useful lives is calculated on a straight-line basis over the useful lives of the assets estimated by the management.

The group, based on technical assessment made by technical expert and management estimate, 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 assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipment	5 years
Motor Car	5 years

Leasehold improvements are amortized over the period of lease term or the estimated useful life of assets, whichever is shorter.

h. Investment property:

i. Recognition and measurement:

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Initial direct costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the respective Investment property and are amortized over the lease term on the same basis as the lease income.

ii. Depreciation:

Depreciation on Investment Properties is provided on the straight-line method as per the useful life estimated by the management.

The estimated useful life of building classified as an investment property is 58 years.

i. Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Group amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the CGU level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern and are treated as changes in accounting estimates.

The estimated useful lives of the amortizable intangible assets are as follows:

Category	Useful life
Computer software	3 years
Service concession arrangements	10 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

j. Impairment of non-financial assets:

Non-financial assets including Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent

of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU'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, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

k. Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognized as an expense in the consolidated statement of Profit and Loss on a straight-line basis unless the lease escalations are linked to inflation, in such a case the lease expense is recognized as per the terms of the lease arrangement.

Group as a lessor:

In the case of investment property which is given under operating lease, operating lease receipts are recognized as other income in the consolidated statement of profit and loss on a straight-line basis.

l. Business combination and goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. 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 as at March 31 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 recognized in the consolidated statement of profit and loss. An impairment loss recognized is not reversed in subsequent periods.

m. Revenue recognition:

i. Revenue from operations

The Group derives its revenues from software service.

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and /or revised accounting policies related to revenue recognition.

The application of Ind AS 115 did not have significant impact on the financial statements.

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

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from software services provided on a time-and-material basis is recognized upon performance of services and at the agreed contractual rates. Revenue from fixed price contracts is recognized over the period of the contracts using the percentage completion method determined by relating the actual cost incurred to date to the estimated total cost of the contract.

Revenue from implementation service under concession arrangement are recognized in line with Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers'.

In case of multiple element arrangements for sale of software license, related implementation and maintenance services, the Company applies the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements generally meet the criteria for considering the sale of software license, related implementation and maintenance services as distinct performance obligation. For allocating the consideration, the Company has measured the revenue in respect of each distinct performance obligation of a transaction at its standalone selling price, in accordance with principles given in Ind AS 115. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company has used a residual method to allocate the arrangement consideration. In these cases, the balance of the consideration, after allocating the standalone selling price of undelivered components of a transaction has been allocated to the delivered components for which specific standalone selling price do not exist.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates. 'Unbilled revenue' included in the other financial assets represent revenues in excess of amounts billed to clients as at the balance sheet date. 'Unearned revenue/contract liabilities' included in the current liabilities represent billings in excess of revenues recognized.

The Group collects goods and services tax, service

tax, sales tax and other taxes as applicable in the respective tax jurisdictions where the Group operates, on behalf of the government and therefore it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

ii. Other income:

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

Interest income is recognized as it accrues in the consolidated statement of profit and loss using effective interest rate method.

Rental Income from investment property is recognized as part of other income in the consolidated statement of profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognized as an integral part of the total rental income, over the term of lease.

iii. Service concession arrangements (SCA):

The Company implements or upgrades infrastructure (implementation or upgrade services) used to provide the smart/IT-based parking service and maintains that infrastructure (operation service) for a specified period of time. This arrangement may include infrastructure used in a service concession arrangement for its entire useful life.

Under Appendix D – Service Concession Arrangements to Ind AS 115 –Revenue from contracts with customers, the arrangement is accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the construction/implementation service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, implementation, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amounts are separately identifiable.

The intangible assets model recognizes the asset to the extent of cost incurred or to be incurred (including certain obligations arising out of the arrangement) towards getting the right to charge

users of the public service. The intangible asset is amortized over the concession period i.e. 10 years, from the date they are available for use.

An asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal.

The Company recognizes a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor.

n. Foreign currency translation and transactions:

Functional and presentation currency

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian currency ('Rs.'), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the consolidated statement of profit and loss.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss have been translated using average exchange rates. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the consolidated statement of profit and loss.

Effective April 1, 2018, the Company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. The effect

on account of adoption of this amendment was insignificant.

o. Taxes :

Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside the consolidated statement of profit and loss (either in OCI or in equity). Current tax items are recognized 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. Tax liability under Minimum Alternate Tax ('MAT') is considered as current tax. MAT entitlement is considered as deferred tax.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

Deferred tax:

Deferred tax is provided 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 recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of 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 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 recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are

recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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 deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside profit and loss is recognized outside the consolidated statement of profit and loss (either in OCI or in equity). Deferred tax items are recognized 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.

p. Provisions, contingent liabilities, contingent assets and commitments:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the consolidated statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current

pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

q. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders 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 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.

r. Employee stock compensation cost :

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

The Group measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102, Share-Based Payment.

The cost of equity-settled transactions is determined by the fair value at the date when the

grant is made using the Black Scholes valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in Stock Option Outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired (net of forfeitures) and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized 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. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

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

s. Segment reporting :

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about services, geographic areas and major customers.

The Group identifies primary segments based on the dominant source, nature of risks and returns, internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to the segments on the basis of their relationship to the operating activities of the segment.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

t. Retirement and other employee benefits

Employee benefits include contribution to provident and others funds, gratuity and compensated absences.

Defined contribution plans:

Contributions payable to recognized provident and other funds, which are defined contribution schemes, are charged to the consolidated statement of profit and loss.

Contributions payable to the recognized provident fund, employee pension and social security schemes in certain overseas subsidiaries, which are defined contribution schemes are charged to the statement of profit and loss.

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to the consolidated statement of profit and loss. As required under Ind AS compliant Schedule III, the Group transfers it immediately to 'surplus/ (deficit) in the consolidated statement of profit and loss'.

The Group has an employees' gratuity fund managed by the Life Insurance Corporation of India ('LIC'). Provision for gratuity liabilities, pending remittance to the fund, is carried in the balance sheet. The Group also provides certain additional post employment healthcare benefits to employees in the United States. These healthcare benefits are unfunded.

Short-term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. Compensated absences, which are expected to be utilized within the next 12 months, are treated as short-term employee benefits. 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.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

The Group presents the entire compensated absences balance as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

u. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to 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, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

v. Statement of cash flow:

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

w. Corporate Social Responsibility (CSR) expenditure:

CSR expense is recognized as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

3. Property, plant and equipment

Amount in Rs. lakhs

Particulars	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total	Capital work in progress*
Cost							
As at April 01, 2017	117	44	32	3	-	196	37
Additions	12	65	8	-	130	215	-
Disposals / Adjustments	16	30	(10)	-	-	36	-
Transfer from capital work in progress	-	-	-	-	37	37	(37)
Foreign exchange difference	8	1	4	-	-	13	-
As at March 31, 2018	153	140	34	3	167	497	-
Additions	76	33	8	-	6	123	-
Disposals / Adjustments	(3)	(1)	(5)	-	-	(9)	-
Foreign exchange difference	13	1	11	-	-	25	-
As at March 31, 2019	239	173	48	3	173	636	-
Accumulated depreciation							
As at April 01, 2017	80	23	6	3	-	112	-
Charge for the year	27	33	11	-	21	92	-
Disposals / Adjustments	15	(4)	(12)	-	-	(1)	-
Foreign exchange difference	7	1	3	-	-	11	-
As at March 31, 2018	129	53	8	3	21	214	-
Charge for the year	27	33	9	-	35	104	-
Disposals / Adjustments	(3)	-	(3)	-	-	(6)	-
Foreign exchange difference	13	-	10	-	-	23	-
As at March 31, 2019	166	86	24	3	56	335	-
Net block as at March 31, 2018	24	87	26	-	146	283	-
Net block as at March 31, 2019	73	87	24	-	117	301	-

* Capital work in progress of Rs. 37 lakhs as at April 01, 2017 represents cost incurred towards leasehold improvements at AMR Tech Park located at Hosur Main Road, Bengaluru which has been capitalized during financial year 2017-18.

4. Investment property

Amount in Rs. lakhs

Particulars	Building - Asset given under operating lease
Cost	
As at April 01, 2017	73
Additions	-
As at March 31, 2018	73
Additions	-
As at March 31, 2019	73
Accumulated depreciation	
As at April 01, 2017	2
Charge for the year	1
As at March 31, 2018	3
Charge for the year	2
As at March 31, 2019	5
Net block as at March 31, 2018	70
Net block as at March 31, 2019	68

Information regarding income and expenditure of Investment property

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rental income derived from investment property	25	26
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	1	1
Profit arising from investment properties before depreciation and indirect expenses	24	25
Less: Depreciation	(2)	(2)
Profit arising from investment property before indirect expenses	22	24

Determination of fair values

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	
Investment properties	Market Approach		March 31, 2019	March 31, 2018
		Area of subject unit (sq. ft.)	3,001	3,001
		Adopted market rent per sq.ft. per month	68	68
		Derived unit rate (per sq.ft.)	11,000	10,800
		Estimated rental value (per sq. ft.)	Rs. 65 - 70	Rs. 65 - 70
		Discount rate	7.25%	7.50%

The fair value of investment property has been determined by independent professional valuers. The independent professional valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The independent professional valuers have considered valuation techniques including direct comparison method, capitalisation approach and discounted cash flows in arriving at the fair value as at the reporting date. These valuation methods involve certain estimates. The management has exercised its judgement and is satisfied that the valuation

methods and estimates are reflective of the current market conditions.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/ (higher) fair value.

All resulting fair value estimates for investment properties are included in level 3.

Reconciliation of fair value

Amount in Rs. lakhs

Particulars	Amount
Opening Balance as at April 01, 2017	324
Fair value differences	6
Closing balance as at March 31, 2018	330
Fair value differences	8
Closing balance as at March 31, 2019	338

5. Intangible assets

Amount in Rs. lakhs

Particulars	Computer software	Service concession arrangement	Goodwill (acquisition of Business)*	Total
Cost				
As at April 01, 2017	134	-	248	382
Additions	7	572	-	579
Disposals / Adjustments	(51)	-	-	(51)
Foreign exchange difference	3	-	17	20
As at March 31, 2018	93	572	265	930
Additions	3	430	-	433
Foreign exchange difference	1	-	8	9
As at March 31, 2019	97	1,002	273	1,372
Accumulated amortisation				
As at April 01, 2017	32	-	-	32
Charge for the year	28	9	-	37
Disposals / Adjustments	(13)	-	-	(13)
Foreign exchange difference	2	-	-	2
As at March 31, 2018	49	9	-	58
Charge for the year	22	61	-	83
Foreign exchange difference	2	-	-	2
As at March 31, 2019	73	70	-	143
Net block as at March 31, 2018	44	563	265	872
Net block as at March 31, 2019	24	932	273	1,229

* Also refer Note no. 6

6. Goodwill on consolidation

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Following is the movement of carrying value of goodwill:		
Balance at the beginning of the year	8,481	8,481
Add/(less): Movement during the year	-	-
Balance at the end of the year	8,481	8,481

Below is the Cash Generating Unit ('CGU') wise break-up of goodwill:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Mindteck Inc, USA	7,786	7,786
Mindteck Singapore Pte. Ltd	353	353
Mindteck UK Limited	259	259
Mindteck Middle East Limited SOC	84	84
Total goodwill	8,481	8,481

Goodwill impairment testing:

The Group tests whether goodwill has suffered any impairment on an annual basis as at each reporting date. The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of several

assumptions. The calculations use cash flow projections (based on financial budgets approved by the management), revenue/ earning multiples. An average of the range of each assumption used is mentioned below:

Amount in Rs. lakhs		
Particulars	As at March 31, 2019	As at March 31, 2018
Growth rate	7% to 14 %	2% to 5 %
Operating margin	7% to 27 %	2% to 10 %
Discount rate	12% to 15%	11% to 14%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU. These estimates are likely to differ from future actual results of operations and cash flows.

Based on the above testing, no impairment was identified as at March 31, 2019 and March 31, 2018 as the recoverable value of the CGUs exceeded the carrying value.

7. Loans - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security deposits	275	239
Unsecured, considered doubtful		
Security deposits	50	50
Provision for doubtful deposits	(50)	(50)
Total	275	239

8. Other financial assets - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed deposits with bank with original maturity of more than 12 months*	89	27
Total	89	27

*Represents restricted bank balances of Rs. 89 lakhs (March 31, 2018: Rs. 27 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

9. Taxes

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax assets (net) - Non-current	991	729
Income tax liabilities (net) - Current	164	499

Also, refer to Note no. 38 for further details.

10. Other non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Taxes paid under protest	-	249
Prepaid expense	38	49
Total	38	298

11. Investments - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Quoted mutual funds measured at fair value through statement of profit and loss		
3,46,473.889 (March 31, 2018 - Nil) Units in ICICI Money market fund - Direct Growth	901	-
1,48,570.138 (March 31, 2018 - Nil) Units in ICICI Liquid fund-DP growth	411	-
1,888.70 (March 31, 2018 - Nil) Units in AXIS Treasury Advantage Fund - Growth	39	-
Nil (March 31, 2018 - 10,407.427) Units in AXIS Treasury Advantage Fund - Growth	-	201
Nil (March 31, 2018 - 6,60,044.223) Units in HSBC Low Duration Fund - Growth	-	101
Nil (March 31, 2018 - 20,069.901) Units in AXIS Liquid Fund - Daily Dividend	-	201
Nil (March 31, 2018 - 10,71,593.138) Units in AXIS Short Term Fund - Growth	-	202
Nil (March 31, 2018 - 38,911.729) Units in ICICI Prudential savings Fund - Direct Plan- Growth	-	105
Total	1,351	810
Aggregate book value of quoted investments in mutual funds	1,351	810
Aggregate market value of quoted investments in mutual funds	1,351	810

12. Trade receivables - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, carried at amortized cost		
<i>Considered good</i>		
Other than related parties	7,073	5,734
<i>Considered doubtful</i>	361	504
Less: Provision for doubtful debts and loss allowance	(361)	(504)
Total	7,073	5,734

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, there are no trade or other receivables due from firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

13. Cash and cash equivalents - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	11	6
Balances with banks		
- in current accounts	859	2,244
- in fixed deposits with original maturity for less than three months	145	522
	1,016	2,772
Other bank balances		
Balances with banks		
- Fixed deposits with original maturity > 3 months but less than 12 months	29	334
- Unpaid dividend account	7	14
	36	348
Total	1,052	3,120

Cash and cash equivalents as at March 31, 2019 and March 31, 2018 include restricted cash and bank balances of Rs. 36 lakhs and Rs. 348 lakhs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividend bank accounts.

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2018	Cash flows	As at March 31, 2019
Borrowings	1	(1)	-
Total liabilities from financing activities	1	(1)	-

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2017	Cash flows	As at March 31, 2018
Borrowings	101	(100)	1
Total liabilities from financing activities	101	(100)	1

14. Loans - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security deposits	82	123
Total	82	123

15. Other financial assets - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Claimable expenses	162	152
Unbilled revenue	1,776	1,789
Accrued interest	2	4
Employee advances	72	157
Total	2,012	2,102
Break up of financial assets carried at amortized cost:		
Trade receivable (current) (Note no. 12)	7,073	5,734
Cash and cash equivalents (current) (Note no. 13)	1,016	2,772
Other bank balances (current) (Note no. 13)	36	348
Fixed deposits with bank with original maturity of more than 12 months (Note no. 8)	89	27
Claimable expenses (current) (Note no. 15)	162	152
Unbilled revenue (current) (Note no. 15)	1,776	1,789
Accrued interest (current) (Note no. 15)	2	4
Employee advances (current) (Note no. 15)	72	157
Security deposits (non-current) (Note no. 7)	275	239
Security deposits (current) (Note no. 14)	82	123
Total	10,583	11,345

16. Other current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Advances recoverable in cash or kind	103	45
Balances with government authorities*	484	260
Less: Provision for doubtful input credit receivable	(79)	(79)
Net balance with government authorities	405	181
Prepaid expenses	169	153
Total	677	379

* Represents amount of service tax input credit receivable and goods and service tax input credit receivable

17. Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised capital		
Equity shares		
28,000,000 (March 31, 2018: 28,000,000) equity shares of Rs 10 each	2,800	2,800
Preference shares		
500,000 (March 31, 2018: 500,000) cumulative, non-convertible, redeemable preference shares of Rs 100 each	500	500
Issued, subscribed and paid-up share capital		
25,621,898 (March 31, 2018: 25,621,898) equity shares of Rs 10 each	2,562	2,562
Less: 416,000 (March 31, 2018: 416,000) equity shares of Rs. 10 each fully paid-up held by the Mindteck Employees Welfare Trust	41	41
	2,521	2,521

a. Consolidation of the Mindteck Employees Welfare Trust ('Trust')

The investment in the equity shares of the Company held by the Trust has been reduced from the share capital and securities premium account. Further, the opening retained earnings of the Trust has been included in the Company's opening retained earnings. Balances, after inter-company eliminations, have been appropriately consolidated in the Company's financial statements on a line-by-line basis.

- b. On April 01, 2008, the Company acquired 100% equity in its fellow subsidiary Chendle Holdings Limited, BVI ('Chendle Holdings') including its wholly owned subsidiary Primetech Solutions Inc., USA, at an agreed valuation of USD 6,600,000 (approximately Rs. 264,664,741) and the purchase consideration was agreed to be settled by a fresh issue of the equity

shares of the Company to the shareholders of Chendle Holdings. The issue of equity shares to discharge the purchase consideration has been recorded at a price of Rs. 73.54 per equity share, being the fair value of the equity shares issued as per the valuation carried out by the independent valuer.

Of the total purchase consideration payable, 38,579 equity shares (March 31, 2018: 38,579 equity shares) have been reserved for allotment to certain shareholders of Chendle Holdings, subject to the furnishing of Permanent Account Number ('PAN') and other requirements by these shareholders. The submission of PAN is a pre-requisite to complete the allotment of shares. The Company is in the process of following up with the shareholders of Chendle Holdings to obtain the PAN and upon receiving the PAN, the Company would allot the remaining shares to these shareholders.

c. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (Rs. in Lakhs)	No. of shares	Amount (Rs. in Lakhs)
Outstanding at the beginning of the year	2,52,05,898	2,521	2,49,67,895	2,497
Add: Additions during the year on exercise of employee stock options (refer Note no. 42)			1,73,704	18
Add: Shares issued to shareholders of Chendle Holdings (refer Note no. 17(b))*			64,299	6
Outstanding at the end of the year	2,52,05,898	2,521	2,52,05,898	2,521

* Represents shares issued for consideration other than cash or kind

d. Terms/rights attached to equity and preference shares

The Company has two class of shares referred to as equity shares having a par value of Rs. 10 and cumulative, non-convertible, redeemable preference shares having a par value of Rs. 100. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors

is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Equity shares held by holding company and subsidiary of holding company is given below:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
Embatech Holdings Limited	16,431,604	64.13%	16,431,604	64.13%

f. Equity shareholders holding more than 5 percent shares in the Company:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
Embatech Holdings Limited	16,431,604	64.13%	16,431,604	64.13%
First Asian Investments S.A	1,390,569	5.43%	1,390,569	5.43%

g. The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

h. Shares reserved for issue

Terms attached to stock options granted to employees are described in Note no. 42 regarding share based payments. Also, refer Note no. 17(b) above.

18. Other Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve	798	798
Securities premium	10,156	10,156
Retained earnings	4,746	4,702
Other component of equity (Share application money pending allotment)	28	28
Employee stock option reserve	334	272
Exchange difference on translating the financial statement	960	699
Total	17,022	16,655

Notes:

i. Capital reserve

The Company has in the past created capital reserve in accordance with the provisions of the Companies Act, 2013.

ii. Securities premium

Security premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

iii. Employee stock option reserve account

The Company has established various equity settled share based payment plans for certain categories of employees of the Company and subsidiaries. Refer Note no. 42 for further details on these plans.

iv. Distribution made and proposed

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash dividends on equity shares declared and paid		
Final dividend	252	250
Tax on dividend distribution	52	52
Total	304	302
Dividend proposed		
Final dividend	252	252
Dividend Distribution Tax (DDT)	52	52
Total	304	304

On May 28, 2019, the Board of Directors of the Company proposed final dividend of Re. 1 per equity share for the year ended March 31, 2019. The total dividend payable amounting to Rs. 304 lakhs (including dividend distribution tax) is not recognised as a liability as at March 31, 2019.

19. Other non-current financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Rental deposit	20	19
Total	20	19

20. Other non-current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred lease rental income	-	2
Rent equalization reserve	14	27
Total	14	29

21. Provision - Non- current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for employees benefits		
Provision for Gratuity (refer Note no. 39)	245	233
Other provisions		
Provision towards obligation under service concession arrangements	732	425
Total	977	658

22. Borrowings - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Loan repayable on demand from banks (Secured)		
Bank overdraft	-	1
Total	-	1

Note: Bank overdraft carry interest of 10.85 percent per annum, computed on a monthly basis on the actual amount utilized and / or repayable on demand. The bank overdraft is secured by way of first and exclusive charge in all present and future book debts which are lesser than 90 days.

23. Trade payables - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to Micro, Small and Medium Enterprises (refer note below)	197	1
Others	1,282	987
Total	1,479	988

Terms and conditions of the above financial liabilities

- trade payables are non-interest bearing and are normally settled on 30 - 45 day terms.
- for explanations on the Company's credit risk management, refer to Note no. 45.

The dues to Micro and Small enterprises as defined in “The Micro, Small & Medium Enterprises Development Act, 2006” are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	197	1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

24. Other financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unpaid dividend	7	14
Employee related liabilities	604	675
Total	611	689

Break up of financial liabilities carried at amortized cost:

Rental deposit (non-current) (Note no. 19)	20	19
Borrowings (current) (Note no. 22)	-	1
Trade and other payables (current) (Note no. 23)	1,479	988
Unpaid dividend (current) (Note no. 24)	7	14
Employee related liabilities (current) (Note no. 24)	604	675
Total	2,110	1,697

25. Provisions - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for compensated absences	359	402
Provision towards obligation under service concession arrangements	39	47
Other provision	96	409
Total	494	858

26. Other current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unearned income	54	153
Capital creditors	44	3
Statutory dues	508	467
Rent equalization reserve	13	14
Total	619	637

27. Revenue from operations

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of services	29,941	29,684
Total	29,941	29,684

Disaggregated revenue information

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue by contract type		
- Fixed Price	1,553	445
- Time and material	28,388	29,239
Total	29,941	29,684

28. Other income

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Finance income (includes interest income on deposits for year ended March 31, 2019: Rs. 49 Lakhs; March 31, 2018: Rs. 117 Lakhs)	81	133
Rental income	27	26
Fair value gain on mutual fund at fair value through profit or loss	15	7
Foreign exchange gain, net	101	-
Gain on sale of investments in mutual funds, net	38	3
Other non-operating income	23	39
Total	285	208

29. Employee benefits expense

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	18,315	18,353
Contribution to provident and other funds	1,099	1,117
Gratuity (refer note 39)	86	78
Share-based payment expense (refer note 42)	85	182
Staff welfare expenses	696	708
Total	20,281	20,438

30. Finance costs

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense and bank charges	54	51
Other interest costs	46	4
Total	100	55

31. Other expenses

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	647	719
Hiring charges	68	58
Directors sitting fees	26	27
Travel expenses	561	590
Foreign exchange loss, net	-	9
Power and fuel	158	148
Communication expenses	145	143
Professional charges	619	547
Repairs and maintenance		
- Buildings	1	-
- Others	137	146
Project supply and services	1,283	447
Rates and taxes	43	75
Insurance	49	45
Remuneration to auditors (refer Note no. 34)	48	52
Membership and subscription	271	255
Printing and stationery	26	19
Recruitment expenses	174	98
Provision for doubtful debts (net) and loss allowance	(176)	39
Contribution towards corporate social responsibility (refer note no 37)	18	27
Loss on sale of fixed assets	-	1
Bad-Debt written off	124	161
Provision for doubtful input credit receivable	-	79
Miscellaneous expenses	205	65
Total	4,427	3,750

32. Exceptional items

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Exceptional item*	-	162
Total	-	162

* Exceptional item represents specific bad debt written off during the year amounting Rs. 162 lakhs for receivables from a company/customer which had filed for bankruptcy.

33. Contingent liabilities and commitments

Amount in Rs. lakhs

(A) Particulars	As at March 31, 2019	As at March 31, 2018
(i) Income tax matters: The Company is involved in certain tax disputes pertaining to transfer pricing and other adjustments which are pending at various forms. Management is confident that the Company has a good case to defend as such cases are not tenable and no liability is expected in this regard.		
(a) in relation to AY: 2006-07 and AY: 2010-11	387	-
(b) in relation to AY: 2006-07, AY: 2009-10, AY: 2010-11 and AY: 2012-13	-	860
(ii) Company has utilised bank guarantee facilities against the bank guarantees provided to Customers, Customs and Excise Departments for Software Technology Park of India (STPI) bonding facilities.	276	514

(B) The Supreme Court of India in a judgment on Provident Fund (PF) dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. The Company determined that they had not previously included some such components in Basic Salary. There are numerous interpretative

issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Company evaluated its provision on a prospective basis from the date of the SC order and concluded it to be insignificant. The Company will update its provision, on receiving further clarity on the subject.

34. Auditors' remuneration

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
As auditor		
- Audit Fees	36	43
- Tax Audit Fees	1	3
Other certification services	5	4
Reimbursement of expenses	6	2
Total	48	52

Notes:

a) Remuneration for the year ended March 31, 2018 includes Rs. 9 lakhs paid to the predecessor auditor.

35. Earnings/(Loss) per share

The following table sets forth the computation of basic and diluted earnings per share:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit/(Loss) for the year attributable to equity shareholders	274	(565)
Weighted average number of equity shares of Rs. 10 each used for calculation of basic earnings per share	25,205,898	25,019,470
Earnings/(Loss) per share, basic (in Rs.)	1.09	(2.26)
Weighted average number of equity shares of Rs. 10 each used for calculation of diluted earnings per share*	25,696,679	25,661,826
Earnings/(Loss) per share, diluted (in Rs.)	1.06	(2.26)

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transaction during the year

36. Operating leases

The Company leases office under operating lease arrangements.

Lease rental expense for office facilities are given below:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cancellable	239	316
Non-cancellable	408	403
Total	647	719

The future minimum lease rental payable under non-cancellable operating leases in aggregate are as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Not later than one year	431	421
Later than one year and not later than five years	404	681
Total	835	1,102

37. Expenditure on corporate social responsibility activities

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a. Gross amount required to be spent by the Group during the year	17	26
b. Amount spent during the year ending on March 31, 2019:	In Cash Yet to be paid in the cash	Total
i) construction acquisition of any asset	- -	-
ii) on the purpose other than (i) above	18 -	18
c. Amount spent during the year ending on March 31, 2018:	In Cash Yet to be paid in the cash	Total
i) construction acquisition of any asset	- -	-
ii) on the purpose other than (i) above	27 -	27

38. Income tax

Income tax expense in the statement of profit and loss consists of:

Amount in Rs. lakhs

Statement of profit or loss	Year ended March 31, 2019	Year ended March 31, 2018
Current tax	244	431
Deferred tax charge/(credit)	65	122
Income tax expense reported in the statement of profit or loss	309	553
Tax relating to earlier years*	(147)	-
Income tax expense reported in the statement of profit or loss	162	553
Income tax recognised in other comprehensive income		
- Tax arising on income and expense recognised in other comprehensive income	(20)	4
Total	(20)	4

*Includes reversal of provision towards uncertain taxes amounting to Rs. 155 Lakhs in view of the current status of net operating losses of Mindteck Inc., US.

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit/(Loss) before tax	436	(12)
Enacted income tax rate in India	27.82%	33.06%
Computed expected tax expense	121	-
Impact due to:		
tax expense on taxable income of profitable subsidiaries	29	102
other subsidiaries	(121)	214
tax expense on taxable income of Company	280	237
Total income tax expense	309	553

Deferred tax

Deferred tax relates to the following:

Amount in Rs. lakhs

Particulars	Balance sheet		Statement of profit and loss and other comprehensive income	
	As at March 31, 2019	As at March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Property, plant and equipment and intangible assets	(188)	27	(215)	(21)
Provision for doubtful debts, loss allowance and deposits	44	43	1	16
Compensated absences	26	27	(1)	(91)
Gratuity	68	65	3	5
Others	252	125	127	(35)
Deferred tax assets (net)	202	287	(85)	125

39. Employee benefits**A. Gratuity**

The Company offers Gratuity benefits to employees, a defined benefit plan, Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables set out the funded status of the gratuity plan and the amount recognized in the Company's financial statements as at and for the year ended March 31, 2019 and March 31, 2018:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Change in benefit obligations		
Benefit obligations at the beginning	301	258
Service cost	63	61
Interest expense	24	20
Actuarial loss/ (gain) due to change in financial assumptions	(47)	(6)
Actuarial loss/ (gain) due to experience adjustments	(25)	16
Benefits paid	(32)	(48)
Benefit obligations at the end	284	301
Change in plan assets		
Fair value of plan assets at the beginning	69	76
Contribution	3	40
Interest income	5	7
Administration Expenses	(4)	(4)
Return on plan assets excluding amounts included in interest income	(1)	(3)
Benefits paid	(33)	(48)
Fair value of plan assets at the end	39	68
Reconciliation of fair value of assets and defined benefit obligations		
Present value of obligation as at the end of the year	284	301
Less: Fair value of plan assets as at the end of the year	39	69
Amount recognised in the Balance Sheet	245	233

Amount in Rs. lakhs		
	Year ended March 31, 2019	Year ended March 31, 2018
Expense recognised in profit or loss		
Current service cost	63	61
Interest expense	24	20
Interest income	(5)	(7)
Administrative expenses	4	4
	86	78
Remeasurement gain/ (loss) recognised in other comprehensive income		
Actuarial loss/ (gain) due to change in financial assumptions	47	6
Actuarial loss/ (gain) due to experience adjustments	25	(16)
Return on plan assets excluding amounts included in interest income	(1)	(3)
	71	(13)

Amount in Rs. lakhs		
Particulars	As at March 31, 2019	As at March 31, 2018
Five year pay-outs		
Year 1	53	49
Year 2	45	42
Year 3	41	42
Year 4	39	40
Year 5	38	38
After 5th Year	197	247
Actuarial assumptions		
Discount rate	7.30%	7.20%
Salary growth rate	7.00%	10.00%
Attrition rate	20.00%	20.00%
Retirement age	58 years	58 years

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Amount in Rs. lakhs				
Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(12)	13	(14)	15
Salary growth rate (1% movement)	14	(13)	16	(15)
Attrition rate (1% movement)	(3)	3	(7)	8

The Company's Gratuity Fund is managed by Life Insurance Corporation of India (LIC). The plan assets under the fund are deposited under approved securities.

The expected rate of return on assets is based on the expectation of the average long term rate of return on investment of the fund, during the estimated term of obligation.

The expected contribution in next year is Nil (March 31, 2018: Nil).

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

B. Contribution to provident fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions.

The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs. 252 lakhs (year ended March 31, 2018: Rs. 241 lakhs).

40. Related party disclosures**(i) Names of related parties and description of relationship:****A. Enterprises who exercise Control**

Transcompany Ltd., British Virgin Islands (BVI) - Ultimate holding company

Embatech Holdings Ltd., Mauritius - Holding company

B. Key management personnel

Meenaz Dhanani	Non- Executive Director (Appointed with effect from June 16, 2017)
Sanjeev Kathpalia	Managing Director and Chief Executive Officer
Narayan A. Menon	Independent director (Deceased on December 11, 2017)
Jagdish Malkani	Independent director
Javed Gaya	Independent director (Resigned with effect from April 03, 2018)
Guhan Subramaniam	Independent director
Prochie Mukherji	Independent director
Satish Menon	Independent director (Appointed with effect from May 14, 2018)
Subhash Bhushan Dhar	Independent director (Appointed with effect from May 29, 2018)
Yusuf Lanewala	Chairman (Appointed with effect from April 01, 2017)
Anand Balakrishnan	Chief Financial Officer (Resigned with effect from July 21, 2017)
Prashanth Idgunji	Chief Financial Officer (Appointed with effect from November 08, 2017)
Shivarama Adiga S.	Company Secretary

(ii) Related party transactions:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a. Transactions with the key management persons for the year ended are as follows:		
Compensation of key management personnel of the Group		
Short-term employee benefits *	387	360
Share-based payment transactions	64	143
Benefits paid to Non-executive directors / independent directors	26	27
Total	477	530

* The remuneration to the key managerial personnel does not include the provision/ accruals made on best estimate basis as they are determined for the Company as a whole.

41. Segment information**A. Description of segments and principal activities**

The Mindteck Group's operations predominantly relate to providing software services to external customers and providing IT-enabled services to subsidiaries within the Group.

Since IT-enabled services are rendered to subsidiaries which are consolidated, the disclosure of a separate IT-enabled services segment as a separate primary segment is not applicable. The Group is therefore considered to constitute a single primary business segment and accordingly primary segment disclosures have not been presented.

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker also evaluates the Group performance and allocates resources based on an analysis of various performance indicators by geographical areas. Accordingly, information has been presented in respect of such geographical segments.

The accounting principles consistently used in the preparation of the consolidated financial statements are also consistently applied to record income and expenditure in the individual segments.

B. Geographical Segments

	Amount in Rs. lakhs	
	Year ended March 31, 2019	Year ended March 31, 2018
Revenue		
United States of America (USA)	17,165	19,274
India	4,930	3,384
Rest of the world	7,846	7,026
Total	29,941	29,684

Revenue from two customers amounted to more than 10% of the total revenue of the Group amounting to Rs. 3,531 Lakhs and Rs. 3,271 Lakhs (March 31, 2018: Rs. 5,046 Lakhs and Rs. 5,603 Lakhs) for the year ended March 31, 2019.

	Amount in Rs. lakhs	
	Year ended March 31, 2019	Year ended March 31, 2018
Carrying amount of segment assets by location of assets		
United States of America (USA)	4,960	5,526
India	7,237	6,338
Rest of the world	3,243	3,209
Unallocated Corporate asset - Goodwill on consolidation	8,481	8,481
Total	23,921	23,554

	Amount in Rs. lakhs	
	Year ended March 31, 2019	Year ended March 31, 2018
Cost to acquire tangible and intangible fixed assets by location of assets		
United States of America (USA)	6	-
India	548	830
Rest of the world	2	2
Total	556	832

42. Employee stock options

As at March 31, 2019, the Company has the following share-based payment arrangements:

a. Employee Share Incentive Scheme 2000

The Company has an Employee Share Incentive Scheme 2000 ('ESIS 2000') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust'). The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. These shares are to be distributed amongst the employees, based on the recommendations made by the Company's Nomination & Remuneration Committee. No equity shares have been distributed under the ESIS 2000 and therefore, no stock compensation expense has been recorded.

b. Mindteck Employees Stock Option Scheme 2005 (ESOP 2005)

During the year ended March 31, 2006, the Company introduced the 'Mindteck Employees Option Scheme 2005' ('the Option Scheme 2005') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on July 4, 2005 and the shareholders meeting held on July 29, 2005. The Option Scheme 2005 provides for the creation and issue of 500,000 options that would eventually convert into equity shares of Rs 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Compensation Committee of the

Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting.

During the year ended March 31, 2019, the Company has granted 24,000 options on May 29, 2018 at an exercise price of Rs. 55.15 per share.

During the year ended March 31, 2018, the Company has granted 9,600 options on May 22, 2017 at an exercise price of Rs. 81.55 per share and 30,900 options on August 08, 2017 at an exercise price of Rs. 71.85 per share.

c. Mindteck Employees Stock Option Scheme 2008 (ESOP 2008)

During the year ended March 31, 2009, the Company introduced 'Mindteck Employees Stock Option Scheme 2008' ('the Option Scheme 2008') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on May 27, 2008 and the shareholders meeting held on July 30, 2008. The Option Scheme 2008 provides for the creation and issue of 1,200,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination & Remuneration Committee of the Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting. The vesting term and the period over which the options

are exercisable is to be decided by the Nomination & Remuneration Committee.

During the year ended March 31, 2019, the Company has granted 170,000 options on August 14, 2018 at an exercise price of Rs. 48.70 per share.

During the year ended March 31, 2018, the Company has granted 118,600 options on November 08, 2017 at an exercise price of Rs. 79.65 per share and 193,400 options on February 13, 2018 at an exercise price of Rs.73.60 per share.

d. Mindteck Employees Stock Option Scheme 2014 (ESOP 2014)

During the year ended March 31, 2015, the Company introduced 'Mindteck Employees Stock Option Scheme 2014' ('the Option Scheme 2014') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on May 29, 2014 and the

shareholders meeting held on August 14, 2014. The Option Scheme 2014 provides for the creation and issue of 2,500,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting. The vesting term and the period over which the options are exercisable is to be decided by the Nomination and Remuneration Committee.

During the year ended March 31, 2019, the Company has granted 100,000 options on February 26, 2019 at an exercise price of Rs. 34.70 per share.

During the year ended March 31, 2018, the Company has granted 250,000 options on April 10, 2017 at an exercise price of Rs. 81.30 per share.

e. Employees' Stock Options details as on the balance sheet date are:

Particulars	2018-19		2017-18	
	Option (no.)	Weighted average exercise price per stock option	Option (no.)	Weighted average exercise price per stock option
Options outstanding at the beginning of the year				
ESOP 2005	1,72,800	68.03	2,00,100	71.56
ESOP 2008	6,73,553	76.37	6,05,624	65.42
ESOP 2014	5,00,000	79.70	2,50,000	78.10
Options granted during the year				
ESOP 2005	24,000	55.15	40,500	74.15
ESOP 2008	1,70,000	48.70	3,12,000	75.90
ESOP 2014	1,00,000	34.70	2,50,000	81.30
Cancelled, surrendered or lapsed during the year				
ESOP 2005	74,200	63.78	57,300	90.25
ESOP 2008	2,29,134	74.18	80,867	79.13
ESOP 2014	-	-	-	-
Exercised during the year on exercise of employee stock options/ restricted shares+				
ESOP 2005	-	-	10,500	37.64
ESOP 2008	-	-	1,63,204	33.45
ESOP 2014	-	-	-	-
Options outstanding at the end of the year				
ESOP 2005	1,22,600	67.10	1,72,800	68.03
ESOP 2008	6,14,419	69.90	6,73,553	76.37
ESOP 2014	6,00,000	73.51	5,00,000	79.70
Options exercisable at the end of the year				
ESOP 2005	82,600	67.12	97,400	58.66
ESOP 2008	2,92,086	74.11	2,01,020	65.61
ESOP 2014	2,50,000	79.17	83,333	78.10

+ The weighted average share price at the date of exercise:

Particulars	2018-19	2017-18
ESOP 2005	-	73.47
ESOP 2008	-	72.63
ESOP 2014	-	-

f. Details of Weighted average remaining contractual life and range of exercise prices for the options outstanding at the balance sheet date

Particulars	Weighted average remaining contractual life (years)*		Range of exercise prices		Fair value of options granted during the year	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
ESOP 2005	2.0	3.3	13.55 - 92.10	13.55 - 92.10	28.46	39.18
ESOP 2008	3.2	4.6	43.60 - 130.80	43.60 - 130.80	24.12	33.96
ESOP 2014	5.6	6.9	34.70 - 81.30	78.10 - 84.45	13.60	42.37

* considering vesting and exercise period

g. Fair value methodology

The following table list the inputs to the models used for the three plans for the year ended March 31, 2019 and March 31, 2018, respectively:

Particulars	March 31, 2019			March 31, 2018		
	ESOP 2005	ESOP 2008	ESOP 2014	ESOP 2005	ESOP 2008	ESOP 2014
Risk-free interest rate	7.99%	7.55%	6.93%	7.89%	7.50%	6.83%
Expected volatility of share	62.30%	62.51%	57.24%	62.60%	62.98%	62.73%
Expected dividend yield	2.07%	2.44%	1.74%	2.13%	2.53%	1.91%
Expected life (years)	4.77	4.55	4.50	4.69	4.59	4.50
Model used	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes

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

h. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Amount in Rs. lakhs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Expense arising from equity-settled share-based payment transactions	85	182
Total expense arising from share-based payment transactions	85	182

43. Service concession arrangement (SCA)

a. Significant terms of Service concession arrangement are provided below:

Particulars	Authorisation agreement signed between Municipal Corporation Bhopal ("MCB")
Nature of the asset recognised under SCA accounting	Intangible assets
Carrying value as at March 31, 2019 (Rs. in lakhs)	Rs. 932 Lakhs (March 31, 2018: Rs 563 Lakhs)
Year when SCA granted	FY 2017-18
Concession period	10 years
Extension of concession period	Not applicable
Work in progress - status	Phase 1 completed & Phase 2 partially completed
Premature termination	Not applicable
Brief description of concession	The Company has been awarded a contract under Public Private Partnership on July 26, 2017 with Municipal Corporation of Bhopal (MCB) for designing, implementation/ construction, installation, financing, and maintenance of Smart Parking System (SPS).

b. Intangible asset under development under SCA

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	563	-
Add: Cost of supplies including profit margin	93	91
Provision towards obligation under service concession arrangements	337	481
Less: Amortization for the year	61	9
Total	932	563

44. Financial instruments

The carrying value of financial instruments by categories is as below:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets -		
Non-current (measured at amortized cost)		
Security deposits ^	275	239
Fixed deposits bank with original maturity of more than 12 months#	89	27
Financial assets -		
Current (measured at fair value through profit & loss)		
Investments in mutual funds \$	1,351	810
Financial assets -		
Current (measured at amortized cost)		
Trade receivables #	7,073	5,734
Cash and cash equivalents #	1,016	2,772
Other bank balances #	36	348
Employee advances#	72	157
Security deposits ^	82	123
Claimable expenses #	162	152
Unbilled revenue #	1,776	1,789
Accrued interest #	2	4
Total assets	11,934	12,155
Financial liabilities -		
Non-current (measured at amortized cost)		
Rental deposit ^	20	19
Financial liabilities -		
Current (measured at amortized cost)#		
Bank overdraft	-	1
Trade payables	1,479	988
Unpaid dividend	7	14
Others	604	675
Total liabilities	2,110	1,697

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

\$ The carrying value of this account is measured at fair value through profit & loss and are classified as level 1 of fair value hierarchy.

Management has assessed these carrying balances approximates their fair value largely due to the short term maturities/ liquid nature.

^ These balances are determined by using discounted cash flows using discount rate that reflects the issuer's borrowing rate/ lending rate for the respective financial assets/ liabilities as at the end of the reporting period.

45. Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- interest risk
- liquidity risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relations to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Group is exposed

to credit risk from its operating activities (primarily trade receivables and unbilled revenue) from its financing activities including deposits with banks and financial institutions.

i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers as at March 31, 2019 and March 31, 2018

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables and unbilled revenue:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Gross amount	Provision and loss allowance	Gross amount	Provision and loss allowance
Trade receivables and unbilled revenue	9,210	361	8,027	504
Total	9,210	361	8,027	504

Reconciliation of provision for doubtful debts and loss allowance:

Amount in Rs. lakhs

Particulars	Amount
Provision and loss allowance on April 01, 2017	442
Changes in provision and loss allowance	62
Provision and loss allowance on March 31, 2018	504
Changes in provision and loss allowance	(143)
Provision and loss allowance on March 31, 2019	361

ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent is limited as (including bank balances, fixed deposits and margin money with banks) the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

b. Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Group's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in United States Dollars ('USD')). The Group's exposure to the risk of changes in foreign exchange

rates relates primarily to the Company's operating activities. The Group also has exposures to Great Britain Pound ('GBP') and Singapore Dollar ('SGD').

Unhedged foreign currency exposure

Foreign currency exposures that have not been hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at March 31, 2019	As at March 31, 2018
		Amount in Rs. lakhs	Amount in Rs. lakhs
Trade receivables towards services rendered	AUD	2	-
	QAR	14	20
	TRY	2	-
	USD	201	128
	Total	219	148
Trade payables for services availed	EUR	-	1
	USD	22	10
	TRY	-	-
	SGD	-	1
	Total	22	12

Sensitivity analysis

Every 1% increase or decrease of the respective foreign currencies compared to functional currency of the Group would cause the profit before exceptional items in proportion to revenue to decrease or increase respectively by 0.01% (profit before exceptional items for the year ended March 31, 2018 by 0.91%).

of changes in market interest rates relates primarily to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Group's risk of changes in interest rates relates primarily to the Group's debt obligations with floating interest rates.

c. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on entity's loss before tax due to change in the interest rate/ fair value of financial liabilities are as disclosed below:

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Change in interest rate	Effect on profit before tax	Change in interest rate	Effect on profit before tax
Borrowings	+1%	-	+1%	-
	-1%	-	-1%	-

Amount in Rs. lakhs

d. Liquidity risk

Liquidity is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

cash equivalents and the cash flow that is generated from operations. The Group believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

Exposure to liquidity risk

The table below details the Group's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The Group's principal sources of liquidity are cash and

Amount in Rs. lakhs

Particulars	Carrying value	Contractual cash flows			
		Total	On demand	< 1 Yr	> 1 Yr
March 31, 2019					
Rental deposit	20	20	-	20	-
Trade payables	1,479	1,479	-	1,479	-
Unpaid dividend	7	7	7	-	-
Others	604	604	604	-	-
	2,110	2,110	611	1,499	-
March 31, 2018					
Rental deposit	19	19	-	-	19
Bank Overdrafts	1	1	-	1	-
Trade payables	988	988	-	988	-
Unpaid dividend	14	14	14	-	-
Others	675	675	675	-	-
	1,697	1,697	689	989	19

46. Capital management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business and to maximise

the shareholders value. The capital management focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company's adjusted net debt to equity ratio is analysed as follows:

Amount in Rs. lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Total equity attributable to shareholders of the Company (A)	19,543	19,176
Total borrowings (B)*	-	1
Total Capital (C) = (A)+(B)	19,543	19,177
Total loans and borrowings as a percentage of total capital (B/C)	0%	0.01%
Total equity as a percentage of total capital (A/C)	100%	100%

No Changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

*Total borrowings represents bank overdraft.

47. Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

A. Contribution of net assets/(liability) in the consolidated financial statements:

Amount in Rs. lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount	% of total	Amount	% of total
Parent				
Mindteck (India) Limited	18,142	93%	13,737	72%
Foreign entities				
Mindteck, Inc.	361	2%	3,908	20%
Mindteck Singapore Pte Ltd.	603	3%	1,001	5%
Mindteck Software Malaysia SDN. BHD	558	3%	485	3%
Mindteck UK Limited	337	2%	206	1%
Mindteck Middle East Ltd S.P.C, Kingdom of Bahrain	-	-	(7)	0%
Mindteck Solutions Philippines Inc.	(123)	-1%	41	0%
Mindteck Canada, Inc.	44	0%	2	0%
Mindteck Netherlands BV	(17)	0%	(6)	0%
Mindteck Germany GmbH	(398)	-2%	(191)	-1%
Indian entities				
Mindteck Employee Welfare Trust	36	-	-	-
Hitech Parking Solutions Private Ltd.	-	-	-	-
Total	19,543	100%	19,176	100%

B. Contribution of profit/(loss) in the consolidated financial statements:

Amount in Rs. lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount	% of total	Amount	% of total
Parent				
Mindteck (India) Limited	718	262%	191	-34%
Foreign entities				
Mindteck, Inc.	(292)	-106%	(859)	152%
Mindteck Singapore Pte Ltd.	(45)	-16%	192	-34%
Mindteck Software Malaysia SDN. BHD	127	46%	(17)	3%
Mindteck UK Limited	(12)	-4%	12	-2%
Mindteck Middle East Ltd S.P.C, Kingdom of Bahrain	(58)	-21%	(16)	3%
Mindteck Solutions Philippines Inc.	(26)	-9%	(39)	7%
Mindteck Canada, Inc.	47	17%	-	-
Mindteck Netherlands BV	-	-	-	-
Mindteck Germany GmbH	(186)	-68%	(29)	5%
Indian entity	-	-	-	-
Hitech Parking Solutions Private Ltd.	-	-	-	-
Total	274	100%	(565)	100%

C. Share in other Comprehensive income:

Amount in Rs. lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount	% of total	Amount	% of total
Parent				
Mindteck (India) Limited	51	17%	(9)	-5%
Foreign entities				
Mindteck, Inc.	241	77%	11	8%
Mindteck Singapore Pte Ltd.	28	9%	59	40%
Mindteck Software Malaysia SDN. BHD	(14)	-4%	93	62%
Mindteck UK Limited	(1)	0%	23	15%
Mindteck Middle East Ltd S.P.C, Kingdom of Bahrain	(2)	-1%	-	-
Mindteck Solutions Philippines Inc.	1	-	(2)	-1%
Mindteck Canada, Inc.	(2)	-1%	-	-
Mindteck Netherlands BV	-	-	(1)	-1%
Mindteck Germany GmbH	10	3%	(26)	-17%
Indian entity	-	-	-	-
Hitech Parking Solutions Private Ltd.	-	-	-	-
Total	312	100%	148	100 %

D. Share in total Comprehensive income:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount	% of total	Amount	% of total
Parent				
Mindteck (India) Limited	769	131%	182	-44%
Foreign entities				
Mindteck, Inc.	(50)	-9%	(847)	203%
Mindteck Singapore Pte Ltd.	(17)	-3%	252	-60%
Mindteck Software Malaysia SDN. BHD	113	19%	75	-18%
Mindteck UK Limited	(12)	-2%	34	-8%
Mindteck Middle East Ltd S.P.C, Kingdom of Bahrain	(60)	-10%	(16)	4%
Mindteck Solutions Philippines Inc.	(27)	-5%	(41)	10%
Mindteck Canada, Inc.	45	9%	-	-
Mindteck Netherlands BV	-	-	(1)	-
Mindteck Germany GmbH	(175)	-30%	(55)	13%
Indian entity				
Hitech Parking Solutions Private Ltd.	-	-	-	-
Total	586	100%	(417)	100%

48. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(i) Ind AS 116, Lease Accounting:

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019.

(ii) Ind AS 12 - Appendix C - Uncertainty over Income Tax treatments:

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019

containing Appendix C to Ind AS 12, Uncertainty over Income Tax treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

(iii) Amendment to Ind AS 19 - Employee benefits:

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 – Employee Benefits in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019, though early application is permitted.

(iv) Amendment to Ind AS 12 – 'Income Taxes':

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 – Income Taxes. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to

distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Group is evaluating the effect of the aforementioned on its consolidated financial statements

49. The Company has entered into 'International transactions' with 'Associated Enterprises' which are subject to Transfer Pricing regulations in India. The Company is in the process of carrying out transfer pricing study for the year ended March 31, 2019 in this regard, to comply with the requirements of the Income Tax Act, 1961. The Management of the Company, is of the opinion that such transactions with Associated Enterprises are at arm's length and hence in compliance with the aforesaid legislation. Consequently, this will not have any impact on the standalone financial statements, particularly on account of tax expense and that of provision for taxation.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Rajeev Kumar

Partner

Membership number: 213803

Place: Bengaluru

Date: May 28, 2019

**for and on behalf of the Board of Directors of
Mindteck (India) Limited**

Yusuf Lanewala

Chairman

DIN - 01770426

Prashanth Idgunji

Chief Financial Officer

Place: Bengaluru

Date: May 28, 2019

Sanjeev Kathpalia

Managing Director and CEO

DIN - 05257060

Shivarama Adiga S

Company Secretary

Jagdish Malkani

Director

DIN - 00326173

Notice of the Annual General Meeting

(CIN: L30007KA1991PLC039702)

NOTICE is hereby given that the **TWENTY-EIGHTH ANNUAL GENERAL MEETING** of the Members of Mindteck (India) Limited will be held on Wednesday, August 14, 2019, at 12.00 Noon at Hotel Paraag, (behind 'The Capitol Hotel'), #3, Rajbhavan Road, Bengaluru 560001, Karnataka, India, to transact the following business:

AS ORDINARY BUSINESS:

1. Adoption of Financial Statements.

To receive, consider and adopt the Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the financial year ended March 31, 2019, together with the Board's Report and Auditor's Report thereon.

2. Declaration of Dividend.

To declare dividend of Re. 1/- (Rupee One Only) per Equity Share for the financial year ended March 31, 2019.

3. Re-Appointment of Mr. Meenaz Dhanani who Retires by Rotation.

To appoint a Director in place of Mr. Meenaz Dhanani [DIN: 06705048], who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS:

4. Re-Appointment of Mr. Jagdish Dayal Malkani as an Independent Director.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Jagdish Dayal Malkani (DIN-00326173) who was appointed as an Independent Director by the Members of the Company on August 14, 2014 at their Annual General Meeting for a term of five (5) years up to August 13, 2019, has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director for the second term of five (5) years from August 14, 2019 up to August 13, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby severally authorized to take such steps, actions and do things, deeds, matters, including the filing of necessary forms with the Ministry of Corporate Affairs and intimation to Stock Exchanges, as may be required so as to give proper effect to this Resolution."

Registered Office

A. M. R. Tech Park
Block-1, 3rd Floor
#664, 23/24
Hosur Main Road
Bommanahalli
Bengaluru-560068 India

May 28, 2019

BY ORDER OF THE BOARD for Mindteck (India) Limited

Shivarama Adiga S.
Vice President
Legal and Company Secretary

Notes:

1. A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a Member of the Company. A person can act as a proxy for not more than 50 Members and holding in aggregate not more than 10% of the total share capital. Proxies, in order to be effective, must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
2. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business, is annexed hereto.
3. Corporate Members intending to depute their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
4. A blank Attendance Slip is annexed to this Annual Report. Members/Proxies are requested to fill in their particulars on the attendance slip, affix their signature in the appropriate place and hand it to Company's officials/Registrar at the entrance of the meeting venue.
5. Pursuant to Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Register shall remain closed from August 08, 2019 to August 14, 2019 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those Members whose names appear on the Register of Members as on August 07, 2019.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.

8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Registered Office of the Company.
9. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, e-mail IDs, bank details, Electronic Clearing Services (ECS) or (NECS) compliant bank account numbers, mandates, nominations, Power of Attorney, etc., to their respective Depository Participant (DP). Changes intimated to the DP will be automatically reflected in the Company's records that will help the Company and its RTA to provide efficient and better services to members. Members holding shares in physical form are requested to intimate such changes to the RTA, Universal Capital Securities Private Limited at 21/25, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093. Contact No. 022-2820 7203-05, Fax No. 022-2820 7207. For Members holding shares in physical form, the format to update your Electronic Clearing Services (ECS) and e-mail IDs is attached in the last page of this Annual Report.
10. AS PER SEBI CIRCULAR NO. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED APRIL 20, 2018, **ANY MEMBERS STILL HOLDING THEIR SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THE PARTICULARS OF THEIR PAN NUMBER AND BANK ACCOUNT i.e. BANK ACCOUNT NUMBER, NAME OF THE BANK, ADDRESS OF THE BRANCH, IFSC , MICR CODE OF THE BRANCH AND TYPE OF ACCOUNT, TO THE COMPANY'S REGISTRAR, UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED AT 21/25, SHAKIL NIWAS, OPP. SATYA SAIBABA TEMPLE, MAHAKALI CAVES ROAD, ANDHERI (EAST), MUMBAI-400093. CONTACT NO. 022-2820 7203-05, FAX NO. 022-2820 7207, IN RESPECT OF WHICH SEPARATE COMMUNICATIONS HAVE ALREADY BEEN SENT TO SUCH SHAREHOLDERS BY THE COMPANY IN LINE WITH SEBI REQUIREMENTS.**
11. AS PER SEBI PRESS RELEASE PR No.: 12/2019 DATED MARCH 27, 2019, IT IS INFORMED THAT WITH EFFECT FROM APRIL 01, 2019, TRANSFER OF SHARES SHALL NOT BE PROCESSED UNLESS THE SHARES ARE HELD IN DEMATERIALIZED FORM WITH A DEPOSITORY. HOWEVER, THE MEMBERS ARE NOT PROHIBITED FROM HOLDING SHARES IN PHYSICAL FORM.
12. **MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONVERT THEIR HOLDING TO DEMATERIALIZED FORM TO ELIMINATE ANY KIND OF RISKS ASSOCIATED WITH THE PHYSICAL SHARES AND FOR EASE IN PORTFOLIO MANAGEMENT, SINCE PHYSICAL SHARE TRANSFERS ARE PROHIBITED BY SEBI FROM APRIL 01, 2019.**
13. Members intending to seek explanation/clarification/copy of any document at the meeting about the information contained in the Annual Report are requested to inform the Company at least a week before the AGM date of their intention to do so, in order to make the relevant information available, if the Chairman permits such information to be furnished.
14. Members who have not yet encashed their dividends for the previous years and wish to claim any outstanding dividends are requested to write to the Company's Registrar. Members' attention is particularly drawn to the "Corporate Governance Report" of the Annual Report in respect of Unclaimed Dividends on page number 51.
15. As per Section 101 and 136 read with applicable Rules of the Companies Act, 2013 and Regulation 36 of SEBI (LODR), Regulations, 2015, Companies are permitted to send documents to shareholders through electronic mode. Accordingly, the complete set of the Annual Report, along with the AGM Notice, has been sent by e-mail to those Members who have provided their e-mail IDs. Members are requested to support this initiative in full measure and contribute towards a greener environment by registering/updating their e-mail IDs. For shares held in dematerialized form, email-IDs need to be updated with their respective Depository Participants, and for shares held in physical form with the Company's RTA. Those Members who have received the email copy of the Annual Report, and also wish to receive the physical copy may write to the Company Secretary. Members requiring any information or copies of financials of the Subsidiaries may write to the Company Secretary or refer the same on the website of the Company under the Investors Section.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their vote electronically through the e-voting services provided by CDSL on all resolutions set forth in this Notice.
 - A. The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on August 11, 2019 (9.00 a.m.) and ends on August 13, 2019 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of August 07, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders/Members
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Example: if your name is Ramesh Kumar with sequence number 1 then enter RA000000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your Demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member ID/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Mindteck (India) Limited, on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option

"YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password, and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual

available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. Other Instructions:

- (i) The e-voting period commences on August 11, 2019 (9.00 a.m.) and ends on August 13, 2019 (5.00 p.m.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on August 07, 2019 (**cut-off date**), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid-up equity capital of the Company as on August 07, 2019 (**cut-off date**).
- (iii) Those investors who became shareholders of the Company after dispatch of the AGM Notice and holding shares as of August 07, 2019 (**cut-off date**) may obtain the login ID and password by sending a request to helpdesk.evoting@cdslindia.com or shivarama.adiga@mindteck.com.
- (iv) Mr. Gopalakrishnaraj H H., Practicing Company Secretary (Membership No. FCS 5654), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members, who do not have access to the e-voting process) in a fair and transparent manner.
- (v) The Scrutinizer shall, within a period not exceeding 24 hours from the conclusion of the Annual General Meeting, unblock all the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (vi) Members who do not have access to the e-voting facility may send a duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company - Mr. Gopalakrishnaraj H H., Practicing Company Secretary (Membership No. FCS 5654), at the Registered Office of the Company no later than August 13, 2019 (5.00 p.m.).
- (vii) Members have the option to request a physical copy of the Ballot Form by sending an e-mail to investors@mindteck.com or shivarama.adiga@mindteck.com by mentioning their Folio/DP ID and Client ID Number. However, the duly completed Ballot Form should reach the Registered Office of the Company no later than August 13, 2019 (5.00 p.m.).
- (viii) Any Ballot Form received after this date shall be treated as invalid.
- (ix) A Member may opt for only one mode of voting – either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done

through e-voting shall prevail and Ballot shall be treated as invalid.

- (x) The results declared, along with the Scrutinizer's Report, shall be placed on the Company's website (www.mindteck.com) and on the website of CDSL (www.evotingindia.com) within 48 hours of the passing of the Resolutions at the Twenty-Eighth AGM of the Company on August 14, 2019 and shall be communicated to the Stock Exchanges, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4: Re-appointment of Mr. Jagdish Dayal Malkani as an Independent Director.

Mr. Jagdish Dayal Malkani (DIN-00326173) was appointed as an Independent Director of the Company with effect from August 14, 2014 to August 13, 2019. Upon completion of his present term, Mr. Jagdish Dayal Malkani shall be eligible for re-appointment for a second term of up to five (5) years.

Mr. Jagdish Dayal Malkani has given a declaration to the Board of the Company that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, he has also provided the Company his consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Jagdish Dayal Malkani fulfills the conditions specified in the Companies Act, 2013 and Rules framed thereunder as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the re-appointment as an Independent Director for a term of 5 years and he is Independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the re-appointment of Mr. Jagdish Dayal Malkani as an Independent Director of the Company for a term of five (5) years from August 14, 2019 to August 13, 2024 is placed before the Shareholders for approval.

The terms and conditions of appointment of the Independent Director shall be open for inspection by the Shareholders at the Registered Office of the Company during normal working hours on any working day, excluding Saturday and Sunday.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Jagdish Dayal Malkani and his relatives, are in any way concerned or interested in the resolution set out at Item No. 4 of the Notice.

The Board recommends the resolution for the approval of the Members.

Information as per Secretarial Standards

Name	Mr. Jagdish Dayal Malkani
Age	63 years
Date of first appointment on the Board	August 08, 2013
Qualifications	Mr. Malkani was a Sloan Fellow at the Stanford Graduate School of Business in California where he earned a Master of Science degree in Management. He also holds an MBA with specialization in Finance from the Indian Institute of Management, Calcutta.
Experience	Over 30 years
Remuneration last drawn	Not Applicable
Shareholding in the Company	NIL
Relationship with other Directors/KMP of the Company	NIL
Number of Board Meetings attended during the FY 2018-19	Four (4) Board Meetings
Directorships in other Companies	<ol style="list-style-type: none"> 1. Jagvin Financial Services Private Limited 2. Jagvin Investments Private Limited 3. Senbonzakura Consultancy Private Limited 4. Hitech Parking Solutions Private Limited
Chairman/Member of the Committee(s) of Board of Directors in other Companies in which he is a Director	NIL
Terms and Conditions of Re-appointment	Mr. Malkani shall be re-appointed as an Independent Director of the Company for a period of five (5) years from August 14, 2019 to August 13, 2024 by the Board subject to the approval of the shareholders in the ensuing AGM.
Remuneration to be paid	Mr. Malkani shall be paid the sitting fees for attending the Board and Committee Meetings, if any, as approved by the Board and the profit related Commission as approved by the Board and the Members of the Company from time to time.
Performance evaluation report/summary thereof	The detailed performance evaluation of Mr. Malkani, an Independent Director, has been done by the Company on a regular basis, and in the opinion of the Chairman of the Company, the evaluation/rating of the Director exceeds the expectation level.

Registered Office

A. M. R. Tech Park Block-1
 3rd Floor, #664, 23/24
 Hosur Main Road
 Bommanahalli
 Bengaluru-560068 India
 May 28, 2019

**BY ORDER OF THE BOARD
for Mindteck (India) Limited**

Shivarama Adiga S.
 Vice President
 Legal and Company Secretary

ANNEXURE TO THE NOTICE

INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

Name of the Director	Mr. Jagdish Dayal Malkani	Mr. Meenaz Dhanani
Appointment/ Re-appointment	Re-appointment	Re-appointment
Brief Resume and nature of expertise in specific functional areas	<p>Mr. Malkani is an accomplished finance professional with extensive experience in India and Nigeria spanning over 30 years. He is an active member-broker in the capital market and futures/options segments of India's National Stock Exchange (NSE), as well as the Bombay Stock Exchange (BSE).</p> <p>Mr. Malkani manages portfolios for a select clientele of domestic and NRI high net worth individuals, both directly and through a dealer network. Renowned for Indian equity markets expertise as a fundamental analyst, he makes frequent guest appearances on CNBC, ET Now, Bloomberg UTV and NDTV Profit.</p> <p>Earlier in his career, Mr. Malkani held the role of Country Manager (India) for TAIB Capital Corporation Limited, a corporate finance, private equity and merchant banking subsidiary of Bahrain-based TAIB Bank. He also spent twelve years in Nigeria moving up the ranks to become the Managing Director at Inlaks Plc., the trading arm of Swiss-based Inlaks Group—one of the largest conglomerates in Nigeria at the time.</p> <p>Mr. Malkani was a Sloan Fellow at the Stanford Graduate School of Business in California where he earned a Master of Science degree in Management. He also holds an MBA with specialization in Finance from the Indian Institute of Management, Calcutta. In 2011, Mr. Malkani served as Honorary Secretary of the Rotary Club of Bombay, the oldest, most prestigious Rotary Club in India; today he remains a member.</p>	<p>Mr. Dhanani, a Non-Executive Director of Mindteck (India) Limited responsible for the US Operations since October 2015, serves as Director and President of Mindteck, Inc. He is a 30-plus year investment banking veteran with deep knowledge and expertise in international credit, trade and project finance, corporate finance, real estate, private equity, and venture capital investments. Prior to joining Mindteck, Mr. Dhanani headed the investment advisory subsidiary of Bahrain-based TAIB Bank where he managed the firm's portfolio of US real estate and technology investments. He holds a B.A. from Bernard M. Baruch College, where he majored in Finance and Investment Analysis.</p>
List of other Listed Companies in which Directorship is held	NIL	NIL
Chairman/Member of the Committee(s) of Board of Directors of other Listed Companies in which he is a Director	NIL	NIL
Shareholding/Stock Options in the Company	NIL	100,000 Stock Options
Relationship with other Directors/KMP of the Company	NIL	NIL

MINDTECK (INDIA) LIMITED

(CIN: L30007KA1991PLC039702)

Registered Office: A. M. R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru - 560068

ATTENDANCE SLIP

Please complete this attendance slip in all respects and hand it over at the entrance of the meeting hall.

REGD. FOLIO NO./CLIENT ID:
DP ID NO.:
NAME:
ADDRESS:
NUMBER OF SHARES:
EMAIL ID:

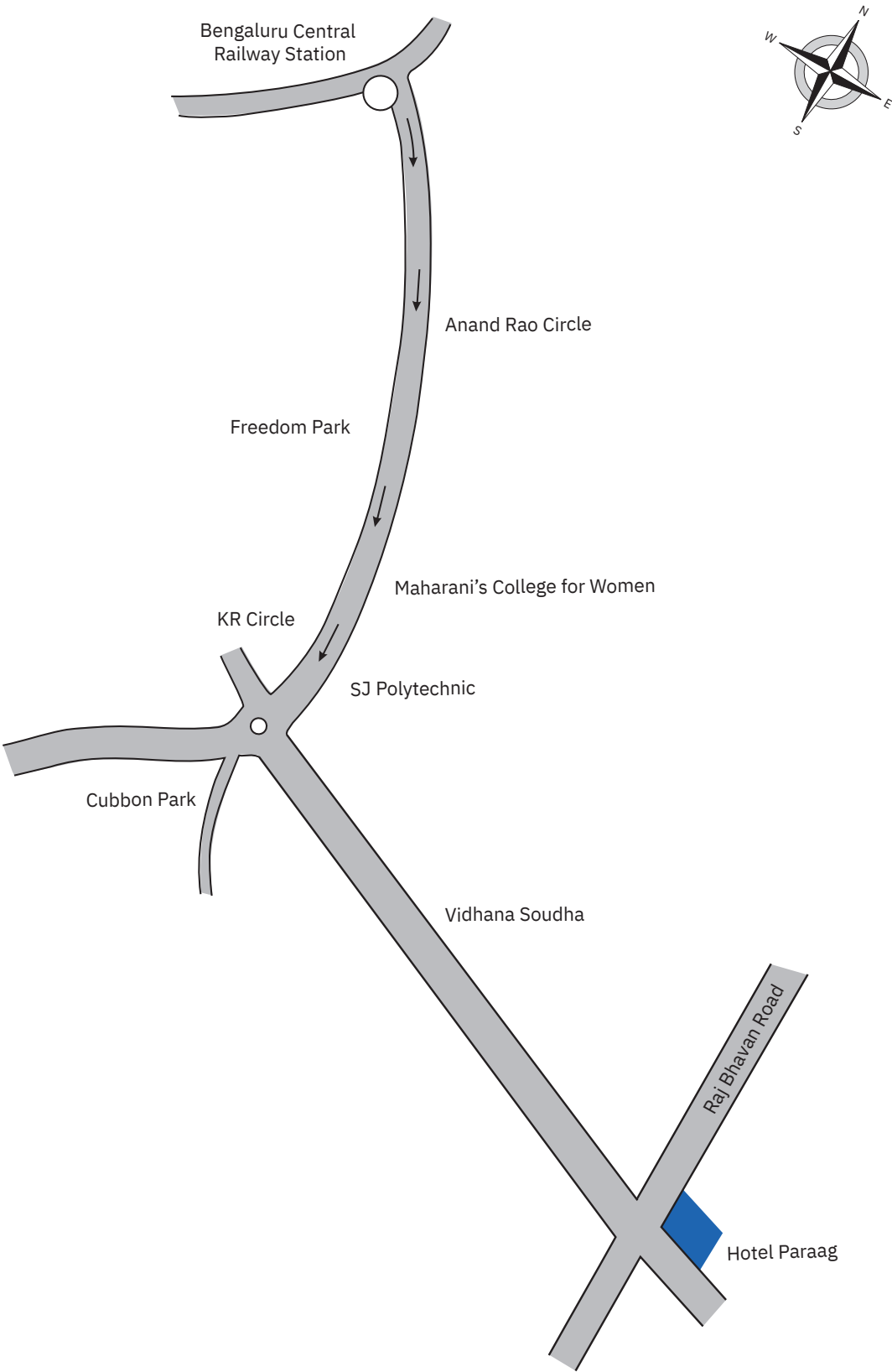
I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the TWENTY-EIGHTH ANNUAL GENERAL MEETING of the Company at Hotel Paraag (behind 'The Capitol Hotel'), #3, Rajbhavan Road, Bengaluru-560 001, Karnataka, India on Wednesday, August 14, 2019 at 12:00 Noon.

SIGNATURE OF THE SHAREHOLDER/PROXY

Note: A Proxy attending on behalf of the Member(s) shall write the name of the Member(s) from whom he holds Proxy.

Route Map to AGM Venue



MINDTECK (INDIA) LIMITED**(CIN: L30007KA1991PLC039702)**Registered Office: A.M. R. Tech Park, Block -1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru-560068, India**PROXY FORM (MGT-11)**

Name of the Member(s):

Registered Address:

E-mail ID:

Registered Folio No./Client ID No.:

DP ID No.:

Number of Shares:

I/We.....of in the district of being a Member/Members of MINDTECK (INDIA) LIMITED, hereby appoint Mr./Ms..... of in the district of or failing him/her, Mr./Ms. of in the district of as my/our proxy to attend and vote for me/us on my/our behalf at the Twenty-Eighth Annual General Meeting of the Company to be held on Wednesday, August 14, 2019 at 12:00 Noon at Hotel Paraag (behind 'The Capitol Hotel'), #3, Rajbhavan Road, Bengaluru-560 001, Karnataka, India and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution Number	Resolution	(Please mention no. of shares)	For	Against
Ordinary business				
1	To receive, consider and adopt the Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the financial year ended March 31, 2019, together with Board's Report and Auditor's Report thereon.			
2	To declare dividend of Re. 1/- per Equity Share for the financial year ended March 31, 2019.			
3	To re-appoint Mr. Meenaz Dhanani, who retires by rotation and being eligible, offers himself for re-appointment.			
Special business				
4	To re-appoint Mr. Jagdish Dayal Malkani as an Independent Director of the Company.			

Signed this day of.....

Signature of the Shareholder:

Signature of the Proxy:

Note: The proxy form duly signed across the place earmarked for Signature must reach the Company's Registered Office not less than 48 hours before the time of the meeting

Dear Shareholder,

Green Initiative

The Ministry of Corporate Affairs ("MCA") has taken a "Green initiative" by allowing paperless compliances by the companies through electronic mode.

We, at Mindteck, believe in Going Green and would like to avail this opportunity for sending all future correspondence such as notices, Annual Reports, financial statements and all other statutory documents in electronic mode. The documents sent to you in electronic mode shall also be available on the Company's website: **www.mindteck.com**.

You are requested to register/update changes of your email address with your Depository Participant or with Universal Capital Securities Pvt. Ltd., our RTA (**mindteck.investors@unisec.in**) or to the Company (**shivarama.adiga@mindteck.com**) to ensure receipt of future communications and avoid loss and delays in postal transit.

Please note, as a valued shareholder, you are always entitled to request and receive, free of cost, a printed copy of the Annual Report of the Company and all other documents. If you wish to receive future communications in physical form, please inform by writing to us at **shivarama.adiga@mindteck.com** or to the Registered Office of the Company. In case you do not communicate your preference of receiving the documents in physical form, it shall be deemed that you have consented to receive the same in electronic mode by e-mail.

We solicit your patronage and support in helping the Company to implement the Green initiatives of the Government.

Thank you,

Yours faithfully,

for Mindteck (India) Limited

sd/-

Shivarama Adiga S.

Vice President, Legal and Company Secretary

MINDTECK (INDIA) LIMITED**(CIN: L30007KA1991PLC039702)**Registered Office: A.M. R. Tech Park, Block -1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru-560068, India**BALLOT FORM (MGT-12)**{Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies
(Management & Administration) Rules, 2014}

Name of the Member(s):

Registered Address:

E-mail ID:

Registered Folio No./Client ID No.:

DP ID No.:

Number of Shares:

I/We hereby exercise my/our vote in respect of Ordinary/Special Resolution enumerated below by recording any assent/
dissent to the said resolution given below:

Resolution Number	Resolution	(Please mention no. of shares)	For	Against
Ordinary business				
1	To receive, consider and adopt the Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the financial year ended March 31, 2019, together with Board's Report and Auditor's Report thereon.			
2	To declare dividend of Re. 1/- per Equity Share for the financial year ended March 31, 2019.			
3	To re-appoint Mr. Meenaz Dhanani, who retires by rotation and being eligible, offers himself for re-appointment.			
Special business				
4	To re-appoint Mr. Jagdish Dayal Malkani as an Independent Director of the Company.			

Signed this day of.....

Signature of the Shareholder:

To

SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

Please inform your respective Depository Participant

VP- Legal and Company Secretary

A. M. R. Tech Park, Block-1, 3rd Floor #664

23/24, Hosur Main Road Bommanahalli

Bengaluru-560068

E-mail: shivarama.adiga@mindteck.com

I hereby request the Company to register my e-mail address as given below and give my consent for service of documents including the Notice of Shareholders' Meeting & Postal Ballot, Balance Sheet, Profit & Loss Account, Auditor's Report, Board's Report etc., through e-mail:

1. Folio No.
2. Name of the 1st Registered Holder
3. E-mail address

[illegible]

Name

Place

Date / /

ECS MANDATE FORM

To

FOR SHARES HELD IN PHYSICAL MODE

Please complete this form and send it to:

SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

Please inform your respective Depository Participant

Shivarama Adiga S.

VP-Legal & Company Secretary

Mindteck (India) Limited

A. M. R. Tech Park, Block-1, 3rd Floor

#664, 23/24, Hosur Main Road, Bommanahalli

Bengaluru - 560068

E mail: shivarama.adiga@mindteck.com

Dear Sir,

I hereby declare to have the amount of dividend on my equity shares through the Electronic Clearing Service (ECS).

The particulars are as under:

- 1) Folio No. _____
- 2) Name of the 1st Registered Holder _____
- 3) E-mail ID of the 1st Registered Holder _____
- 4) Bank Details
 - Name of the Bank _____
 - Full Address of the Branch _____
 - Complete Account Number _____
 - Account Type: (Please tick the relevant box for Savings Account or Current Account)

<input type="checkbox"/> Savings Account	<input type="checkbox"/> Current Account
--	--
 - Nine-Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank
(Please attach a cancelled or photocopy of cheque)

--	--	--	--	--	--	--	--	--

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

Signature of the first registered holder as per the specimen signature with the Company

Date: __/__/____

Name: _____

Address: _____

Note:

1. This form should be submitted to Mindteck (India) Limited at the address given above to reach them **on or before August 12, 2019** for the receipt of dividend declared, if any, for the financial year 2018-19.
2. This form is meant for shareholders holding shares in physical mode.
3. Shareholders holding shares in Demat mode should register their ECS particulars with their Depository Participants (DPs).

Key Industries



Analytical Instrument



Insurance



ISV



Medical Device



Semiconductor



Storage

Engagements with Leaders

Top
2 Storage
Companies

Top
5 Semiconductor
Companies

Top
4 Medical Device
Companies

Top
7 Analytical Instrument
Companies

GLOBAL LOCATIONS

INDIA, MIDDLE EAST

Bengaluru

(Global Headquarters)
A. M. R. Tech Park
Block-1, 3rd Floor
#664, 23/24
Hosur Main Road
Bommanahalli
Bengaluru - 560068
Tel: 91 80 4154 8000
Fax: 91 80 4112 5813

Kolkata

Millennium Towers
Unit: T-2 9C, Tower II, Level IX
Plot No: 62, Block DN
Sector V, Salt Lake
Kolkata 700091
Tel: 91 33 2367 4337/8
Fax: 91 33 2367 4336

Mumbai

1670, Regus
Navi Mumbai Vashi
Level 13, Platinum Techno Park
Plot No 17 & 18, Sector 30A
Vashi, Navi Mumbai
Maharashtra 400 705
Tel: 91 22 6162 3101

Bahrain

Office #44, 3rd Floor
Suhail Center, Building 81
Road 1702, Block 317
Diplomatic Area, PO Box
10795
Manama - Kingdom of Bahrain
Tel: 973 1753 4469
Fax: 973 1753 6332

UNITED STATES

Pennsylvania

(US Headquarters)
150 Corporate Center Drive
Suite 200
Camp Hill, PA 17011
Tel: 1 717 732 2211
Fax: 1 717 732 2927

New Jersey

379 Thornall Street
6th Floor
Edison, NJ 08837
Tel: 1 732 828 1792

California

39899 Balentine Drive
Suite 200
Newark, CA 94560
Tel: 1 510 490 1905
Fax: 1 717 732 2927

Texas

5600 Tennyson Parkway
Suite 185
Plano, Texas 75024
Tel: 1 888 459 2632
Fax: 1 888 467 0768

Ohio

8044 Montgomery Road
Suite 700
Cincinnati, OH 45236
Tel: 1 513-427-7001

Missouri

2 CityPlace Drive
Suite 200
St. Louis, MO 63141

CANADA

Ontario

2-215 Traders Boulevard East
Mississauga, ON L4Z 3K5

APAC

Singapore

7B Keppel Road
#05-09 PSA Tanjong
Pagar Complex
Singapore 089055
Tel: 65 6225 4516, 6372 0067
Fax: 65 6225 4517

Malaysia

Galleria@Cyberjaya Unit 16-5
Jalan Tecknokrat 6, Cyber 5
63000 Cyberjaya
Selangor Darul Ehsan, Malaysia
Tel: 603 8325 1365
Fax: 603 8325 1364

Suite 451, L3A-2, Level 3A
SPICE Arena 180
Jalan Tun Dr. Awang
11900 Relau
Pulau Pinang, Malaysia
Tel: 604 6158 029

Philippines

U802, BSA Twin Towers
Bank Drive, Ortigas Center
Mandaluyong City
1550 Metro Manila
Philippines
Tel: 63 91 7563 4298

EUROPE

United Kingdom

4 Imperial Place
Maxwell Road,
Borehamwood
Hertfordshire WD6 1JN
United Kingdom
Tel: 44 (0) 208 213 3121
Fax: 44 (0) 208 213 3001

Germany

Herriotstrasse 1
60528 Frankfurt am Main
Germany
Tel: 49 (0) 696 7733 488
Fax: 49 (0) 696 7733 200

Netherlands

Schipholweg 103
2316 XC Leiden
Netherlands
Tel: 31 (0) 71 524 9370
Fax: 31 (0) 71 524 9250

Turkey

Kozyatagi Mahallesi
Sarikanarya Sokagi
BYOFIS Plaza No:14 Kat:7
34736 Kadiköy/Istanbul,
Turkiye
Tel: 90 (216) 906 00 37

Mindteck is a global engineering and technology solutions company devoted to delivering knowledge that matters to help clients propel, compete and innovate as they move forward along the digital continuum. Its legacy expertise in embedded systems, enterprise applications and testing complements newer Analytics, Cloud, IoT, and RPA disciplines and accompanying solutions, and ensures that our clients' R&D and technology investments are maximized. Since its establishment in 1991, the company's clientele has included top-tier Fortune 1000 companies, start-ups, leading universities, and government entities. Mindteck is among a select group of global companies appraised at Maturity Level 5, Version 1.3 of the CMMI Institute's Capability Maturity Model Integration (CMMI). Mindteck is listed on both the Bombay Stock Exchange and the National Stock Exchange. Founding Member: 'The Atlas of Economic Complexity' (www.atlas.cid.harvard.edu) for the Center for International Development (CID) at Harvard University.

Office Locations: India, US, Canada, UK, Germany, the Netherlands, Singapore, Malaysia, Philippines, Turkey, and Bahrain
Development Centers: India (Kolkata and Bengaluru)